

**GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret
Anonim Şirketi and Its Subsidiaries**

Consolidated Financial Statements

**As at and For the Period Ended
30 June 2025**

With Independent Auditor's Report Thereon

18 August 2025

*This report contains "Consolidated Financial Statements
and Related Disclosures and Footnotes" comprising 49
pages.*



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

REPORT ON REVIEW OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the General Assembly of GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş.

Introduction

We have reviewed the accompanying consolidated interim statement of financial position of GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş. (the "Company") and its subsidiaries (collectively referred as the "Group") as at 30 June 2025 and the related consolidated interim statements of profit or loss, other comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes, comprising material accounting policy information and other explanatory information. The management of the Group is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with Turkish Accounting Standard 34 ("TAS 34") "Interim Financial Reporting". Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the Standard on Review Engagements ("SRE") 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and the objective of which is to express an opinion on the consolidated financial statements. Consequently, a review on the interim consolidated financial information does not provide assurance that the audit firm will be aware of all significant matters which would have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to conclude that the accompanying interim consolidated financial information is not prepared, in all material respects, in accordance with TAS 34.

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

Muratcan Aksoy, SMMM
Independent Auditor

Istanbul, 18 August 2025

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

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GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

Consolidated statement of financial position (Balance sheet) As of 30 June 2025

(Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.)

		Reviewed	Audited
	<i>Notes</i>	30 June	31 December
		2025	2024
Assets			
Current assets		1,110,975	985,769
Cash and cash equivalents	3	1,064,632	959,190
Financial Investments	4	-	1,969
<i>Financial assets-fair value through profit or loss</i>		-	1,969
Trade receivables	7.1	16,876	2,749
<i>- Due from related parties</i>	6	2,628	2,749
<i>- Due from third parties</i>		14,248	-
Receivables from finance sector activities	8	62	60
<i>- Due from finance sector activities third parties</i>	8.1	62	60
Other receivables	9.1	28	-
<i>- Due from third parties</i>		28	-
Inventories (net)	10	3,405	5,908
Prepaid expenses	11	19,716	9,215
<i>- Due from third parties</i>		19,716	9,215
Current income tax assets	12	166	558
Other current assets	22	4,020	4,050
<i>- Due from third parties</i>		4,020	4,050
Assets held for sale	13	2,070	2,070
Non-current assets		2,448,122	2,594,453
Investments in subsidiaries, business partnerships and subsidiaries	5	38,441	38,441
Tangible assets	14	2,407,523	2,552,248
<i>- Vehicles</i>		2,093,384	2,232,355
<i>- Furniture and fixtures</i>		891	737
<i>-Investment in progress</i>		313,248	319,156
Right of use assets	15	556	2,535
Intangible Assets	16	95	106
<i>- Other intangible assets</i>		95	106
Deferred tax assets	32	1,011	795
Other non-current assets	22	28	28
<i>- Due from third parties</i>		28	28
Prepaid expenses	11	468	300
<i>- Prepared expenses from third parties</i>		468	300
Total assets		3,559,097	3,580,222

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

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

Consolidated statement of financial position (Balance sheet) As of 30 June 2025

(Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.)

		Reviewed	Audited
		30 June	31 December
	<i>Notes</i>	2025	2024
Liabilities			
Current liabilities		244,172	317,154
Short term borrowings	6,17	120,162	130,359
Due to related parties		120,162	130,359
- Bank loans	17.2	119,941	128,652
- Lease liabilities	6	221	1,707
Short-term portion of long-term financial liabilities		100,343	132,273
Due to third parties		100,343	132,273
- Bank loans	17.2	100,343	132,076
- Lease liabilities		-	197
Trade payables	7.2	5,707	34,279
- Due to related parties		338	228
- Due to third parties		5,369	34,051
Payables from finance sector activities	8	247	245
- Due to third parties	8.2	247	245
Other payables	9.2	6,590	2,260
- Due to related parties		5,013	1,006
- Due to third parties		1,577	1,254
Deferred income	20	8,925	10,547
- Due to third parties		8,925	10,547
Current income tax liabilities		1,035	5,169
Short-term provisions	21	1,163	2,022
- Provisions for employee benefits	21.1	1,163	2,022
Non-current liabilities		821,229	669,820
Long-term financial liabilities		818,660	668,486
Due to third parties		818,660	668,486
- Bank loans	17.2	818,660	668,486
Long-term provisions	21	2,569	1,334
- Provisions for employee benefits	21.2	2,569	1,334
Equity		2,493,696	2,593,248
Paid-in share capital	23.1	150,000	150,000
Adjustment to share capital	23.2	1,260,347	2,037,123
Repurchased shares (-)	23.7	(18,424)	-
Premium on the shares/discount	23.3	61,458	61,458
Accumulated other comprehensive income that will never be reclassified to profit or loss	23.4	(72)	51
- Gains/losses from revaluation of defined benefits	23.4	(72)	51
Accumulated other comprehensive income that may be reclassified subsequently to profit or loss	23.5	1,785,556	1,760,969
- Currency translation differences		1,785,556	1,760,969
Restricted reserves	23.6	390,678	372,445
- Legal reserves		372,254	372,445
- Reserves for repurchased shares		18,424	-
Prior years' profits/(losses)	23.8	(1,029,924)	(1,748,478)
Net profit / (loss) for the period		(105,923)	(40,320)
Total shareholders' equity		2,493,696	2,593,248
Total equity and liabilities		3,559,097	3,580,222

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

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

Consolidated statement of profit or loss As of 30 June 2025

(Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.)

		Reviewed	Reviewed		
	Notes	1 January- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2025	1 April- 30 June 2024
Continuing operations					
Marine sector revenues	24	228,307	338,236	121,247	157,273
Marine sector expenses (-)	24	(180,606)	(240,912)	(91,367)	(132,026)
Gross profit/(loss) of marine sector activities		47,701	97,324	29,880	25,247
Gross profit/(loss) from trading activities		47,701	97,324	29,880	25,247
Finance sector operating income	25	13	7	8	7
Foreign exchange gain		13	7	8	7
Cost of finance sector activities (-)	25	-	(1)	-	(1)
Foreign exchange loss		-	(1)	-	(1)
Gross profit/(loss) from finance sector activities		13	6	8	6
Gross profit/(loss)		47,714	97,330	29,888	25,253
General administrative expenses (-)	26	(26,747)	(22,996)	(14,499)	(10,518)
Other operating income	27	66,311	29,207	7,522	17,966
Other operating expenses (-)	28	(41,988)	(953)	556	(602)
Operating profit/(loss)		45,290	102,588	23,467	32,099
Income from investment activities	29	362	3,006	166	189
Expense form investment activities (-)		(3)	-	(3)	-
Operating profit/(loss) before financial income (expenses)		45,649	105,594	23,630	32,288
Financial expenses (-)	30	(36,887)	(31,609)	(21,522)	(14,543)
Net monetary gains/(losses)	31	(111,158)	(163,683)	(39,497)	(54,553)
Profit/ (loss) before tax from continued operations		(102,396)	(89,698)	(37,389)	(36,808)
Tax income/(expenses) of continued operations	32	(3,527)	(5,309)	(2,173)	(2,833)
Taxation on income / (expenses)		(3,659)	(5,332)	(1,992)	(2,937)
Deferred tax income / (expenses)		132	23	(181)	104
Profit/(loss) for the period		(105,923)	(95,007)	(39,562)	(39,641)
Earnings / (losses) per share	33	(0.7110)	(0.6334)	(0.2676)	(0.2643)

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

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi**Consolidated statement of profit or loss and other comprehensive income As of 30 June 2025**

(Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.)

	Reviewed	Reviewed		
	1 January- 30 June 2025	1 January- 30 June 2024	1 April- 30 June 2025	1 April- 30 June 2024
	Notes			
Profit / (loss) for the period	(105,923)	(95,007)	(39,562)	(39,641)
Other comprehensive income/(expenses)				
<u>Other comprehensive income or expenses not to be reclassified to profit or loss</u>	(72)	69	(125)	19
Gains/losses from revaluation of defined benefits	(72)	69	(125)	19
<u>To be reclassified as profit or loss</u>	24,587	(130,205)	23,687	(109,695)
Currency translation differences	24,587	(130,205)	23,687	(109,695)
Other comprehensive income / (expense) (net of tax)	24,515	(130,136)	23,562	(109,676)
Total comprehensive income / (expense)	(81,408)	(225,143)	(16,000)	(149,317)
Appropriation of total comprehensive income / (expense)	(81,408)	(225,143)	(16,000)	(149,317)
Equity holders of the parent	(81,408)	(225,143)	(16,000)	(149,317)

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

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

Consolidated statement of changes in equity

For the period ended 30 June 2025

((Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRYas of June 30, 2025.)

					Other comprehensive income or expenses not to be reclassified to profit or loss	Other comprehensive income or expenses to be reclassified to profit or loss				Accumulated losses		
	Notes	Paid-in Capital	Adjustment to share capital	Repurchased Shares	Share Premium/ Discounts	Gains/losses from revaluation of defined benefits	Foreign currency translation adjustment	Restricted reserve	Prior years' profits/ (losses)	Net profit/loss for the period	Equity attributable to equity holders of the parent	Total Equity
Prior period												
1 January 2024		150,000	2,037,123	-	61,458	32	1,959,299	370,066	(1,234,353)	(513,760)	2,829,865	2,829,865
Transfers		-	-	-	-	(32)	-	713	(514,441)	513,760	-	-
Transfers to prior years' profits/(losses)		-	-	-	-	(32)	-	713	(514,441)	513,760	-	-
Total comprehensive income or loss		-	-	-	-	77	(130,213)	-	-	(95,007)	(225,143)	(225,143)
Net profit or loss for the period		-	-	-	-	-	-	-	-	(95,007)	(95,007)	(95,007)
Other comprehensive income or loss		-	-	-	-	77	(130,213)	-	-	-	(130,136)	(130,136)
The increase / decrease due to other changes		-	-	-	-	-	-	1,893	681	-	2,574	2,574
Balance as at 30 June 2024		150,000	2,037,123	-	61,458	77	1,829,086	372,672	(1,748,113)	(95,007)	2,607,296	2,607,296
Current period												
1 January 2025	23	150,000	2,037,123	-	61,458	51	1,760,969	372,445	(1,748,478)	(40,320)	2,593,248	2,593,248
Transfers		-	(776,776)	-	-	(51)	-	-	736,507	40,320	-	-
Transfers to prior years' profits/(losses)		-	(776,776)	-	-	(51)	-	-	736,507	40,320	-	-
Total comprehensive income or loss		-	-	-	-	(72)	24,587	-	-	(105,923)	(81,408)	(81,408)
Net profit or loss for the period		-	-	-	-	-	-	-	-	(105,923)	(105,923)	(105,923)
Other comprehensive income or loss		-	-	-	-	(72)	24,587	-	-	-	24,515	24,515
Increase (Decrease) Due to Share Buyback Transactions		-	-	(18,424)	-	-	-	18,424	(18,424)	-	(18,424)	(18,424)
The increase / decrease due to other changes		-	-	-	-	-	-	(191)	471	-	280	280
Balance as at 30 June 2025	23	150,000	1,260,347	(18,424)	61,458	(72)	1,785,556	390,678	(1,029,924)	(105,923)	2,493,696	2,493,696

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

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

Consolidated Statement of Cash Flows For the Period Ended 30 June 2025

((Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.))

		Reviewed	Reviewed
	Notes	30 June 2025	30 June 2024
Cash Flows (Indirect method)			
Cash flow from operating activities		159,542	233,669
Profit/(loss) for the period		(105,923)	(95,007)
Profit/(loss) from continuing operations		(105,923)	(95,007)
Adjustments related with the reconciliation of net profit/(loss) for the period		279,247	388,337
Adjustments related to depreciation and amortization	14,15,16	66,706	74,797
Adjustments related to provisions		2,673	2,122
Provisions for employee benefits	21	2,673	2,122
Adjustments related to interest expenses and income		(28,014)	4,200
Interest income		(64,901)	(27,409)
Interest expenses		36,887	31,609
Adjustments related to unrealized foreign currency translation differences		129,008	179,681
Adjustments related to tax (income)/expenses		3,527	5,309
Adjustments related to monetary gains/losses		105,347	122,228
Realized changes in working capital		(64,453)	(87,527)
Changes in financial investments		1,969	24,638
Adjustments related to changes in trade receivables		(14,127)	(1,138)
Changes in receivables from financial activities due to related parties		121	628
Changes in receivables from financial activities due to third parties		(14,248)	(1,766)
Changes in receivables from financial activities		(2)	16
Adjustments related to changes in other receivables from financial activities		(28)	-
Changes in other receivables from financial activities due to third parties		(28)	-
Adjustments related to changes in inventories	10	2,503	554
Changes in prepaid expenses	11	(10,669)	(5,232)
Adjustments related to changes in trade payables		(28,572)	20,756
Changes in trade payables due to related parties		110	(459)
Changes in trade payables due to third parties		(28,682)	21,215
Change in finance sector payables		2	(35)
Adjustments related to the changes in other payables related to operations		4,330	197
Changes in operations from other payables due to related parties		4,007	(38)
Changes in operations from other payables due to third parties		323	235
Changes in deferred income (other than contractual obligations)		(1,622)	(4,817)
Adjustments related to other changes in working capital		(18,237)	(122,466)
Changes in other assets related to operations		(18,845)	(132,190)
Changes in other liabilities related to operations		608	9,724
Cash flows derived from operating activities		108,871	205,803
Interest received		62,675	38,097
Employee benefits paid		(1,733)	(1,296)
Tax paid		(10,271)	(8,935)
Cash flows from investing activities		(2,445)	(1,261)
Cash inflows arising from the sales of tangible and intangible fixed assets	14	-	2,080
Cash inflows arising from the sales of tangible		-	2,080
Cash outflows arising from the purchase of tangible and intangible fixed assets	14	(2,807)	(6,347)
Cash outflows from purchases of tangible fixed assets		(2,807)	(6,347)
Cash inflows from participation (profit) share and other financial instruments		362	3,006
Cash flow from financing activities		54,894	(114,204)
Cash Outflows Related to the Purchase of the Company's Own Shares and Other Equity Instruments		(18,424)	-
Cash Outflows Arising from the Purchase of the Company's Own Shares		(18,424)	-
Cash inflows from borrowings		914,038	-
Cash inflows from bank loans		914,038	-
Cash outflows from payment of financial borrowings		(807,115)	(81,822)
Cash outflows repayments of bank loans		(807,115)	(81,822)
Cash outflows on debt payments from lease contract		(1,683)	(1,591)
Interest paid		(31,922)	(30,791)
Net increase/(decrease) in cash and cash equivalents before the effect of foreign currency translation differences		211,991	118,204
Effect of change in foreign exchange rates on cash and cash equivalents		(40,726)	226
Net increase/(decrease) in cash and cash equivalents		171,265	118,430
Cash and cash equivalents at 1 January		807,861	653,985
Inflation effect on cash and cash equivalents		(35,942)	(129,685)
Cash and cash equivalents at 30 June	3	943,184	642,730

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

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

Notes to the consolidated financial statements As of 30 June 2025

(Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.)

1. Organization and operations of the Group

GSD Denizcilik Gayrimenkul, İnşaat Sanayi ve Ticaret Anonim Şirketi ("the Company") was established as a GSD Group Company in 1992. As of 30 June 2025 30.45% of certain shares of the Company are listed on Borsa İstanbul (BIST) since 20 February 1995.

The Company started its activities under the name of Tekstil Finansal Kiralama Anonim Şirketi in the frame of the provisions "Financial Leasing Law" dated in 1992 and numbered 3226. According to the Board of Directors resolution dated 25 May 2011, the Company decided to initiate the process regarding the amendment of the articles of association to change the operating activity, due to the sectoral contraction. According to the amendment of articles of association, the title and name of the Company have been changed as "GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi" and "GSD Marin", respectively. Based on the amendment of articles of association, the Company's purpose and activity is decided as purchasing and selling, operating, renting, building, and trading of ships, yachts, sea vessels, and relevant instruments, equipment and spare parts; and the purchasing and selling, renting and building real estate properties. The Company's amendment of articles of association was submitted to and approved by the shareholders in the Extraordinary General Meeting held on 24 August 2011 subsequent to the approvals of Banking Regulation and Supervision Agency ("BRSA"), Capital Markets Board of Türkiye ("CMB") and the other relevant authorities. The Company's new title was registered on 26 August 2011 as GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi (the former legal title; "Tekstil Finansal Kiralama Anonim Şirketi").

The Company would be able to prosecute its rights and claims resulting from the leasing agreements signed with its former title until its former operating activity is completely ended; on the condition that no new leasing activity or agreement is taken upon, to carry out legal operations for the execution of supplemental agreements, amendment contracts such as change of lessee, term extension and reduction, and similar amendments, annulment of contract, legally follow up of lease receivables to get the underlying leased assets back and collection of receivables; and to partially or completely transfer and assign.

The Company initiated its operations in the shipping sector through its wholly-owned subsidiaries in Malta by taking delivery of two dry bulk carriers, whose construction was completed in 2013 and 2014, and subsequently placing them on charter. The Company currently operates a total of two dry bulk carriers, each owned by one of its two wholly-owned Maltese subsidiaries. Furthermore, the vessel recorded as an asset of Nehir Maritime Limited, a company incorporated in the Marshall Islands, commenced operations in August 2023.

The address of the Company's registered office is Aydınevler Mahallesi, Kaptan Rıfat Sokak, No: 3 Küçükyalı - 34854 Maltepe-İstanbul. As at 30 June 2025 the Company has 18 employees (31 December 2024: 17).

As of 30 June 2025, and 31 December 2024 information about shareholders and their percentages are as follows:

	30 June 2025		31 December 2024	
	Amount	%	Amount	%
GSD Holding A.Ş. ("Directly")	102,000	68.00	102,000	68.00
Listed	45,670	30.45	47,850	31.90
GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret A.Ş.**	2,180	1.45	-	-
Hakan Yılmaz (Directly)	150	0.10	150	0.10
Historical amount	150,000	100.00	150,000	100.00
Share capital inflation adjustment differences*	1,260,347		2,037,123	
Adjustment for inflation amount	1,410,347		2,187,123	

* As of December 31, 2023, the purchasing power amount of 776,776 TRY arising from inflation accounting as of June 30, 2025, has been offset against the capital adjustment positive difference resulting from the application of inflation accounting.

** Information is provided in section 23.8 on redeemed shares. As of June 30, 2025, 30.45% of the shares (December 31, 2024: 31.90%) are publicly traded, as disclosed in the company's capital structure presented above.

As of 30 June 2025, and 31 December 2024, the distribution of the Company's shares on the basis of group is as follows:

	30 June 2025	31 December 2024
Group A	25,803	25,803
Group B	10,754	10,754
Group C	106,991	106,991
Group D	6,452	6,452
	150,000	150,000

GSD Denizcilik Gayrimenkul İnşaat Sanayi ve Ticaret Anonim Şirketi

Notes to the consolidated financial statements As of 30 June 2025

(Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.)

1. Organization and operations of the Group (Continued)

In accordance with the decision of the Board of Directors of the Company dated 8 September 2021 and numbered 971; Within the registered capital ceiling of TRY 250.000, a capital of TRY 97.819 of the issued capital amounting to TRY 52.181, to be fully paid in cash, over the exercise price of TRY1 for 100 shares with a nominal value of TRY1. The process of increasing the issued capital up to TRY 150.000 has been approved by the Capital Markets Board with the letter numbered E-29833736-105.01.01.01-11967 dated October 18, 2021. Amendment text of article 6 titled "Registered Capital" of our company's articles of association. It was registered by the Istanbul Trade Regis TRY Directorate on 28.10.2021 and registered and announced in the Turkish Trade Regis TRY Gazette dated 28 October 2021 and numbered 10440. Every shareholder has voting right in proportion to the shares. However, Group A, B and D shareholders are privileged in the selection of the Board of Directors, and Group A and B shareholders are privileged in electing auditors. There are no privileges given to shareholders in the process of profit distribution. GSD Holding holds the entire Group A, B and D shares and it holds Group C shares amounting to TRY 58,991.

The Company's and the Consolidated Group Companies' Activities

In the consolidated financial statements, the Company and the subsidiaries that are subject to consolidation are described as "the Group". The subsidiaries that are included in the consolidation as at 30 June 2025, the activity areas and the Group's shares in these subsidiaries are as follows:

Subsidiary	Country of Establishment	Area of Activity	Final Rate%	
			30 June 2025	31 December 2024
Cano Maritime Ltd.	Malta	Marine	100,00	100,00
Hako Maritime Ltd.	Malta	Marine	100,00	100,00
Nehir Maritime Ltd.	Marshall Islands	Marine	100,00	100,00
GSD Ship Finance B.V.	Holland	Finance	100,00	100,00

2. Basis of presentation of financial statements

2.1 Basis of presentation

2.1.1 Principles of financial statement preparation and Declaration of Conformity

The consolidated financial statements 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 article 5 of the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") of the Capital Market Board ("CMB") published in the Official Gazette dated 13 June 2013 and numbered 28676. TFRS includes Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, TAS Interpretations and TFRS Interpretations issued by POA. It is presented in accordance with the formats determined in the "Announcement on TFRS Taxonomy" published on July 4, 2024 and the Financial Statement Samples and User Guide published by the CMB.

Approval of financial statements:

Consolidated financial statements were approved by the Company's Board of Directors on 18 August 2025. The Company's General Assembly has the right to change these consolidated financial statements and to request the relevant regulatory institutions to be changed.

2.1.2 Functional and Reporting Currency

The Company's statutory financial statements are prepared in Turkish Lira in accordance with the Turkish Commercial Code ("TCC"), tax legislation the Uniform Chart of Accounts published by the Minis TRY of Finance and in accordance with the financial reporting format published by the CMB.

Subsidiaries residing abroad prepare their accounting records and financial statements in accordance with the principles and rules of the countries where they are established.

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2. Basis of presentation of financial statements (continued)

2.1 Basis of presentation (continued)

2.1.2 Functional and Reporting Currency (continued)

The consolidated financial statements have been prepared based on the legal records of the Company and its subsidiaries and are expressed in Turkish Lira ("TRY"). As mentioned above, in order to fairly present the financial position of the Company and its subsidiaries in accordance with the Turkish Financial Reporting Standards (TFRS) issued by the Public Oversight, Accounting and Auditing Standards Authority (POA), certain adjustments and reclassifications have been made.

In the preparation of the financial statements concerned, for non-current assets held for sale, the lower of carrying amount and fair value less costs to sell has been used, while historical cost has been applied for other statement of financial position items. The functional currency of Cano Maritime Limited, Hako Maritime Limited, Nehir Maritime Limited and GSD Ship Finance companies within the scope of consolidation of the Group is US Dollars. The functional currency of the Company is TRY.

The Group's presentation currency is TRY. Financial statements prepared in US Dollars within the scope of TAS 21 have been converted into TRY by the following method:

- (a) Assets in the balance sheet have been converted into TRY using the US Dollar foreign exchange buying rate and liabilities have been converted into TRY using the foreign exchange selling rate announced by the Central Bank of the Republic of Turkey on the balance sheet date. The capital account of the company is shown based on the nominal capital amount, all other equity items are kept at their historical Turkish Lira values and all differences are accounted in the foreign currency translation differences account.
- (b) The statement of profit or loss and other comprehensive income has been translated into TRY using monthly average exchange rates.
- (c) All resulting exchange differences are shown as a separate element of equity under the name of translation difference.

2.1.3 Preparation of financial statements in hyperinflationary periods

Pursuant to the decision of the Capital Markets Board (CMB) dated December 28, 2023, and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards have decided to implement inflation accounting in accordance with the provisions of TFRS 29, starting from the annual financial reports for the periods ended December 31, 2023.

POA made a statement regarding the scope and application of TMS 29 on 23 November 2023. It has been stated that the financial statements of businesses applying Turkish Financial Reporting Standards for the annual reporting period ending on or after December 31, 2023, should be presented by adjusting for the effect of inflation in accordance with the relevant accounting principles in TMS 29.

In this context, the Group has also presented its consolidated financial statements as of June 30, 2024 and December 31, 2024 in terms of purchasing power as of June 30, 2025.

Rearrangements made in accordance with TMS 29 were made using the correction coefficient obtained from the Consumer Price Index in Turkey ("CPI") published by the Turkish Statistical Institute ("TURKSTAT"). As of June 30, 2025, the indices and correction coefficients used in the correction of financial statements are as follows:

Date	Index	Correction coefficient	Three years cumulative inflation rates
30.06.2025	3,132.17	1.00000	220%
31.12.2024	2,684.55	1.16674	291%
30.06.2024	2,319.29	1.35049	324%

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2. Basis of presentation of financial statements (continued)

2.1 Basis of presentation (continued)

2.1.3 Preparation of financial statements in hyperinflationary periods (continued)

The outlines of TAS 29 indexing procedures are as follows:

All items, except those shown with current purchasing power as of the balance sheet date, are indexed using the relevant consumer price index coefficients. Amounts from previous years are also indexed in the same way.

Financial statements for previous reporting periods have been adjusted based on the current purchasing power of money at the last balance sheet date. The current period adjustment coefficient has been applied to the previous period financial statements.

Monetary asset and liability items are not subject to indexation because they are expressed in current purchasing power at the balance sheet date. Monetary items are cash and items to be received or paid in cash.

Non-monetary assets and liabilities are restated by reflecting the changes in the general price index between the date of purchase or initial recording and the balance sheet date to the purchase costs and accumulated depreciation amounts. Thus, tangible assets, intangible assets, right-of-use assets and similar assets are indexed based on their purchase values, not exceeding their market values. Depreciations have also been adjusted in a similar manner.

The amounts included in shareholders' equity have been adjusted as a result of the application of consumer price indices in the periods when these amounts were added to the company or formed within the company.

All items in the income statement, except for non-monetary items in the balance sheet that have an impact on the income statement, are indexed with coefficients calculated over the periods in which the income and expense accounts are first reflected in the financial statements.

Gain or loss resulting from general inflation on the net monetary position; It is the difference between adjustments made to non-monetary assets, equity items and income statement accounts. This gain or loss, calculated on the net monetary position, is included in the net profit.

All items presented in the statement of cash flows are expressed in terms of the current measurement unit at the end of the reporting period and adjusted for inflation. The impact of inflation on cash flows from operating, investing and financing activities is attributed to the relevant item and monetary gain or loss on cash and cash equivalents is presented separately.

"TAS 29 is valid for the Company whose functional currency is TRY. Since the functional currency of the Subsidiaries is the US dollar, TAS 29 is not applied to the subsidiaries."

2.1.4 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee,
- is exposed, or has rights, to variable returns from its involvement with the investee; and,
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holding of the other vote holders,
- potential voting rights held by the Company, other vote holders or other parties,
- rights arising from other contractual arrangements; and
- additional fact and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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2. Basis of presentation of financial statements (continued)

2.1 Basis of presentation (continued)

2.1.4 Basis of consolidation (continued)

Each component of profit or loss and other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this result in non-controlling interests having a deficit balance.

The Company has owned 100% share of all subsidiaries and has no non-controlling shares in the consolidated financial statements.

The consolidated financial statements consist of the financial statements of the Company and its subsidiaries as at 30 June 2025 and were prepared according to the principles below:

- i) The statements of financial position and income statements were subjected to consolidation by using full consolidation method, and the registered values of the subsidiaries in the Company books and the equity capitals of the subsidiaries in the financial statements were reciprocally clarified. The consolidated financial statements were cleared of all the balances and transactions that resulted from the transactions between the subsidiaries and the Company and of all kinds of unearned income.
- ii) In the preparation of the financial statements of the subsidiaries that are included in the consolidation, the necessary corrections and classifications were applied to the records – which were kept based on historical costs – with regards to conformity to TFRS and to the accounting principles and policies and presentation of the Company.
- iii) The operating results of the subsidiaries were included in the consolidation being effective as at the date the control in the aforementioned companies was transferred to the Company.

2.1.5 Comparative information

Consolidated financial statements of the Group have been prepared comparatively with the prior period in order to determine the financial position, performance and trends of the Group's cash flows. In order to maintain consistency with current year consolidated financial statements, comparative information is reclassified and significant changes are disclosed, if necessary.

2.1.6 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position (balance sheet) when there is a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.1.7 Going concern

The Company prepared its consolidated financial statements according to the going concern assumption.

2.2 Changes in accounting policies

Significant changes in accounting policies are applied retrospectively and the financial statements of the previous period are rearranged. The Group applied its accounting policies consistently with the previous fiscal year.

2.3 Changes in accounting estimates

If the changes in accounting estimates relate to a specific period, they are applied in the period they relate to whereas if the changes are related to future periods, they are applied both in the period the change is made and prospectively in the future periods. There has not been any significant change in the accounting estimates of the Group in the current year. Material accounting errors are adjusted retrospectively and prior periods' consolidated financial statements are restated.

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2. Basis of presentation of financial statements (continued)

2.3 Changes in accounting estimates (continued)

The preparation of financial statements in accordance with the Financial Reporting Legislation requires management to make decisions and make assumptions and decisions that affect the implementation of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The assumptions and the assumptions underlying the estimates are continuously reviewed. Updating in accounting estimates are recognized in the period in which they are updated and in subsequent periods. The main areas where the estimates are used are as follow:

- a- Residual Value: The Group management estimates the residual value of the ships based on the industry and past experience and reviews the forecast each period.
- b- Useful Lives: The Group management allocates depreciation for ships according to the useful lives determined based on the sector and past experience.

2.4 Changes in Turkish Accounting Standards

a. Changes and interpretations made to the existing previous standards with the new standards effective as of June 30, 2025.

- **Amendments to TAS 21 - Lack of Exchangeability;** effective from annual periods beginning on or after 1 January 2025. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

b. Standards, amendments, and interpretations published but not yet effective as of June 30, 2025:

- **Amendment to TFRS 9 and TFRS 7 - Classification and Measurement of Financial Instruments;** effective from annual reporting periods beginning on or after 1 January 2026 (early adoption is available) These amendments.
 - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
 - add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
 - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).
- **Annual Improvements to TFRSs – 11th Amendment;** effective for annual reporting periods beginning on or after January 1, 2026 (early application permitted). Annual improvements are limited to amendments that clarify the wording of an Accounting Standard or correct relatively minor unintended consequences, oversights, or inconsistencies in the provisions of Accounting Standards. The 2024 amendments relate to the following standards:
 - TFRS 1 First Application of Turkish Financial Reporting Standards;
 - TFRS 7 Financial Instruments: Disclosures and Guidance on the Application of TFRS 7 as set out in the Standard;
 - TFRS 9 Financial Instruments;
 - TFRS 10 Consolidated Financial Statements and
 - TFRS 7 Cash Flow Statement.
- Changes to contracts referring to nature-dependent electricity under TFRS 9 and TFRS 7; effective for annual reporting periods beginning on or after January 1, 2026 (early application permitted subject to local approvals). These amendments modify the 'own use' and hedge accounting provisions of TFRS 9 and introduce targeted disclosure requirements in TFRS 7. These amendments apply only to contracts that expose an entity to variability in the underlying quantity of electricity because the source of electricity generation is dependent on uncontrollable natural conditions (such as weather). These contracts are defined as "contracts referring to nature-dependent electricity."

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2. Basis of presentation of financial statements (continued)

2.4 Changes in Turkish Accounting Standards (continued)

- **IFRS 18 Presentation and Disclosure in Financial Statements;** effective from annual periods beginning on or after 1 January 2027. This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures;** effective from annual periods beginning on or after 1 January 2027. Earlier application is permitted. This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries' financial statements with cost savings for preparers. IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary is eligible if:
 - it does not have public accountability;
 - and it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.
- **IFRS 17, 'Insurance Contracts';** effective for annual reporting periods beginning on or after January 1, 2023. This standard replaces IFRS 4, which currently allows for a wide variety of approaches. IFRS 17 will fundamentally change the accounting for all entities that issue insurance contracts and investment contracts with optional participation features.

Furthermore, in its letter dated April 6, 2023, addressed to the Turkey Insurance, Reinsurance and Pension Companies Association, the Public Oversight Authority (POA) stated that it has concluded that it would be appropriate to apply IFRS 17 as of January 1, 2024, in the consolidated and individual financial statements of insurance and reinsurance companies, pension companies, banks with shareholdings/investments in these companies, as well as other companies with shareholdings/investments in these companies..

On the other hand, pursuant to Article 13(1)(a) of the "Regulation Amending the Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies" issued by the Insurance and Private Pension Regulation and Supervision Board (SEDDK), which was originally set for "January 1, 2024," has been changed to "January 1, 2025." Consequently, in its letter dated February 15, 2024, sent to the Turkish Banking Association, the POA stated that insurance, reinsurance, and pension companies, banks with holdings/investments in these companies, and other companies with holdings/investments in these companies, in their consolidated and individual financial statements.

According to the first paragraph of Article 13(a) of the "Regulation Amending the Regulation on Financial Reporting of Insurance and Reinsurance Companies and Pension Companies" issued by SEDDK, due to the change in the effective date of IFRS 17 from "January 1, 2025" to "January 1, 2026" as well as banks and other companies with holdings/investments in these companies, are required to postpone the effective date of IFRS 17 to January 1, 2026 in their consolidated and individual financial statements.

2.5 Summary of significant accounting policies

(a) Financial instruments

IFRS 9 regulates the provisions regarding the recognition and measurement of financial assets and financial liabilities. This standard replaces TAS 39 Financial Instruments: Recognition and Measurement.

Classification of financial assets and liabilities

IFRS 9 largely retains the existing provisions in TAS 39 for the classification and measurement of financial liabilities. However, the previous TAS 39 classification categories have been removed for financial assets held to maturity, loans and receivables, and financial assets available for sale.

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2. Basis of presentation of financial statements (Continued)

2.5 Summary of significant accounting policies (Continued)

The application of TFRS 9 did not have a significant impact on the Group's accounting policies regarding its financial liabilities and derivative financial instruments. The impact of TFRS 9 on the classification and measurement of financial assets is given below.

According to TFRS 9, when a financial asset is recognized for the first time; measured at amortized cost; debt instruments measured at fair value ("FVM") through other comprehensive income; Equity instruments measured at fair value through other comprehensive income, or as measured at fair value through profit or loss.

Classification of financial assets within the scope of TFRS 9 is generally based on the business model the entity uses to manage financial assets and the characteristics of the financial asset's contractual cash flows. Within the scope of the standard, the obligation to separate the embedded derivatives from the financial asset has been eliminated, and it should be evaluated how to classify a hybrid contract as a whole.

A financial asset is measured at amortized cost if both of the following conditions are met and it is not classified as measured at fair value through profit or loss:

- Holding the financial asset under a business model aimed at collecting contractual cash flows; and,
- The contractual terms of the financial asset result in cash flows on certain dates that include only payments of principal and interest on the principal balance.

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met and it is not classified as at fair value through profit or loss:

- Holding the financial asset under a business model aimed at collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset result in cash flows on certain dates that include only payments of principal and interest on the principal balance.

In the initial recognition of investments in equity instruments not held for trading, an irrevocable choice may be made to present subsequent changes in fair value in other comprehensive income. The choice of this preference can be made on the basis of each investment.

All financial assets not measured at amortized cost or by recognizing the GUD difference in other comprehensive income are measured by recognizing the GUD difference in profit or loss. This includes all derivative financial assets.

At initial recognition of financial assets, a financial asset is irrevocably recognized at fair value through profit or loss, provided that it eliminates or significantly reduces an accounting mismatch that would result from different measurement of financial assets and related gains or losses can be defined as measured by reflection. In the initial measurement of financial assets other than those at fair value through profit or loss (except for trade receivables that are measured at transaction price at initial recognition and do not have a significant financing component), the transaction costs directly attributable to their acquisition or issuance are added to the fair value.

Impairment of Financial Assets

TFRS 9 replaces the 'incurred loss' model in TAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. Under TFRS 9, credit losses are recognized earlier than under TAS 39.

The financial assets at amortized cost consist of trade receivables, cash and cash equivalents, and corporate debt securities.

Under TFRS 9, loss allowances are measured on either of the following bases:

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

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

Impairment of Financial Assets (Continued)

The Group measures loss allowances at an amount equal to lifetime ECLs. The Group has elected to measure loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Trade Receivables

The analysis for the TFRS - 9 provisioning calculation model includes the trade receivables. The Group has calculated the ECL's based on the experience of credit losses in the last three years. The Group performed the calculation of ECL separately for each customer. Exposures within each group were segmented based on common credit risk characteristics such as credit risk grade, delinquency status, geographic region, age of relationship.

Receivables from the finance sector operations

Receivables from the finance sector operations consist of financial lease receivables and the total of minimum lease payments are carried at net value after the unearned income including the financial lease interest for the subsequent years are deducted from the gross financial lease receivables including interest and capital amounts.

As lease payments are made, the lease amount is deducted from the gross financial lease receivables and the part of the lease payment in the unearned income pertaining to the interest is recognized as financial lease interest income in profit or loss.

Receivables from the finance sector operations and other receivables are recognized in the financial statements over their remaining values after the amount of provision booked for their non-collectible parts are deducted. Provisions are booked over the book value of the receivables which are confirmed to be impaired based on the regular reviewing of the receivables from finance sector operations and other receivables in order to bring them to their collectible values. A receivable which has become doubtful is derecognized after the completion of all legal procedures and calculation of the net loss.

Financial Liabilities

Financial liabilities are measured initially at fair value. Any transaction costs directly attributable to the undertaking of a financial liability are added on the fair value of the financial liability. These financial liabilities are subsequently measured at amortized cost using the effective interest method and differences between initially recognized costs are recognized in profit or loss statement until maturity.

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss ("FVTPL") or other financial liabilities.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

Other financial Liabilities

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

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis. Common credit risk characteristics such as credit risk grade, delinquency status, geographic region, age of relationship.

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

Derivative financial instruments

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates.

The significant interest rate risk arises from bank loans. The use of financial derivatives is governed by the Group's policies approved by the board of directors, which provide written principles on the use of financial derivatives consistent with the Group's risk management strategy.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivative financial instruments are measured at fair value after initial recognition. Changes occurred are recognized as mentioned below:

If the financial instrument holds for aiming risk management and does not carry out the necessities of hedge accounting, these financial instruments are classified as held for trading. Thus, differences due to fair value calculations are recognized within gains/losses from derivative financial transactions' account.

All financial assets not classified as measured at amortized for the FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized for the at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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

(b) TFRS 16 Leases

TFRS 16 introduced a single lease accounting model for tenants. As a result, the Group, as a lessee, recognized the right-of-use asset representing the right to use the underlying asset and lease liabilities representing the lease payments for which it is obliged to pay rent. Accounting for the lessor is similar to previous accounting policies.

Lease Definition

While previously decided by the Group at the inception of a contract based on TFRS Interpretation 4 "Determining whether an Agreement includes a lease", the Group now evaluates whether a contract includes a lease on the basis of the new lease definition.

If the right to control the use of an asset defined in accordance with TFRS 16 is transferred for a certain period of time, the contract is a lease or includes a lease.

The group has allocated to each lease and non-lease component, based on its relative stand-alone price, at the reassessment or inception of a contract containing a lease component. However, for properties it rents in, the Group has chosen not to separate non-lease components and to account for non-lease and non-lease components as a single lease component.

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

As tenant

The Group leases many assets including real estate and land vehicles. As the lessee, the Group has previously classified the lease as operating or financial lease based on an assessment of whether all the risks and benefits arising from ownership of the asset have been transferred. In accordance with TFRS 16, the Group has recognized right-of-use assets and lease payables for most of its leases, in other words, these leases are presented in the statement of financial position. The Group presented its lease obligations as "Borrowings" in the statement of financial position.

The Group recognizes the right-of-use asset and the lease liability in the financial statements at the commencement date of the lease. The right-of-use asset is measured at its initial cost and subsequently measured at cost less accumulated depreciation and accumulated impairment losses and adjusted for remeasurement of the lease liability. The right of use asset was initially measured at cost and after the actual commencement date of the lease, it is measured at its fair value in accordance with the Group's accounting policies.

At the actual beginning of the lease, the lease obligation is measured over the present value of the lease payments not paid at that date. Lease payments, if the interest rate implied in the lease can be determined easily, this rate is discounted using the alternative borrowing interest rate of the Group if it cannot be determined easily. Generally, the Group used alternative borrowing rate as the discount rate.

After the actual start of the lease, the lessee increases the book value of the lease obligation to reflect the interest on the lease liability and decreases the carrying amount to reflect the lease payments made. It is remeasured in the event of a change in the lease term and in the assessment made regarding the asset purchase option, and if there is a change in the amounts expected to be paid within the scope of the residual value commitment and there is a change in these payments as a result of a change in the index or rate. The group used its judgment to determine the lease term for some lease contracts that include renewal options. Evaluating whether the Group is reasonably confident to implement such options affects the lease term; hence, this matter significantly affects the amounts of the lease payables and right-of-use assets recognized.

As a landlord

The accounting policies applied by the Group as the lessor are not different from those applied in accordance with TAS 17.

The Group does not need to make any adjustments to TFRS 16 for lease agreements other than lease contracts.

(c) Tangible Assets and Depreciation

Tangible assets acquired prior to 1 January 2025 are carried with restated cost for the effects of inflation as at 31 December 2024 less accumulated depreciation and any accumulated impairment losses. Tangible assets acquired after 31 December 2024 are carried at cost less accumulated depreciation and any accumulated impairment losses.

Subsequent costs

Subsequent costs, such as repairs and maintenance or part replacement of tangible assets, are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits with the item will flow to the company. All other costs are charged to the statements of profit or loss during the financial year in which they are incurred.

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

As a landlord (Continued)

Depreciation

Depreciation for tangible assets is provided on a straight-line basis over their estimated useful lives. Depreciation is provided for leasehold improvements on a straight-line basis over the related lease period. Depreciation corresponding to the period is calculated by dividing costs incurred for tangible assets after deducting the salvage value by the asset's useful life. Salvage value represents value of the related tangible asset at the end of its useful life.

The Group management makes important assumptions about determination of ships' useful lives in direction of technical team experiences. Besides, market data is used for determination of salvage value.

Upon the purchase of a ship, parts of the ship that need to be replaced during the next dry-dock are identified and their costs are capitalized and depreciated until the next estimated dry-dock date. When a significant replacement cost occurs prior to the expiry of the depreciation period, the remaining costs of the previous dry-dock are expensed immediately.

Repair and maintenance costs are recognized in the financial statements in the period in which they are incurred. Significantly, the renewal or replacement cost is included in the carrying amount of the asset if the future economic benefits exceed the standard performance of the asset. Major renewal is depreciated over the remaining useful life of the asset.

The estimated useful lives for the current and comparative periods are as follows:

	Years
Ships	18
Dry-dock	5
Vehicles	5
Furniture and fixtures	4-5

Gains or losses on disposals of tangible and intangible assets are classified under "other operating income" and "other operating expense" accounts, respectively.

Impairment of Assets

For assets that are subject to amortization, impairment test is applied if there is a situation or events in which it is not possible to recover the book value. An impairment loss is recognized if the carrying amount of the asset exceeds its recoverable amount.

For the purposes of assessing impairment, assets are grouped at the lowest level of separately identifiable cash flows (cash-generating units). Tangible assets are reviewed for possible reversal of impairment at each reporting date.

(d) Assets held for sale

Non-current assets or asset groups that meet the criteria of asset held for sale are measured at the lower of its carrying amount and fair value less cost to sell. These assets are not depreciated.

(e) Share capital increases

Share capital increased pro-rata to existing shareholders is accounted for at par value as approved by the Board of Directors.

(f) Provision for employee severance payments

In accordance with the existing social legislation in Turkey, the Group is required to make certain lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

Such payments are calculated on the basis of an agreed formula, are subject to certain upper limits and are recognized in the accompanying financial statements as accrued. Since there is no funding requirement in Turkey, no funds were created for these benefit plans.

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

Costs of employees' services in the current or prior periods are calculated by annual liability method in the framework of defined benefit plans. Even though the Employee Benefits (TAS 19) standard was published on the official gazette on 12 March 2013, no. 28585, states recognizing actuarial gain/(loss) under equity, the Group recognized actuarial gain/(loss) under profit and loss and other comprehensive income since the amount is immaterial.

The reserve has been calculated by estimating the present value of the future obligation of the Group that may arise from the retirement of the employees in accordance with TAS 19. Therefore, the present value of the Group's probable liability has been calculated using the assumptions in the table below.

	30 June 2025	31 December 2024
Net discount rate	%29,32	%29,32
Expected rate of salary / limit increase	%24,96	%24,96
Turnover rate to estimate the probability of retirement	%100,00	%100,00

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. The discount rate applied indicates the expected long-term interest rate. The Group's severance pay liability is calculated based on severance pay ceiling of 53,919.68 full TRY as of January 1, 2025. (July 1 – December 31, 2024: 46,665.43 full TRY – December 31, 2024 purchasing power).

(g) Provisions, contingent assets and liabilities

As specified in TAS 37, provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. If these criteria are not occurred the Group discloses the related issues in the explanatory notes related to the financial statements.

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. Contingent assets are not recognized unless they are realized and are only disclosed in the notes.

(h) Revenue recognition

General model for accounting of revenue

In accordance with TFRS 15, a five-step model is followed in recognizing revenue for all contacts with customers.

Step 1: Identify the contract

A contract with a customer is in the scope of the new standard when the contract is legally enforceable and certain criteria are met. If the criteria are not met, then the contract does not exist for purposes of applying the general model of the new standard, and any consideration received from the customer is generally recognized as a deposit (liability). Contracts entered into at or near the same time with the same customer (or a related party of the customer) are combined and treated as a single contract when certain criteria are met.

Step 2: Identify the performance obligations

The Group defines the "performance obligations" as a unit of account for revenue recognition. The company assesses the goods or services it has committed in a contract with the customer and determines each commitment to the customer as one of the performance obligations as a performance obligation:

- (a) Good or service (or a bundle of goods or services) that is distinct; or
- (b) Series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

An entity may define a contract or a service separately from other contractual obligations and define it as a different commodity or service if the customer makes use of such goods or services alone or in combination with other resources available for use. A single contract may contain promises to deliver to the customer more than one good or service. At contract inception, an entity evaluates the promised goods or services to determine which goods or services (or bundle of goods or services) are distinct and therefore constitute performance obligations.

Step 3: Determine the transaction price

When determining the transaction price, an entity assumes that the goods or services will be transferred to the customer based on the terms of the existing contract. In determining the transaction price, an entity considers variables considerations and significant financing components.

Significant financing component

To estimate the transaction price in a contract, the Group adjusts the promised amount of consideration to reflect the time value of money if the contract contains a significant financing component. Significant financing component exists if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. The Group does not have a sales transaction with a significant financing component.

Variable consideration

The Group identifies items such as price concessions, incentives, performance bonuses, completion bonuses, price adjustment clauses, penalties, discounts, credits, or similar items may result in variable consideration if there is any in a customer contract.

Step 4: Allocate the transaction price

The transaction price is allocated to each performance obligation – generally each distinct good or service – to depict the amount of consideration to which an entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

Step 5: Recognize revenue

Group recognizes revenue over time when one of the following criteria's are met:

- Customer simultaneously receives and consumes the benefits as the entity performs, or
- The entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, or
- The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

For each performance obligation that is satisfied over time, an entity applies a single method of measuring progress toward complete satisfaction of the obligation. The objective is to depict the transfer of control of the goods or services to the customer. To do this, an entity selects an appropriate output or input method. It then applies that method consistently to similar performance obligations and in similar circumstances. If a performance obligation is not fulfilled in time, then the Company recognizes revenue when the control of goods or services is transferred to the customer. If a performance obligation is not satisfied over time, then the Group recognizes revenue when it transfers control of the service to the customer. Company at the fair value of considerations received or receivable.

Contract changes

If the Group commits to providing an additional service, it accepts the contract modification as a separate contract. In case of termination of the existing contract and creation of a new contract, the relevant changes are accounted for if the services provided are different. If the modification to the contract does not create separate services, the entity accounts for combining the additional services with the original contract as if they were part of the original contract. The details of the significant accounting policies for the Group's various services and revenue recognition methods are given below.

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

(i) *Marine sector revenues and expenses*

Marine sector revenues and expenses are recognized on accrual basis.

The rent revenue is earned by leasing the vessels within time charter. Rental incomes are collected at the beginning of the agreement for each 15 day periods within the scope of agreement.

(ii) *Interest income and other income from finance sector activities*

Interest income and other income from finance sector activities are recognized on accrual basis using the effective interest method.

(iii) *Dividend Income*

Dividend income is recognized in profit or loss in the period they are declared.

(iv) *Other Income / Expense*

Other income and expenses are recognized on accrual basis.

(v) *Financial Income / Expense*

Financial income and expenses are recognized on accrual basis by using the effective interest rate method over the period.

i) *Taxes on income*

Income taxes include current period income tax liabilities and deferred tax liabilities. Current tax payable includes adjustments related to tax on the taxable profit for the reporting period and the end of the tax liability is calculated using the prevailing tax rates and tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date and tax effect of fair value change of financial assets available for sale is recognized in equity. A deferred tax asset is recognized for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity

(j) *Related Parties*

For the purpose of these consolidated financial statements, shareholders and associated companies and other companies within the GSD Holding group, key management personnel and Board members, in each case together with their families and companies controlled by/or affiliated with them, are considered and referred to as related parties. Transactions with related parties are priced according to market conditions. Related party, is an individual or entity related to the entity preparing the financial statements ('reporting entity').

(1) A person or a close member of that person's family is related to a reporting entity if that person:

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

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

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

A related party transaction is a transfer of resources, services or obligations between related parties regardless of whether a price is charged.

(k) Earning/Loss per share

Earnings per share is calculated by dividing the net income by the weighted average number of common stock shares. The weighted average number of shares is the number calculated by multiplying and aggregating the number of ordinary shares outstanding at the beginning of the period and the number of shares withdrawn or issued during the period by a time-weighting factor. A time-weighting factor is the rate of the number of the days for which a specific number of shares have been outstanding to the total number of days in the period.

In Turkey, 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.

(l) Borrowing costs

Investment in a tangible asset that cannot be associated with all borrowing costs are recognized in profit or loss in the period they occur. Investment in a tangible asset that can be associated with all borrowing costs 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 in accordance with "TAS 23 Borrowing Costs".

(m) Events After the Reporting Period

Events after the reporting period refer to events that in favor or against to company and occur between the end of the reporting period and the balance sheet's date of authorization for the publication. In accordance with TAS 10 "Events after the reporting period", as at ending reporting period, in terms of occurring new evidences about related events or in terms of occurring related events after reporting period and if these events require correction of financial statements, the Group adjusts consolidated financial statements in accordance with new state.

If related events do not require correction of consolidated financial statements, the Group explains related matters in footnotes.

(n) Segment Reporting

A reportable business segment is the segment where the Group is engaged in business activities where it can generate revenue and spend it, the operating results are regularly reviewed by the Management in order to make decisions regarding the resources to be allocated to the department and to evaluate the performance of the department, and there is separate financial information about it. Due to the fact that the Group does not have any significant activity other than shipping activities, there is no reporting according to the departments.

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

(o) Statement of Cash Flows

The Group prepares statement of cash flows to inform users of the financial statements about changes in net assets, financial structure and the amount and timing of cash flows' guidance ability in terms of changing circumstances.

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 related to investing activities represent the cash flows that are used in or provided from the investing activities of the Group (fixed investments and financial investments). Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

Cash and cash equivalents represent cash in hand, deposits in banks, and short-term high liquid investments with not having depreciation risk.

As at 30 June 2025 and 31 December 2024, cash and cash equivalents details are as follows except the interest income accruals and blocked amounts presented in the statement of cash flows.

	30 June 2025	31 December 2024
Cash	131	28
Banks	943,053	807,833
Total	943,184	807,861

(p) Foreign currency transactions and balances

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated 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 of the Group companies operating in the non-finance sectors, have been accounted for under "other operating income/expenses" 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 consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency 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.

Financial statements of foreign subsidiaries

The assets and liabilities, presented in the financial statements of the foreign subsidiaries prepared in accordance with the Group's accounting policies, are translated into TRY at the exchange rate at the date of the balance sheet whereas income and expenses are translated at the average exchange rates for the respective periods. Exchange differences resulting from using the exchange rates at the balance sheet date and the average Exchange rates are recognised in the currency translation differences under the equity.

Currency translation differences are recognized in other comprehensive income and shown in the foreign currency translation reserve under equity. In the event that control, significant influence or joint control is lost as a result of the sale of a foreign operation, the accumulated amount in the foreign currency translation differences reserve related to that foreign operation is reclassified to profit or loss as part of profit or loss on the sale.

Exchange rates as at 30 June 2025 and 31 December 2024 that were used by the Company are as follows;

	30 June 2025	31 December 2024
USD	39.7408	35.2803
EUR	46.6074	36.7362

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2. Basis of presentation of financial statements (continued)

2.5 Summary of significant accounting policies (continued)

(r) Inventories

Inventories are valued at the lower of cost or net realizable value. The cost of inventories is determined on the weighted average basis for each purchase. The Group's inventories consist of ship oil and fuel remaining at the end of time charter. Costs of inventories comprise purchase cost and those overheads that have been incurred in bringing the inventories to their present location and condition.

3. Cash and cash equivalents

As at 30 June 2025 and 31 December 2024, cash and cash equivalents are as follows;

	30 June 2025	31 December 2024
Banks	1,064,501	959,162
Demand deposit	36,622	57,724
Time deposit(*)	1,027,879	901,438
Cash on hands	131	28
Total cash and cash equivalents included in the balance sheet	1,064,632	959,190
Accrued interest income on cash and cash equivalents	(2,226)	(27,840)
Blocked deposits(**)	(119,222)	(123,489)
Total cash and cash equivalents included in the cash flow	943,184	807,861

(*) The total time deposit of 1,027,879 TRY consists of time deposits with a maturity of up to 1 month.

(**) The blocked deposit of 119,222 TRY is the amount provided by Hako Maritime Limited as collateral for the loan obtained by Nehir Maritime Limited from GSD Bank.

As of June 30, 2025, the interest rates applied to the said USD deposits are 3.50%-6.75%, respectively. (December 31, 2024: The interest rate applied to US Dollar deposits is between 4.12% -6.90%, TRY deposit interest rates are between 44.50% and 49.25%..).

4. Financial assets-fair value through profit or loss

As of 30 June 2025 and 31 December 2024, financial assets at fair value through profit or loss are as follows:

	30 June 2025	31 December 2024
Investment Fund(*)	-	1,969
Total	-	1,969

(*) It is the TRY equivalent amount of investment funds owned by GSD Denizcilik, valued according to market prices.

5. Investments in subsidiaries, business partnerships and subsidiaries

Investments in subsidiaries, business partnerships and subsidiaries

As at 30 June 2025 and 31 December 2024, investments in subsidiaries, business partnerships and subsidiaries consist of unlisted equity investments. As at 30 June 2025 and 31 December 2024, the details of investments in subsidiaries, business partnerships and subsidiaries are as follows:

	30 June 2025		31 December 2024	
	% of share	Carrying value	% of share	Carrying value
<i>Not Listed</i>				
GSD Faktoring A.Ş.	1.98	38,441	1.98	38,441
Total		38,441		38,441

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6. Related party disclosures

A company is defined as a related party of the Company if one of the companies has control power over the other company or has a significant impact on the financial and administrative decisions of the other company. The Company is controlled by its parent, GSD Holding, which holds 68.99% of its shares as of June 30, 2025 (December 31, 2024: 68.00%). GSD Holding is the Company's main shareholder, and GSD Holding and its related parties are presented as related parties in the accompanying financial statements. Related parties also include the ultimate controlling shareholders, the management, the members of the Board of Directors of both the Company and GSD Holding, as well as their close family members.

(a) Banks

	30 June 2025	31 December 2024
Deposit at banks	153,835	164,783
<i>GSD Yatırım Bankası A.Ş.</i>	<i>153,835</i>	<i>164,783</i>
Lease liabilities	221	1,707
<i>M. Turgut Yılmaz</i>	<i>221</i>	<i>1,707</i>
Total	154,056	166,490

(b) Balances and transactions with related parties

As at 30 June 2025 and 31 December 2024, other receivables due to related parties are as follows:

	30 June 2025	31 December 2024
Dodo Maritime Limited	928	358
Selim Maritime Limited	432	-
Lena Maritime Limited	407	428
Deniz Maritime Limited	401	446
Mila Maritime Limited	263	411
GSD Shipping B.V.	193	-
Neco Maritime Limited	4	396
Zeyno Maritime Limited	-	216
Nejat Maritime Limited	-	459
GSD Varlık Yönetim A.Ş.	-	35
Total	2,628	2,749

Other receivables from related parties consist of the receivables arising from the services rendered by the Group to maritime companies that are not in the scope of consolidation.

As at 30 June 2025 and 31 December 2024, trade payables due to related parties are as follows:

	30 June 2025	31 December 2024
Hako Maritime Limited	2,463	515
Cano Maritime Limited	2,351	491
Nejat Maritime Limited	338	-
GSD Holding A.Ş.	199	228
Total	5,351	1,234

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6. Related party disclosures (continued)

Transactions with related parties as at 30 June 2025 and 31 December 2024 are as follows;

Group companies of the parent	30 June 2025	30 June 2024
Deniz Maritime Ltd Commercial management commission	2,836	315
Lena Maritime Ltd Commercial management commission	2,468	2,847
Nejat Maritime Ltd Commercial management commission	2,392	2,871
Dodo Maritime Ltd Commercial management commission	2,307	2,974
Selim Maritime Ltd Commercial management commission	2,215	-
Mila Maritime Ltd Commercial management commission	2,440	3,216
GSD Yatırım Bankası A.Ş. Interest income	2,070	14,593
Neco Maritime Ltd Commercial management commission	1,850	2,431
GSD Shipping BV	882	-
GSD Yatırım Bankası A.Ş. Interest expense	(4,350)	(4,758)
GSD Holding A.Ş. Guaranty expense	(5,428)	(566)
M. Turgut Yılmaz Office lease depreciation expense within the scope of TFRS16	(1,530)	(2,159)
GSD Holding A.Ş. shares paid	(937)	(905)
GSD Bankası A.Ş. participation shares paid	(680)	(190)
M. Turgut Yılmaz Office rental interest expense within the scope of TFRS16	(108)	(362)
Zeyno Maritime Ltd Commercial management commission	-	3,681
Total	6,427	23,988

(c) Derivative financial transactions

As at 30 June 2025, the Group does not have any derivative transactions with related parties (31 December 2024: None).

(d) Key management benefits

Total benefit of key management for the period ended 30 June 2025 is TRY 12,718 (31 December 2024: TRY 10,703.).

(e) Other related party transactions

As of June 30, 2025, GSD Denizcilik has provided guarantees to credit institutions in the amount of TRY 1,326,016 as collateral for the Group's open credit lines, while GSD Holding has provided guarantees to Laurel World Maritime S.A. in the amount of TRY 1,208,120. (December 31, 2024: GSD Holding provided guarantees to credit institutions in the amount of TRY 890,265 and to Laurel World Maritime S.A. in the amount of TRY 1,251,352; GSD Denizcilik did not provide any guarantees).

(f) Balances and transactions with related parties

	30 June 2025	31 December 2024
Loans used from GSD Yatırım Bankası A.Ş.	119,941	128,652
Period-end provision amount	119,941	128,652

7. Trade receivables and payables

7.1 Trade receivables

As at 30 June 2025 and 31 December 2024, details of trade receivables are as follows:

	30 June 2025	31 December 2024
Trade receivables from marine activities	16,876	2,749
Doubtful trade receivables	1,980	2,309
Provision for doubtful trade receivables	(1,980)	(2,309)
Total	16,876	2,749

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Notes to the consolidated financial statements As of 30 June 2025

(Unless otherwise stated, amounts are expressed in thousands of TRY based on the purchasing power of Turkish Lira ("TRY") as of June 30, 2025.)

6. 7. Trade receivables and payables (Continued)

7.1 Trade receivables (Continued)

As at 30 June 2025 and 31 December 2024, movements in the provision for doubtful trade receivables:

	30 June 2025	31 December 2024
Provision at the beginning of the year	2,309	3,336
Monetary Gain/Loss	(329)	(1,027)
Provision at the end of period	1,980	2,309

7.2 Trade payables

As at 30 June 2025 and 31 December 2024, details of trade payables are as follows:

	30 June 2025	31 December 2024
Trade payables from marine activities	3,830	33,460
Seller	1,461	499
Trade payables to related parties	338	228
Trade payables from VAT refund receivables	78	92
Total	5,707	34,279

8. Receivables and payables from finance sector activities

8.1 Receivables from finance sector activities

As at 30 June 2025 and 31 December 2024, details of short-term receivables from finance sector operations are as follows:

	30 June 2025	31 December
Finance lease receivables (net)	62	60
Total	62	60

The Group does not have long-term receivables from finance sector operations as at 30 June 2025 (31 December 2024: None). The Group's credit, liquidity and market risk exposures resulting from financial sector receivables are disclosed in Note 33.

As at 30 June 2025 and 31 December 2024, details of finance lease receivables are as follows:

	30 June 2025	31 December 2024
Finance lease receivables, not due	76	75
Unearned interest income (-)	(14)	(15)
Short-term finance lease receivables, net	62	60
Total finance lease receivables, net	62	60

8.1.1 Doubtful receivables

The company continued its leasing activities under the name Tekstil Financial Leasing Inc. (formerly Rant Financial Leasing Inc.) and under the supervision of the Banking Regulation and Supervision Agency (BDDK) until June 16, 2011. The company ceased its leasing activities on June 16, 2011, and changed its name to GSD Denizcilik Gayrimenkul Sanayi ve Ticaret Anonim Şirketi on August 24, 2011, continuing its maritime activities other than leasing as stated in its articles of association. Pursuant to the permission stated in the BDDK's letter dated January 7, 2022, numbered E-125090171-110.02.02-37636, the "Doubtful Commercial Receivables" in the Portfolio were transferred to DENGİ VARLIK YÖNETİM A.Ş. on February 25, 2022, together with all interest, other accessories, and collateral, in accordance with Article 183 of the Turkish Code of Obligations and the contract. 02.2022, together with all interest, other charges, and collateral, to DENGİ VARLIK YÖNETİM A.Ş. for a price of TRY 166,000 (one hundred sixty-six thousand) in accordance with Article 183 of the Law on Obligations and the terms and conditions set forth in the agreement.

There are no movements in provisions for doubtful receivables during the period.

8.2 Payables from finance sector activities

As at 30 June 2025 and 31 December 2024, details of payables from finance sector operations are as follows:

	30 June 2025	31 December 2024
Advances received	247	245
Total	247	245

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9. Other Receivables and Payables

9.1 Other Receivables

As of June 30, 2025, other receivables amounted to TRY 28 (December 31, 2024: None).

9.2 Other Liabilities

As at 30 June 2025 and 31 December 2024, details of other receivables are as follows:

	30 June 2025	31 December 2024
Other payables to related parties	5,013	1,006
Other tax payables	840	796
Social security premium payables	476	410
Other payables	261	48
Total	6,590	2,260

10. Inventories

	30 June 2025	31 December 2024
Ship oil	3,405	5,908
Total	3,405	5,908

11. Prepaid expenses

As at 30 June 2025 and 31 December 2024, details of prepaid expenses that are classified in current assets are as follows:

	30 June 2025	31 December 2024
Insurance expenses (<i>Term asset</i>)	13,019	5,848
Prepaid loan commission expenses	5,325	2,894
Prepaid miscellaneous expenses	1,186	473
Insurance expenses (<i>Fixed asset</i>)	468	300
Ship annual tonnage tax expenses	186	-
Total	20,184	9,515

As at 30 June 2025 and 31 December 2024, there are no prepaid expenses classified in non-current assets.

12. Current income tax assets

As at 30 June 2025, the current income tax assets amounting to TRY 166 consist of tax deductions from interest income derived from bank deposits which are not yet deducted (31 December 2024: TRY 558).

13. Assets held for sale

As at 30 June 2025, assets held for sale amounting to TRY 2,070 comprised of a land which were acquired from certain customers in exchange for finance lease receivables (31 December 2024: TRY 2,070).

14. Tangible assets

The estimates and assumptions used in preparing the consolidated financial statements have been reviewed. In this context, the potential effects of ship impairment that may occur in the consolidated financial statements as of June 30, 2025 have been evaluated and carried forward at their recorded values. Refinancing was secured in June 2025 through agreements with Credit Europe Bank, which will end in 2030. Ship mortgages were provided to Credit Europe Bank for refinancing. As of June 30, 2025, the amount is TRY 1,326,016.

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14. Tangible assets (continued)

For the accounting period ending on 30 June 2025, the movements of property, plant and equipment are as follows:

	01 January 2025	Additions	Disposals	Currency translation differences	30 June 2025
Cost					
Ships	3,171,316	-	-	(109,286)	3,062,030
Drydock	202,786	-	-	(7,005)	195,781
Construction on Progress*	319,156	7,197	-	(13,105)	313,248
Vehicles	8,379	2,524	-	-	10,903
Furniture and fixtures	23,495	283	-	-	23,778
Total	3,725,132	10,004	-	(129,396)	3,605,740
	01 January 2025	Current year charge	Disposals	Currency translation differences	30 June 2025
Accumulated depreciation					
Ships	1,023,955	46,884	-	(35,112)	1,035,727
Drydock	123,588	16,698	-	(4,271)	136,015
Vehicles	2,583	1,005	-	-	3,588
Furniture and fixtures	22,758	129	-	-	22,887
Total	1,172,884	64,716	-	(39,383)	1,198,217
Net book value	2,552,248				2,407,523

Movement of tangible assets for the year ended 31 December 2024 are as follows;

	01 January 2024	Additions	Disposals	Currency translation differences	31 December 2024
Cost					
Ships	3,818,675	-	-	(647,359)	3,171,316
Drydock	167,630	-	-	35,156	202,786
Construction on Progress*	-	299,136	-	20,020	319,156
Vehicles	6,643	6,300	(4,564)	-	8,379
Furniture and fixtures	23,688	79	(272)	-	23,495
Total	4,016,636	305,515	(4,836)	(592,183)	3,725,132
	01 January 2024	Current year charge	Disposals	Currency translation differences	31 December 2024
Accumulated depreciation					
Ships	1,114,138	99,410	-	(189,593)	1,023,955
Drydock	107,213	34,591	-	(18,216)	123,588
Vehicles	3,466	1,601	(2,484)	-	2,583
Furniture and fixtures	22,707	323	(272)	-	22,758
Total	1,247,524	135,925	(2,756)	(207,809)	1,172,884
Net book value	2,769,112				2,552,248

*Costs incurred as of the reporting period under the dry cargo ship purchase agreement signed by Hako Maritime Ltd. on July 30, 2024, for delivery in 2028.

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15. Right of use assets

As at 30 June 2025 and 31 December 2024 details of right of use assets are as follows:

	1 January 2025	Additions	Disposals	Currency translation differences	30 June 2025
Cost					
Buildings	3,060	-	-	-	3,060
Vehicles	3,359	-	(3,359)	-	-
Total	6,419	-	(3,359)	-	3,060

	1 January 2025	Current year charge	Disposals	Currency translation differences	30 June 2025
Accumulated depreciation					
Buildings	974	1,530	-	-	2,504
Vehicles	2,910	449	(3,359)	-	-
	3,884	1,979	(3,359)	-	2,504
Net book value	2,535				556

	1 January 2024	Additions	Disposals	Currency translation differences	31 December 2024
Cost					
Buildings	16,588	3,060	(16,588)	-	3,060
Vehicles	7,030	-	(3,671)	-	3,359
Total	23,618	3,060	(20,259)	-	6,419

	1 January 2024	Current year charge	Disposals	Currency translation differences	31 December 2024
Accumulated depreciation					
Buildings	13,850	3,712	(16,588)	-	974
Vehicles	5,491	1,090	(3,671)	-	2,910
	19,341	4,802	(20,259)	-	3,884
Net book value	4,277				2,535

16. Intangible assets

As at 30 June 2025 and 31 December 2024, details of intangible assets of the Group are as follows:

	30 June 2025	31 December 2024
Net book value at the beginning of the period	106	147
Current period depreciation	(11)	(41)
Net book value	95	106

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17. Financial liabilities

17.1 Borrowing costs

As of June 30, 2025, an amount of TRY 11,466 in borrowing costs has been incurred in the consolidated financial statements of the Group in relation to the construction of a dry cargo vessel with a capacity of 64,000 DWT by Hako Maritime Limited, a wholly owned subsidiary based in Malta. The entire amount has been capitalized. In accordance with TAS 23 Borrowing Costs, this amount will continue to be capitalized as part of the cost of the vessel under investments in progress in Hako Maritime Limited's statement of financial position until the delivery date of the vessel. Following the delivery, the vessel will be reclassified under property, plant and equipment and tracked under the vessels account.

17.2 Bank borrowings

As of 30 June 2025, and 31 December 2024, borrowing consist of loan payables and lease transactions. The details of loan debts and debts from lease transactions are as follows:

	Currency	30 June 2025			31 December 2024		
		Original Amount	Carrying amount	Interest rate %	Original Amount	Carrying amount	Interest rate %
Fixed interest	USD	3,018	119,941	%7.0	3,125	128,652	7.0%
Short-term borrowings		3,018	119,941		3,125	128,652	
Floating interest	USD	2,525	100,343	%7.24	3,209	132,076	%8.70 %7.69
Short-term portion of long-term bank borrowings		2,525	100,343		3,209	132,076	
Fixed interest	USD	-	-	-	-	-	-
Floating interest	USD	20,600	818,660	%7.24	16,240	668,486	%8.70 %7.69
Long-term portion of long-term bank borrowings		20,600	818,660		16,240	668,486	
Total long-term borrowings			919,003			800,562	
Total			1,038,944			929,214	

The Group's credit, liquidity and market risk exposures resulting from its financial liabilities are disclosed in Note 33.

Repayment schedule of the borrowings that are originally medium term and long-term loans are as follows;

	30 June 2025		31 December 2024	
	Fixed interest	Floating interest	Fixed interest	Floating interest
Up to 1 year	119,941	100,343	128,652	132,076
Up to 2 years	-	95,378	-	668,486
Up to 3 years	-	95,378	-	-
Up to 4 years	-	95,378	-	-
Up to 5 years	-	532,526	-	-
Total	119,941	919,003	128,652	800,562

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18. Commitments

18.1 Guarantees given

The Guarantees, Pledges and Mortgages ("GPMs") that the Company gave as at 30 June 2025 and 31 December 2024 are as follows:

GPMs given by the Company	30 June 2025		31 December 2024			
	Total TRY Equivalent	TRY	USD TRY Equivalent	Total TRY Equivalent	USD TRY Equivalent	
A. Total Amount of GPMs that were Given on Behalf of Its Own Legal Entity	1,326,016	-	1,326,016	890,265	-	890,265
1. Letters of guarantee that were given by the Group bank as cash collateral surety	-	-	-	-	-	-
2. Letters of guarantee that were given by the non-group bank as cash collateral surety	-	-	-	-	-	-
3. Cash	-	-	-	-	-	-
4. Tangible asset mortgage given as cash collateral surety (*)	1,326,016	-	1,326,016	890,265	-	890,265
5. Participation share given as cash collateral surety	-	-	-	-	-	-
B. Total Amount of GPMs that was Given in Favor of the Partnerships that were Included in the Scope of Full Consolidation	119,222	-	119,222	123,489	-	123,489
1. Bails given as cash collateral surety	1,326,016	-	1,326,016	-	-	-
2. Tangible asset mortgage given as cash collateral surety	-	-	-	-	-	-
3. Bank deposit pledge given as cash collateral (**)	119,222	-	119,222	123,489	-	123,489
C. Total Amount of GPMs that Other Third Parties give With The Purpose of Assuring Debts for Conducting Ordinary Commercial Activities	-	-	-	-	-	-
D. GPMs that were Given the Scope of the Article 12/2 of the Corporate Governance Communiqué	-	-	-	-	-	-
E. Total Amount of the Other GPMs Given	-	-	-	-	-	-
i. Total Amount of GPMs that were Given In Favor of the ultimate shareholder	-	-	-	-	-	-
ii. Total Amount of GPMs that were Given In Favor of Other Group Companies that are not Included in the Scope of Articles B and C	-	-	-	-	-	-
iii. Total Amount of GPMs that were Given In Favor of the Third Parties that are not Included in the Scope of Article C	-	-	-	-	-	-
Total	2,771,254	-	2,771,254	1,013,754	-	1,013,754

(*) As of June 2025, refinancing agreements were made with Credit Europe Bank, providing refinancing that will mature in 2030. Due to the refinancing, vessel mortgages were granted to Credit Europe Bank. The outstanding amount as of June 30, 2025, is TRY 1,326,016..

(**) Hako Maritime Limited has pledged to GSD Yatırım Bankası A.Ş. for Nehir Maritime Limited, which is within the scope of consolidation.

As of June 30, 2025, the ratio of the total guarantees, pledges, mortgages, and sureties provided by our Company within the framework of the Capital Markets Board (CMB) regulations to the total assets in the most recently disclosed public financial statement was 37.26%. (December 31, 2024: 0%):

As at 30 June 2025, the rate of the other GPMs the Company have given to the Company's shareholders' equity is 0% (31 December 2024: 0%).

18.2 Guarantees Taken

As at 30 June 2025 and 31 December 2024, the details of the guarantees that were obtained in return for the Company's receivables from finance sector activities are as follows:

	30 June 2025	31 December 2024
Mortgages	3,721	4,341
	3,721	4,341

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18. Commitments (Continued)

18.3 Other

As at 30 June 2025, GSD Holding has provided surety amounting to TRY 1,326,016 to credit institutions as a guarantee against its open lines of credit (31 December 2024: GSD Holding: 890,265 TRY / GSD Denizcilik : None.)

19. Employee benefit obligations

The Company does not have any employee benefit obligations as at 30 June 2025 (31 December 2024: None).

20. Deferred income

As of 30 June 2025, the amount of deferred income amounting to TRY 8,925 stems from early collection of monthly rents of ships (31 December 2024: TRY 10,547).

21. Provision for employee benefits

21.1 Provision for short-term employee benefits

As of 30 June 2025, and 31 December 2024, details of provision for short-term employee benefits are as follows:

	30 June 2025	31 December 2024
Employee bonus provision	1,163	2,022
Total	1,163	2,022

As of 30 June 2025, and 31 December 2024, the movement of employee bonus provision is as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the year	2,022	1,476
Amount paid in the current period	(1,733)	(1,022)
Monetary gains/(losses)	(289)	(454)
Provision for the current period	1,163	2,022
Balance at the end of the period	1,163	2,022

21.2 Provision for long-term employee benefits

As of 30 June 2025 and 31 December 2024, details of provision for long-term employee benefits are as follows;

	30 June 2025	31 December 2024
Provision for employee benefits		
Employee termination benefit provision	1,125	904
Unused vacation provision	1,444	430
Total	2,569	1,334

Employee termination benefit provision

In accordance with the provisions of the Labor Law in force, employees whose employment contracts have been terminated in such a way that they are entitled to severance pay are obliged to pay the legal severance pay to which they are entitled. The compensation to be paid is one month's salary for each year of service, and this amount is limited to TRY 53,919.68 full as of June 30, 2025 (31 December 2024: TRY 46,655.43 full). In accordance with the Turkish Accounting Standard on Employee Benefits (TAS 19) published in the Official Gazette dated 12 March 2013 and numbered 28585, all actuarial losses and gains related to the severance pay provision have been accounted for in other comprehensive income/expense as of the balance sheet dates.

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21. Provision for employee benefits (continued)

21.2 Provision for long-term employee benefits (continued)

As of 30 June 2025, and 31 December 2024, movement of provision for employee termination benefits is as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the year	904	478
Provision for the current period	368	494
Interest cost	83	105
Actuarial gain/loss	50	51
Monetary gains/(losses)	(280)	(117)
Provision payment for the current period	-	(107)
Balance at the end of the period	1,125	904

Unused vacation provision

According to the governing labor law in Turkey, in case the labor contract ends for some reason, the Company is obliged to pay the earning that the employees are entitled but did not use to that person or beneficiaries as at that person's earning on the contract ending date. According to TAS 19 unused vacation provisions identified as "Benefits to employees" are accrued in the earned periods and are not discounted. The provision for the unused leaves as at 30 June 2025 and 31 December 2024 is the total undiscounted liability amount that all the employees are entitled which corresponds to the days of their unused leaves.

As of 30 June 2025, and 31 December 2024, movement of provision for unused vacations is as follows:

	30 June 2025	31 December 2024
Balance at the beginning of the year	430	57
Monetary gains/(losses)	1,059	424
Provision for the current period	(45)	(51)
Balance at the end of the period	1,444	430

22. Other current and non-current assets

As of 30 June 2025, and 31 December 2024, details of other current assets are as follows:

	30 June 2025	31 December 2024
Deferred VAT	4,013	4,033
Job advances to personnel	7	4
Other	-	13
Total	4,020	4,050

As at 30 June 2025 and 31 December 2024, details of other non-current assets are as follows:

	30 June 2025	31 December 2024
Other non-current assets due to third parties	28	28
Total	28	28

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23. Equity

23.1 Paid in share capital

As of 30 June 2025, the Company's nominal value of authorized share capital amounts to TRY 150,000 (31 December 2024 TRY 150,000) comprising 150,000,000 registered shares of par value of 1 Kuruş ("Kr") each. (One TRY is equivalent to a hundred Kr). As at 30 June 2025 and 31 December 2024, the shareholding structure of the Company is disclosed in Note 1.

The amendment draft of Article 6 of the Company's Articles of Association regarding the increase of the registered capital ceiling from TRY 250,000,000 (Two Hundred Fifty Million) to TRY 3,000,000,000 (Three Billion) and the extension of its validity period until the end of 2027 was approved by the Capital Markets Board on October 26, 2023. Following the approval of the Republic of Türkiye Ministry of Customs and Trade, the amendment draft of Article 6 of the Articles of Association was submitted to the approval of the shareholders and approved at the Extraordinary General Assembly meeting held on January 17, 2024.

23.2 Adjustment to share capital

As of June 30, 2025, the Company's capital inflation adjustment differences amount to TRY 1,260,347. The amount of TRY 776,776, representing the restated purchasing power loss as of June 30, 2025 resulting from inflation accounting as of December 31, 2023, has been offset against the positive capital adjustment differences arising from the application of inflation accounting. (December 31, 2024: TRY 2,037,123).

23.3 Repurchase of shares (-)

Premiums related to shares consist of share issuance premiums. Share issuance premiums represent cash inflows obtained from the sale of shares at market prices. These premiums are shown under equity and are non-distributable, but may be used in future capital increases. (As of January 1, 2020, share issue premiums amounted to TRY 27, and losses on the sale of redeemed shares amounted to TRY 1,700, resulting in a net loss of TRY 1,673. Gains on the sale of redeemed shares in 2020 amounted to TRY 63,280). The company has granted existing shareholders the right to purchase new shares for a paid-in capital increase. Existing shareholders exercised their rights to purchase new shares during the 15-day subscription period covering August 12-26, 2021.

At the end of the preemptive rights period, the unsold shares with a nominal value of 176,418,174 were offered for sale at prices formed on the stock exchange primary market on September 2/3, 2021. These unsold shares were sold at above-par prices, generating an issue premium benefit of 1,680 TRY. Premiums and discounts related to TRY shares have been recorded. As of June 30, 2025, premiums/discounts related to 61,458 TRY shares have been classified under equity. (December 31, 2024: 61,458)

23.4 Other comprehensive income or expenses not to be reclassified to profit or loss

The Company's accumulated other comprehensive income and expenses arising from the reclassification to profit or loss measurement losses on defined benefit plans are summarized below.

Provision for employment termination benefits is calculated by estimating the present value of the future probable obligation arising from the retirement of the employees of the Group. The Group has adopted the amendments to TAS 19 which were applicable as of 1 January 2014 and recognized all actuarial gains and losses in other comprehensive income. Actuarial loss recognized under equity in the balance sheet amounts to TRY (72) as 30 June 2025 (31 December 2023: TRY 51).

23.5 Other comprehensive income or expenses to be reclassified to profit or loss

Foreign currency translation differences

Assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on translation of foreign currency transactions are recognized in the income statement. As of 30 June 2025, foreign currency translation differences of the Company amount to TRY 1,785,556 (31 December 2024: TRY 1,760,969).

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23. Equity (continued)

23.6 Restricted reserves

According to the Turkish Commercial Code, legal retained earnings are composed of primary and secondary legal reserves. Until the primary legal reserves reach 20% of the Company's capital, they are reserved at the rate of 5% of the profit for the period. The secondary legal reserves are reserved at the rate of 10% of all the dividend distributions that exceed 5% of the Company capital. Primary and secondary legal reserves cannot be distributed unless they exceed 50% of the total capital however, they can be used for covering the losses in case the voluntary reserves are consumed.

As of 30 June 2025, and 31 December 2024, restricted reserves movement is as follows:

	30 June 2025	31 December 2024
Primary legal reserves	248,869	230,445
Special funds	78,181	78,372
Legal reserves inflation differences	63,628	63,628
Balance at the end of the period	390,678	372,445

23.7 Repurchased shares

Pursuant to the permission granted under the principle decision regarding share buyback transactions published in the Capital Markets Board's Bulletin No. 2025/16 dated March 19, 2025; The Group Management Board decided on March 20, 2025, to launch a three-year "Share Buyback Program" prepared in accordance with the provisions of the Repurchased Shares Bulletin. The decision was presented to shareholders at the Ordinary General Assembly Meeting held on April 28, 2025. As of the balance sheet date, the total nominal value of the repurchased shares, which amounted to 18,424, was TRY 2,180,150.36, representing 1.5434% of the capital.

23.8 Prior years' profits

As of 30 June 2025, and 31 December 2024, movements of prior years' profits are as follows:

	30 June 2025	31 December 2024
Balance on 1 January	(1,748,478)	(1,234,352)
Profits/(losses) for the prior period	(40,320)	(514,440)
Adjustment for capital differences*	776,776	-
Revaluation and measurement gains/losses	522	314
Reserves set aside due to share buyback transactions**	(18,424)	-
Balance at end of period	(1,029,924)	(1,748,478)

(*) As of December 31, 2023, the loss of TRY 776,776 from previous years arising from the application of inflation accounting has been offset against the positive difference in capital adjustment.

(**) The explanation regarding the increase (decrease) arising from share buyback transactions is provided in footnote 23.8, "Shares repurchased."

Listed companies distribute dividends as required by the Turkish Commercial Code ("TCC") and the CMB as follows:

According to the Turkish Commercial Code ("TCC"), legal retained earnings are composed of primary and secondary legal reserves. Until the primary legal reserves reach 20% of the Company's capital, they are reserved at the rate of 5% of the profit for the period. The secondary legal reserves are reserved at the rate of 10% of all the dividend distributions that exceed 5% of the company capital. Primary and secondary legal reserves cannot be distributed unless they exceed 50% of the total capital however, they can be used for covering the losses in case the voluntary reserves are consumed.

The inflation adjustment differences arising at the initial application of inflation accounting which are recorded under "accumulated losses" could be netted off from the profit to be distributed based on CMB profit distribution regulations. In addition, the aforementioned amount recorded under "accumulated losses" could be netted off with net income for the period, if any, undistributed prior period profits, and inflation adjustment differences of extraordinary reserves, legal reserves and capital, respectively.

According to the regulations of Capital Markets Board (CMB) of Turkey, there is no minimum required profit distribution for the exchange-traded companies and the net distributable profit of an exchange-traded company preparing consolidated financial statements is calculated by taking into regard its net profit arising from its financial statements in accordance with Turkish Financial Reporting Standards as much as the total of the items that may be distributed as dividend arising from its statutory financial statements based on its books of account.

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23. Equity (continued)

23.8 Prior years' profits (Continued)

The exchange-traded companies in Turkey distribute their profits by the resolution of their general assemblies in accordance with the relevant legislations and within the guidelines stated in their profit distribution policies determined by their general assemblies. The profit distribution policies of the exchange-traded companies must contain at least whether any profit will be distributed or not and if it will be distributed, the profit distribution rate determined for shareholders and other profit-sharing persons; method of payment of the dividend; time of payment of the dividend providing that the dividend distribution process will start latest by the end of the accounting period during which the general assembly meeting was held; whether advance dividend will be distributed or not and, if it will be distributed, the related principles in respect of this.

The Company adopted a policy of not distributing cash or bonus dividend and distributing retained earnings by way of share capital increases through bonus issue by capitalization of internal resources within the regulatory framework of CMB and re-evaluating this policy every year, pursuant to its profit distribution policy explained below. Dividends are distributed to all outstanding shares as of the distribution date equally in proportion to their ownership percentage in share capital regardless of the issue and acquisition dates of these shares. The rights arising from the dividend privilege are reserved. In the capital increases of public companies, bonus shares are distributed to outstanding shares as of the date of share capital increase.

23.9 Profit distribution

Profit distribution policy

The Ordinary General Assembly of the Company has resolved on 24 March 2025 that the profit distribution policy of Company for the year 2024 and the subsequent years pursuant to the Corporate Governance Principles is the distribution of profits as bonus shares by means of share capital increases from internal resources through the capitalization of profits, to the extent that the criteria stipulated by the regulatory framework of CMB in relation to share capital increases through bonus issue are met, in order to finance the growth by way of retention of earnings in equity through the accumulation of profits in extraordinary reserves by considering the growth plans, investing activities and existing financial structures of the associated companies and subsidiaries and this policy is to be reevaluated every year by taking into account the regulations of the Capital Markets Board regarding profit distribution and the liquidity position of the Company.

Pursuant to the article 16/8 of the Communiqué on Shares (VII-128.1) promulgated by the Capital Markets Board of Turkey (the CMB), without prejudice to statutory obligations with respect to share capital increase, the applications of publicly traded companies to the CMB for share capital increases by capitalization of internal resources excluding period profit which will result in the adjusted share price dropping below full TRY 2, the share price being calculated as the average of the weighted average trading prices in stock exchange within 30 days prior to the disclosure of share capital increase to the public, are not put into process by the CMB.

24. Marine sector revenues and expenses

The details of marine sector revenues and expenses for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Ship lease income	208,848	311,602
Revenues from intra-group service activities	17,390	18,334
Other income	2,069	8,300
Marine sector income	228,307	338,236
Ship depreciation expense	(63,582)	(71,052)
Personnel expenses	(68,550)	(86,089)
Various ship equipment, oil and fuel expenses	(24,285)	(33,923)
Ship insurance expenses	(10,877)	(12,077)
Technical management fees	(6,598)	(7,505)
Expenses from intra-group service activities	(6,591)	(5,224)
Rent expense paid back	(52)	(24,799)
Other expense	(71)	(243)
Marine sector expenses	(180,606)	(240,912)
Gross profit/(loss) from marine sector activities	47,701	97,324

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25. Interest and other income/interest, commission and other expenses

Each of the subsidiaries included in the scope of consolidation, established by the Company in Malta with a 100% capital share, owns one ship. Ships are rented within the scope of time charter (ship limited to a certain time) contract and earn rental income.

Our wholly-owned subsidiary, Hako Maritime Limited, based in Malta, currently has one dry cargo ship investment under construction. The ship is expected to commence operations in 2028 upon completion of its construction.

The details of interest and other income and interest, commission and other expenses for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Finance lease receivables foreign exchange gains	13	7
Total interest and other income	13	7
Financial lease receivables foreign exchange expenses	-	(1)
Gross profit/(loss) from finance sector activities	13	6

26. General administrative expenses

The details of general administrative expenses for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Personnel expenses	17,814	15,944
Depreciation expenses	3,124	3,749
Consultancy expenses	2,757	-
Purchases of services from related parties' expenses	1,191	1,049
Audit expenses	330	523
Vehicle and travel expenses	273	475
Tax, duty and charge expenses	61	59
Quotation expenses	47	51
Other	1,150	1,146
Total	26,747	22,996

The details personnel expenses that are included in general administrative expenses for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Wages and salaries	13,638	10,839
Social security premium expenses – employer's share	1,453	1,314
Employee termination benefit, unused vacation and bonus provision expenses	1,829	1,232
Employee termination benefit and bonus paid	-	1,191
Other	894	1,368
Total	17,814	15,944

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27. Other operating expenses

The details of other operating expenses for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Interest received from banks	64,901	27,409
Employee termination benefit cancellation income	1,084	1,296
Foreign currency income	326	439
Other	-	63
Total	66,311	29,207

28. Other operating expenses

The details of other operating expenses for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Foreign currency exchange losses from operations	(41,988)	(953)
Total	(41,988)	(953)

29. Income/expenses from investment activities

The total of income from investment activities for the accounting periods ending on June 30, 2025 and June 30, 2024 includes income from Exchange Protected Deposits as follows.

	1 January- 30 June 2025	1 January- 30 June 2024
Interest income from investing activities	53	1,313
Foreign currency income related to investing activities	2	(702)
Other income from investment activities	307	271
GSD Factoring dividend income	-	2,124
Total	362	3,006

30. Financial income and expenses

The Group does not have any financial income for the periods ended 30 June 2025 and 30 June 2024.

The details of financial expenses for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Interest expense	(31,060)	(30,791)
Interest expense on employee provision	(2,901)	-
Other financial expenses	(2,843)	(757)
Interest expense on employee compensation	(83)	(61)
Total	(36,887)	(31,609)

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31. Explanations Regarding Net Monetary Position Gains/(losses)

Non-Monetary Items	30 June 2025
Balance Sheet Items	(112,507)
Non-current Assets Classified as Held for Sale from Continuing Operations	296
Investments in Affiliates, Joint Ventures, and Associated Companies	5,495
Vehicles	586
Furniture and Fixtures	69
Right of Use Asset	(283)
Other Intangible Assets	(2)
Prepaid Expenses	(1)
Deferred Tax Assets	136
Other Non-Current Assets	4
Capital Inflation Adjustment Differences	464,213
Premiums/Discounts Related to Shares	(8,783)
Accumulated Other Comprehensive Income or Expenses Not Reclassified to Profit or Loss	116
Restricted Reserves Allocated from Profit	(53,215)
Retained Earnings/(Losses) from Prior Years	(521,138)
Income Statement Items	1,349
Revenue	(777)
Cost of Sales (-)	158
Revenue from Financial Sector Activities	(1)
General Administrative Expenses (-)	2,112
Other Operating Income	(141)
Other Operating Expenses (-)	5
Income from Investing Activities	(19)
Expenses from Investing Activities (-)	4
Finance Expenses (-)	8
Net Monetary Gain (Loss)	(111,158)

32. Tax Assets and Liabilities

Corporation Tax

The Corporate Tax rate applied in Turkey is 25%, starting from declarations that must be submitted as of October 1, 2023. Necessary provisions have been made in the financial statements for the Company's estimated tax liabilities regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income is over the remaining tax base after adding the non-deductible expenses from the tax base in the determination of the commercial income and deducting the tax-exempt gains, non-taxable incomes and other deductions (if any, previous year losses and investment allowances used if preferred) is calculated.

Provisional taxation in Turkey will continue to be declared and calculated on a quarterly basis until the end of the 2021 taxation period. The Bill of Law No. 7338 to amend some laws with the Tax Procedure Law was submitted to the Presidency of the Assembly on October 1, 2021, and was accepted in the General Assembly of the Assembly on October 14, 2021, with the name of "Law on Amendments to the Tax Procedure Law and Some Laws" numbered 7338 on October 26, 2021 published in the Official Gazette.

According to this law, which will cover the taxation periods of 01.01.2022 and the following: the last three months of the relevant calendar year or accounting period will not be counted as the temporary tax period, and as a result, the fourth provisional tax return will not be declared starting from 2022.

With the "Law No. 7316 on the Collection Procedure of Public Receivables and the Amendment of Some Laws" published in the Official Gazette dated 22.04.2021 and numbered 31462, amendments were made to some tax laws and other laws. The Corporate Tax Rate has been amended with the relevant law.

The corporate tax rate is 25% as of 30 June 2025 (31 December 2024: 25%).

According to Turkish tax legislation, financial losses shown on the declaration can be deducted from the period corporate income for a period not exceeding 5 years. However financial losses cannot be offsetted from last year's profits.

There is no practice in Turkey to reach an agreement with the tax authority regarding the taxes to be paid. Corporate tax returns are submitted to the relevant tax office until the evening of the 30th day of the fourth month following the month in which the accounting period is closed. However, the tax inspection authorities can review the accounting records within five years, and if an incorrect transaction is detected, the tax amounts to be paid may change.

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32. Tax Assets and Liabilities (Continued)

Corporation Tax (Continued)

Withholding Tax

In addition to corporate tax, income tax withholding must be calculated separately on dividends, excluding those distributed to full-fledged corporations and foreign companies' branches in Turkey, which receive dividends in case of distribution and declare these dividends by including them in corporate income.

The withholding tax on income has been increased from 10% to 15% on profit dividends distributed by fully liable corporations pursuant to the Income Tax Law and Corporate Tax Law, effective as of December 22, 2024, following the Presidential Decree No. 9286 published in the Official Gazette No. 32760. Profit dividends that are not distributed and are instead added to capital are not subject to income tax withholding.

A withholding tax of 19.8% must be applied on the investment incentive amount utilized based on investment incentive certificates obtained prior to April 24, 2003. For investment expenditures made after this date without incentive certificates, 40% of those directly related to the company's production activities can be deducted from taxable income. No withholding tax is applied on utilized investment expenditures without incentive certificates. The Company is required to accrue Income Tax Withholding at a rate of 19.8% due to the utilization of investment incentives related to the period prior to April 24, 2003.

As of June 30, 2025, the Company will finalize the Income Tax Withholding calculated on the Investment Incentive utilized from the period prior to April 24, 2003, and, based on the taxable income to be declared in the Corporate Tax Return, will calculate any Income Tax Withholding on the Investment Incentive amount available for utilization. The Company will then declare and pay the resulting withholding tax in the subsequent month through the withholding tax return

In the Temporary Article 69, which was added to the Income Tax Law No. 193 with the Law No. 5479, which was published in the Official Gazette No. 26133 dated April 8, 2006 and entered into force as of January 1, 2006, the taxpayers within the scope of this article are in force on December 31, 2005. It is envisaged that they will be able to deduct the investment incentive amounts they will calculate according to the provisions of the legislation (including the provisions regarding the tax rate) only from their earnings for the years 2006, 2007 and 2008, therefore, the investment incentive application has been abolished as of 1 January 2006.

In this framework, the rights of obliged parties who could not use some or all of their investment incentive exemption rights within a three-year period ceased to exist as of 31 December 2008.

On the other hand, articles 2 and 15 of the Law No. 5479 and article 19 of the Income Tax Law were repealed as of January 1, 2006, and thus, investment incentive exemption was granted over investment expenditures made between January 1, 2006 and April 8, 2006 was not allowed.

However, pursuant to the decision taken by the Constitutional Court at its meeting held on October 15, 2009, the phrases 2006, 2007 and 2008 included in the temporary article 69 of the above-mentioned Income Tax Law regarding investment incentives, and the phrases of article 19 have been removed from the date of January 1, 2006. It has been decided to cancel the regulation regarding the abolition of the investment incentives on the grounds that it is unconstitutional, and the time limitation regarding the investment discount has also been removed.

Investment Incentives

Pursuant to the decision taken by the Constitutional Court, it was ruled that the annulment regarding the investment discount would enter into force with the publication of the Decision in the Official Gazette, and the relevant Constitutional Court Decision was published in the Official Gazette dated 8 January 2010 and numbered 27456.

According to this, Investment allowance amounts transferred to 2006 due to insufficient earnings and investment allowance amounts arising from investments that started before 2006 and continued after this date within the scope of economic and technical integrity can be used not only in 2006, 2007 and 2008, but also in the following years.

With the new regulation, it has been ensured that the investment incentive exemption, which cannot be deducted due to insufficient earnings and is carried over to the following periods, continues to be utilized without any year limitation.

However, the "Law on Amending the Income Tax Law and Some Laws and Decrees with the Force of Law" numbered 6009 was published in the Official Gazette dated 1 August 2010 and numbered 27659, and the amount to be deducted as an investment allowance exemption with the relevant law is % of the income amount of the relevant year. It is stated that it cannot exceed 25. With the amendment, the corporate tax rate of those who will benefit from the investment discount is the current rate (20%) instead of 30%.

With the decision of the Constitutional Court dated February 9, 2012 and numbered 2012/9 (Main No: 2010/93), it was added to the first paragraph of the temporary 69th article of the Income Tax Law with the 5th article of the Law no. The amount to be deducted as an investment allowance exception cannot exceed 25% of the relevant income. It has decided that the sentence in the form is unconstitutional and annulled. Following the decision of the Constitutional Court, necessary arrangements were made by the Revenue Administration to enable taxpayers to benefit from investment incentives without considering the 25% limit in their Annual Corporate Tax Returns for 2011.

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32. Tax Assets and Liabilities (Continued)

Investment Incentives (Continued)

As of 30 June 2025, the Company has TRY 976,981 of Unused Investment Discount relating to the period prior to April 24, 2003. The Company is required to accrue Income Tax Withholding at a rate of 19.8% due to the utilization of the Investment Incentive pertaining to the period before April 24, 2003. As of June 30, 2025, the Company will calculate the Income Tax Withholding on the utilized Investment Incentive amount and, based on the taxable income to be declared in the Corporate Tax Return, will calculate any applicable Income Tax Withholding on the Investment Incentive amount to be utilized. The resulting withholding tax will be reported and paid via the monthly withholding tax return in the subsequent month.

With the Law No. 4842 dated April 9, 2003, the articles of the Income Tax Law regarding Investment Discounts were amended, and it was stated that 40% of the investment made within the framework of the criteria specified in the law would be benefited from the Investment Discount Exemption in the purchase of investment goods. Income Tax Withholding is also not applied in the Investment Discount Exceptions utilized according to this provision. All of the Company's investment incentives have been used within the scope of the law numbered 4842, and after the use of the investment discount, there is no withholding tax-free investment allowance according to the said law.

The Group will be able to use the unused investment incentive amounting to TRY 976,981 (31 December 2024: TRY 976,981) as of 30 June 2025 by deducting it from future earnings.

Transfer pricing regulations in Turkey are specified in Article 13 of the Corporate Tax Law titled "Disguised profit distribution through transfer pricing". The communiqué dated 18 November 2007 on disguised profit distribution through transfer pricing regulates the details regarding the application. If the taxpayer purchases or sells goods or services with related parties at the price or price they have determined, contrary to the arm's length principle, the gain is deemed to have been distributed implicitly, in whole or in part, through transfer pricing. Transactions such as disguised profit distribution through transfer pricing, giving for corporate tax purposes, borrowing and lending of money, bonuses, fees and similar payments are considered as the purchase or sale of goods or services in all cases and conditions. Companies are obliged to fill out the transfer pricing form, which will be included in the annex of the annual corporate tax return. In this form, the amounts of all transactions made with related companies within the relevant accounting period and the transfer pricing methods related to these transactions are stated.

The tax provisions for the periods ended 30 June 2025 and 30 June 2024 consist of the following:

Current period income tax	1 January- 30 June 2025	1 January- 30 June 2024
Current period corporation tax income/(expenses)	(3,659)	(5,332)
Deferred tax income/(expenses)	132	23
Total tax income/(expenses)	(3,527)	(5,309)

For the periods ended 30 June 2025 and 30 June 2024, the provision for income tax in the statement of profit or loss is different from the amount computed by applying the statutory tax rate of income before tax:

	1 January- 30 June 2025	1 January- 30 June 2024
Profit/(loss) before the reported tax	(102,396)	(89,698)
Amount of non-deductible expenses	(861)	(1,427)
Amount of tax-exempt income	457	1,768
Tax calculated based on the reported profit/loss	25,599	22,424
Subsidiary tax effect (*)	3,106	16,597
Other	(31,828)	(44,671)
Tax income/(expense)	(3,527)	(5,309)

(*) Shipping companies established in Malta and Marshall Islands, which are subsidiaries of the Company are exempt from tax in accordance with the laws of the country they are located in. In the period when the profits of the subsidiaries for the period and previous years are recorded by the Company that owns 100% of the capital shares, through cash or bonus profit distribution or bonus capital increase, the Corporate Tax rate in Turkey is applied as 25%.

The Company calculates deferred tax assets and liabilities arising from the effects of the evaluation differences between TFRS and Tax Procedural Law (TPL).

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32. Tax Assets and Liabilities (Continued)

Investment Incentives (Continued)

As of 30 June 2025 and 31 December 2024, the list of temporary differences and related deferred tax assets and liabilities by using current tax rates are as follows:

	30 June 2025	31 December 2024
Employee termination benefits and other employee rights	933	839
Remeasurement differences of tangible and intangible assets	-	(613)
Other	78	569
Deferred tax assets net	1,011	795

As of 30 June 2025 and 31 December 2024, movement of deferred tax assets is as follows;

	30 June 2025	31 December 2024
Opening balance	795	1,381
Deferred tax income/(expense) that is recognized in profit or loss	132	513
Monetary gains/losses	103	(1,081)
Deferred tax that is recognized in shareholders' equity	(19)	(18)
Balance at the end of period	1,011	795

33. Earnings (Loss) Per Share

Earnings/(losses) per share calculation for the periods ended 30 June 2025 and 30 June 2024 are as follows:

	1 January- 30 June 2025	1 January- 30 June 2024
Net profit /(loss) for the period	(105,923)	(95,007)
Weighted average number of ordinary shares*	147,820	150,000
Basic earnings/(losses) expressed in 1 TRY per share	(0.711)	(0.633)

(*) For the period ending June 30, 2025, the Company's weighted average share price, excluding repurchased shares, was calculated as TRY 148.910. It was calculated by dividing the net profit/(loss) for the period by the weighted average number of shares.

34. The nature and level of the risks that stem from financial instruments

34.1 Financial risk management purposes and policies

The Group Companies are exposed to various risks during their activities:

- Credit Risk
- Liquidity Risk
- Market Risk

This note is disclosed to give information about the targets, policies and processes in the risk management of the Group companies in case the Group companies are exposed to the aforementioned risks.

The Board of Directors of the Group companies is generally responsible for the establishment and supervision of the risk management frame of the companies.

The risk management policies of the Group companies are formed to determine and analyze the risks that the companies can be exposed to. The purpose of the risk management policies is to form the appropriate risk limit controls, to supervise risks and to adhere to the limits. The Company creates a disciplined and constructive control environment and helps all the employees understand their roles and responsibilities via various training and management standards and processes.

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34. The nature and level of the risks that stem from financial instruments (Continued)

34.1 Financial risk management purposes and policies (Continued)

34.1.1 Credit risk

The Group is exposed to credit risk because of its dry cargo transportation. Credit risk is the risk that one party in a mutual relationship suffers a financial loss as a result of the other party not fulfilling his/her commitment regarding a financial instrument. The Company tries to manage credit risk by limiting the transactions made with certain parties and evaluating continuously the trustworthiness of the parties.

Credit risk concentration is about certain companies operating in similar lines of business or being located in the same geographical region. This concentration is also about changes that can occur under economic, political and similar other conditions – affecting the commitments of these companies that stem from contracts. Credit risk concentration reveals the Company's sensitivity about its performance of being effective to a certain branch of industry or geographical region.

The Group tries to manage its credit risk by working with international companies which are specialized in their sectors and by doing business in terms of international law.

34.1.2 Liquidity risk

Liquidity risk come in sight during the funding of the Group companies' activities. This risk includes both the risk of not being able to fund the Group companies' assets in appropriate maturities and dates and the risk of not being able to liquidate an asset with a reasonable price and in an appropriate timeframe. The Group fulfills its funding needs through banks. The Company continuously evaluates liquidity risk by determining the changes and watching the course of these changes in the fund resources that are necessary to reach the company target.

34.1.3 Market Risk

The Group protects itself with respect to changing market conditions by using instruments of purchase and sale. The market risk is managed by purchase and sale of derivative financial instruments, within the limits determined by the Company management, and by getting preventive positions.

(i) Foreign currency risk

The Group carries the foreign currency risk due to the transactions conducted in foreign currencies (such as marine operations, investment activities and bank credits). Since the financial statements of the Group are prepared based on Turkish Lira, the mentioned financial statements are affected by the floating of the foreign currencies with respect to Turkish Lira.

(ii) Interest rate risk

The activities of the Group companies are exposed to the risk of changes in interest rates when its receivables and loans on interest are redeemed or reprised on different times or amounts. Furthermore, the Group, in case it has loans involving flexible interest rates such as Sofr or Euribor rates, may also be exposed to the risk of interest rate due to the reprising thereof.

The risk management activities aim to optimize the net interest income if the market interest rates in compliance with the basic strategies of the Company are considered. Sensitivity of the assets, liabilities and off-balance sheet items to interest is evaluated daily and monthly by the Company Management while also taking the developments in the market into account.

Standard method, value exposed to the risk (VaR - Method of Historical Analogy) and methods of Active- Passive risk measurement are used while measuring the risk of interest rate endured by the Group. Measurements within the context of standard method are conducted on monthly bases via maturity ladder and those within the context of VaR measurements are conducted on daily bases. Active passive measurement model is also conducted on daily basis.

During VaR calculations conducted on daily basis, interest rate risks of securities of Turkish Lira and foreign currency in the portfolio of the Company which are allocated for sale-purchase and ready for sale and off- balance sheet positions are measured. Mentioned calculations are supported with scenario analyses and stress testings.

Standard method, value at risk (VaR-Historical Simulation Method) and Active-Liability risk measurement methods are used in measuring the interest rate risk that the Group is exposed to.

Measurements made within the scope of the standard method are performed on a monthly basis using the maturity ladder, and measurements made within the scope of VaR calculations are performed on a daily basis. The active-passive risk measurement model is also run on a daily basis.

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34. The nature and level of the risks that stem from financial instruments (Continued)

34.1 Financial risk management purposes and policies (Continued)

34.2.1 Credit Risk

Sectoral distribution of the receivables originating from finance sector activities is as follows:

	30 June 2025	%	31 December 2024	%
Other	62	100	60	100
Total	62	100	60	100

As of 30 June 2025 and 31 December 2024, the assets of the Company which are qualified as credits exposed to credit risk are as in the following table:

	Receivables originating from finance sector activities		Trade and other receivables		
	Third parties	Related parties	Third parties	Bank Deposits	Securities
30 June 2025					
Maximum loan risks to be endured as of the end of the reporting period (A+B+C+D+E)	62	2,628	-	1,064,501	-
A. Net book value of the financial assets which are undue and have not been impaired	-	2,628	-	1,064,501	-
B. Net book value of the financial assets conditions of which have been re-negotiated and which will otherwise be considered as due or impaired	-	-	-	-	-
C. Net book value of the assets which are due but have not been impaired	62	-	-	-	-
portion guaranteed by securities etc.	62	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Due (gross registered value)	-	-	1,980	-	-
Impairment (-)	-	-	(1,980)	-	-
- Portion of the net value guaranteed by securities etc.	-	-	-	-	-
Undue (gross registered value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Portion of the net value guaranteed by securities etc.	-	-	-	-	-
E. Elements comprising off-balance sheet loan risk	-	-	-	-	-
	Receivables originating from finance sector activities		Trade and other receivables		
	Third parties	Related parties	Third parties	Bank Deposits	Securities
31 December 2024					
Maximum loan risks to be endured as of the end of the reporting period (A+B+C+D+E)	60	2,749	-	959,162	1,969
A. Net book value of the financial assets which are undue and have not been impaired	-	2,749	-	959,162	1,969
B. Net book value of the financial assets conditions of which have been re-negotiated and which will otherwise be considered as due or impaired	-	-	-	-	-
C. Net book value of the assets which are due but have not been impaired	60	-	-	-	-
portion guaranteed by securities etc.	60	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Due (gross registered value)	-	-	2,309	-	-
Impairment (-)	-	-	(2,309)	-	-
- Portion of the net value guaranteed by securities etc.	-	-	-	-	-
Undue (gross registered value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
- Portion of the net value guaranteed by securities etc.	-	-	-	-	-
E. Elements comprising off-balance sheet loan risk	-	-	-	-	-

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34. The nature and level of the risks that stem from financial instruments (Continued)

34.2 Financial risk management purposes and policies (Continued)

34.2.2 Liquidity risk

The chart below provides the maturity analysis of the financial liabilities of the Group companies based on the remaining maturities as at balance sheet date. The amounts indicated in the chart represent undiscounted amounts based on contracts.

30 June 2025

Due Dates in Relation to the Contract	Carrying value	Sum of cash outflow in relation to the contract	Less than 3 months	Between 3-12 months	Between 1-5 years
Non-derivative Financial Liabilities	1,051,488	(1,458,501)	(52,842)	(243,599)	(1,162,060)
Bank loans	1,038,944	(1,445,957)	(40,298)	(243,599)	(1,162,060)
Payables from finance sector activities	247	(247)	(247)	-	-
Trade payables	5,707	(5,707)	(5,707)	-	-
Other payables	6,590	(6,590)	(6,590)	-	-

31 December 2024

Due Dates in Relation to the Contract	Carrying value	Sum of cash outflow in relation to the contract	Less than 3 months	Between 3-12 months	Between 1-5 years	Between 1-5 years
Non-derivative Financial Liabilities	965,998	(1,049,712)	(132,954)	(916,758)	-	-
Bank loans	929,214	(1,012,928)	(96,170)	(916,758)	-	-
Payables from finance sector activities	245	(245)	(245)	-	-	-
Trade payables	34,279	(34,279)	(34,279)	-	-	-
Other payables	2,260	(2,260)	(2,260)	-	-	-

33.2.3 Market risk

Interest rate risk

The Company is exposed to the interest rate risk due to the effect of the changes in interest rates on assets yielding interest. The mentioned risk of interest rate is managed by making use of liquid assets as short term investment.

Interest rate position table

Financial instruments with fixed interest	30 June 2025	31 December 2024
Finance lease receivable	62	60
Time deposits	1,027,879	901,438
(GUD) Currency Protected Time Deposits	-	1,969
Investment Fund	119,941	128,652
Bank loans		
Financial instruments with floating interest		
Bank loans	919,003	800,562

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34. The nature and level of the risks that stem from financial instruments (Continued)

34.2 Financial risk management purposes and policies (Continued)

34.2.3 Market risk (continued)

Interest rate risk sensitivity analysis

If the interest rates of floating rate financial instruments on 30 June 2025 were 100 basis points higher / lower at the renewal dates and all other variables were held constant, the net loss for the period excluding tax would have been TRY 4 higher / lower (31 December 2024: TRY 61).

Foreign currency risk

Foreign currency risk is the risk arising from the change in the value of a financial instrument depending on the changes in foreign exchange rate. The Company is exposed to the risk of currency due to the changes in exchange rates while converting its foreign currency assets to Turkish Lira. Risks of currency are managed by the using of foreign currency liquid assets as short term investment.

The chart below summarizes the foreign currency position risk of the Group in detail as at the dates of 30 June 2025 and 31 December 2024. Foreign currency assets and liabilities of the Group are as follows in foreign currency.

FOREIGN CURRENCY POSITION CHART				
	30 June 2025		31 December 2024	
	Total TRY Equivalent	USD	Total TRY Equivalent	USD
1. Trade Receivables	14,248	359	-	-
2a. Monetary financial assets (including cash and bank accounts)	1,064,276	26,780	318,058	7,727
2b. Non-monetary financial assets	-	-	-	-
3. Other	22,150	557	15,121	367
4. Current assets (1+2+3)	1,100,674	27,696	333,179	8,094
5. Trade receivables	-	-	-	-
6a. Monetary financial assets	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-
7. Other	2,399,318	60,374	2,545,715	61,845
8. Non-current assets (5+6+7)	2,399,318	60,374	2,545,715	61,845
9. Total assets (4+8)	3,499,992	88,070	2,878,894	69,939
10. Trade payables	3,830	96	33,460	813
11. Financial liabilities	220,528	5,549	260,969	6,340
12a. Other (Monetary)	5,884	148	7,245	176
12b. Other (Non-monetary)	8,925	225	10,545	256
13. Short-term liabilities (10+11+12)	239,167	6,018	312,219	7,585
14. Trade payables	-	-	-	-
15. Financial Liabilities	818,660	20,600	668,486	16,240
16 a. Other (Monetary)	-	-	-	-
16 b. Other (Non-monetary)	-	-	-	-
17. Long-term liabilities (14+15+16)	818,660	20,600	668,486	16,240
18. Total liabilities (13+17)	1,057,827	26,618	980,705	23,825
19. Net Asset/(Liability) Position of the Off-Balance Sheet Foreign Currency Derivative Instruments (19a-19b)*	-	-	-	-
19a. Sum of the Off-Balance Sheet Foreign Currency Derivative Products with Active Character	-	-	-	-
20. Net Foreign Currency Asset/(Liability) Position (9-18+19)	2,442,165	61,452	1,898,189	46,114
21. Monetary Items Net Foreign Currency Asset/(Liability) Position (=1+2a+5+6a-10-11-12a-14- 15-16a)	29,622	746	(652,102)	(15,842)

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34. The nature and level of the risks that stem from financial instruments (continued)

34.2 Financial risk management purposes (continued)

34.2.3 Market Risk (continued)

As of 30 June 2025, and 31 December 2024, items including derivative financial assets and liabilities, if any, in the consolidated statement of financial position are based on the assumptions that foreign currencies will be 10% more valuable or worthless, keeping all other variables constant, against TRY at these dates. Consolidated exchange rate sensitivity analysis reflecting the change in the consolidated profit/loss and consolidated equities of the Group caused by the differences between the current carrying values and the values that would be carried in case of an increase or decrease in the exchange rates are given in the tables below.

Foreign Exchange Rate Sensitivity Analysis Table				
30 June 2025				
	Profit/(Loss)		Equity	
	Foreign currency appreciates	Foreign currency depreciates	Foreign currency appreciates	Foreign currency depreciates
Change of USD by 10% against TRY:				
1. USD net asset/liability	(3,840)	3,840	248,055	(248,055)
2. Secured portion from USD risk (-)	-	-	-	-
Change of EUR by 10% against TRY:				
3. Euro net asset/liability	-	-	-	-
4. Secured portion from EUR risk (-)	-	-	-	-
Change of other currencies by 10% against TRY:				
5. Other currencies net asset/liability	-	-	-	-
6. Secured portion from other currencies risk (-)	-	-	-	-

Foreign Exchange Rate Sensitivity Analysis Table				
31 December 2024				
	Profit/(Loss)		Equity	
	Foreign currency appreciates	Foreign currency depreciates	Foreign currency appreciates	Foreign currency depreciates
Change of USD by 10% against TRY:				
1. USD net asset/liability	(55,369)	55,369	245,188	(245,188)
2. Secured portion from USD risk (-)	-	-	-	-
Change of EUR by 10% against TRY:				
3. Euro net asset/liability	-	-	-	-
4. Secured portion from EUR risk (-)	-	-	-	-
Change of other currencies by 10% against TRY:				
5. Other currencies net asset/liability	-	-	-	-
6. Secured portion from other currencies risk (-)	-	-	-	-

Other price risks:

The Group is exposed to stock price risk arising from the stock investments. Stock investments are conducted for strategic purposes rather than commercial goals. The Group does not actively purchase-sale such investments.

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35. Financial Instruments

Fair value of financial instruments

The estimated fair values of financial instruments have been determined by the Group, using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange. The following methods and assumptions were used to estimate the fair value of the financial instruments for which is practicable to estimate fair value.

Financial Assets

The carrying values of financial assets including cash and cash equivalents which are accounted with their costs are estimated to be their fair values since they are short term.

The carrying values of receivables from finance sector activities as of 31 December 2025 are estimated to be their fair values since they are short term.

Financial Liabilities

The carrying values of finance sector payables, borrowings and short-term trade payables are estimated to be their fair values.

Carrying and fair values of the financial assets and liabilities which are not reflected at their fair values in the financial statements as of 30 June 2025 and 31 December 2024 are shown in the table below:

	30 June 2025		31 December 2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	1,064,632	1,064,632	959,190	959,190
Investment fund	-	-	1,867	1,969
Trade receivables	16,876	16,876	2,749	2,749
Receivables from finance sector activities	62	62	60	60
Payables from finance sector activities	247	247	245	245
Trade payables	5,707	5,707	34,279	34,279
Other payables	6,590	6,590	2,260	2,260
Bank borrowings	1,038,944	1,038,944	929,214	929,214

Classification of the fair value measurement

The chart below discloses the valuation methods of the financial instruments reflected at their fair values. The valuation methods according to different levels are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3: Inputs for the asset or liabilities that are not based on observable market data (unobservable inputs).

As at the 30 June 2025, there is no financial investment carried at fair value (31 December 2024: None).

36. Events after the reporting period

Pursuant to the donation decision adopted at the Ordinary General Assembly Meeting for the year 2024 held on April 28, 2025, our Company has donated TRY 10,000,000 to the GSD Education Foundation for the construction of a school to be completed in Hatay province.

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