

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**CONVENIENCE TRANSLATION INTO ENGLISH OF  
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

**(ORIGINALLY ISSUED IN TURKISH)**

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

---

<b>CONTENTS</b>	<b>PAGE</b>
<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....</b>	<b>1-2</b>
<b>CONSOLIDATED STATEMENTS OF PROFIT AND LOSS.....</b>	<b>3</b>
<b>CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME.....</b>	<b>4</b>
<b>CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY.....</b>	<b>5</b>
<b>CONSOLIDATED STATEMENTS OF CASH FLOWS.....</b>	<b>6</b>
<b>NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....</b>	<b>7-55</b>

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

	Notes	30 September 2024	Audited 31 December 2023
<b>ASSETS</b>			
<b>Current assets</b>		<b>1,812,546</b>	<b>2,330,063</b>
Cash and cash equivalents	4	641,548	663,174
Financial investments	5	122,269	383,084
Trade receivables		872,840	1,108,147
- <i>Trade receivables from third parties</i>	8	869,848	1,105,369
- <i>Trade receivables from related parties</i>	28	2,992	2,778
Other receivables		57	77
- <i>Other receivables from third parties</i>	9	57	77
Inventories	10	23,580	49,315
Prepaid expenses	17	75,995	66,487
Other current assets	9	76,257	59,779
<b>Non-current assets</b>		<b>4,439,178</b>	<b>4,928,983</b>
Other receivables		1,707	1,292
- <i>Other receivables from related parties</i>	28	1,707	1,292
Financial investments	5	655,027	1,092,279
Right-of-use assets	13	24,217	33,077
Property, plant and equipment	11	355,761	386,156
Intangible assets		3,367,004	3,334,655
- <i>Goodwill</i>	14	908,974	1,038,372
- <i>Other intangible assets</i>	12	2,458,030	2,296,283
Prepaid expenses	17	4,322	4,079
Deferred tax asset	26	24,265	74,653
Other non-current assets		6,875	2,792
<b>Total assets</b>		<b>6,251,724</b>	<b>7,259,046</b>

The accompanying consolidated financial statements have been approved by Board of Directors on 8 November 2024 and signed on its behalf by Buğra Koyuncu, Vice Chairman of the Board of Directors and Logo Group Chief Executive Officer, CEO and Gülnur Anlaş, Logo Group Chief Financial Officer, CFO.

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

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS OF 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

	Notes	30 September 2024	Audited 31 December 2023
<b>LIABILITIES</b>			
<b>Current liabilities</b>		<b>2,890,990</b>	<b>3,511,750</b>
Short-term borrowings	7	21,896	49,634
Short-term portion of long-term borrowings	7	100,851	89,774
Trade payables		201,889	382,026
- Trade payables to related parties		145	-
- Trade payables to third parties	8	201,744	382,026
Employee benefit payables	16	462,265	579,936
Other payables		623,982	776,963
- Other payables to third parties	9	623,982	776,958
- Other payables to related parties		-	5
Contract liabilities	17	1,440,073	1,590,657
Current income tax liabilities	26	4,731	12,662
Other current liabilities		35,303	30,098
<b>Non-current liabilities</b>		<b>564,122</b>	<b>618,780</b>
Long-term borrowings	7	315,400	335,416
Other payables		615	836
- Other payables to third parties	9	615	836
Long-term provisions		176,895	182,581
- Provisions for employee benefits	16	176,895	182,581
Contract liabilities	17	41,413	61,287
Deferred tax liabilities	26	29,799	38,660
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>		<b>2,575,437</b>	<b>2,866,844</b>
Paid-in share capital	18	100,000	100,000
Adjustment differences to share capital	18	775,734	775,734
Restricted reserves appropriated from profit		242,091	242,091
Put option revaluation fund related with non-controlling interests		(470,773)	(428,774)
Treasury shares (-)	18	(401,978)	(285,690)
Reserves for treasury shares	18	401,978	285,690
Other accumulated comprehensive income that will not be reclassified to profit or loss		216,510	179,749
- Loss on remeasurement of defined benefit plans		(47,660)	(45,331)
- Gain from investments in equity instruments		264,170	225,080
Other accumulated comprehensive income that will be reclassified to profit or loss		667,724	711,109
- Foreign currency translation differences		677,987	723,354
- Hedge losses		(11,012)	(14,071)
- Fair value gains (losses) on financial assets at fair value through other comprehensive income		749	1,826
Retained earnings		725,730	1,096,519
Net profit for the period		318,421	190,416
<b>Non-controlling interests</b>		<b>221,175</b>	<b>261,672</b>
<b>Total equity</b>		<b>2,796,612</b>	<b>3,128,516</b>
<b>Total liabilities and equity</b>		<b>6,251,724</b>	<b>7,259,046</b>

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

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS  
FOR PERIOD 1 JANUARY – 30 SEPTEMBER 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

	Notes	1 January - 30 September 2024	1 July- 30 September 2024	1 January - 30 September 2023	1 July 30 September 2023
Revenue	20	3,648,135	1,168,145	3,063,027	973,887
Cost of sales (-)	20	(663,750)	(201,205)	(540,567)	(132,913)
<b>Gross profit</b>		<b>2,984,385</b>	<b>966,940</b>	<b>2,522,460</b>	<b>840,974</b>
General administrative expenses (-)	21	(379,283)	(124,384)	(346,128)	(117,838)
Marketing expenses (-)	21	(676,612)	(218,164)	(558,723)	(176,287)
Research and development expenses (-)	21	(1,075,874)	(352,681)	(923,986)	(320,430)
Other operating income	22	57,308	7,641	30,980	7,022
Other operating expenses (-)	22	(48,658)	(5,317)	(53,480)	(9,175)
<b>Operating profit</b>		<b>861,266</b>	<b>274,035</b>	<b>671,123</b>	<b>224,266</b>
Income from investing activities	23	108,046	32,278	123,367	31,777
Share of losses of investments accounted for using the equity method		(37,374)	(37,374)	(11,979)	(7,221)
<b>Operating profit before financial income/(expense)</b>		<b>931,938</b>	<b>268,939</b>	<b>782,511</b>	<b>248,822</b>
Financial income	24	150,482	24,824	536,631	96,320
Financial expenses (-)	25	(318,366)	(99,448)	(192,244)	(80,403)
Net monetary position losses		(393,974)	(82,315)	(738,362)	(428,185)
<b>Profit before tax</b>		<b>370,080</b>	<b>112,000</b>	<b>388,536</b>	<b>(163,446)</b>
<b>Taxation on expense:</b>		<b>(41,351)</b>	<b>5,037</b>	<b>(219,861)</b>	<b>15,663</b>
Current tax income/(expense)	26	(7,384)	1,708	(167,878)	21,142
Deferred tax income/(expense)	26	(33,967)	3,329	(51,983)	(5,479)
<b>Profit for the period</b>		<b>328,729</b>	<b>117,037</b>	<b>168,675</b>	<b>(147,783)</b>
<b>Net profit attributable to:</b>					
Non-controlling interests		10,308	5,729	(5,794)	1,200
Equity holders of the parent	27	318,421	111,308	174,469	(148,983)
<b>Earnings per share (Full TL)</b>		<b>3,39</b>	<b>1,19</b>	<b>1,82</b>	<b>(1,56)</b>

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

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

CONDENSED CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE  
INCOME FOR THE PERIODS 1 JANUARY – 30 SEPTEMBER 2024 AND 2023

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

Notes	1 January - 30 September 2024	1 July- 30 September 2024	1 January - 30 September 2023	1 July 30 September 2023
<b>Profit for the period</b>	<b>328,729</b>	<b>117,037</b>	<b>168,675</b>	<b>(147,783)</b>
<b>Items that will be reclassified to profit or loss:</b>	<b>(85,100)</b>	<b>22,476</b>	<b>99,237</b>	<b>(167,933)</b>
Foreign currency translation differences	(87,082)	23,018	98,575	(189,101)
Hedge loss	3,059	139	(4,342)	(105)
Fair value difference gains (losses) on financial assets through other comprehensive income	(1,275)	(867)	4,326	25,619
Tax effect	198	186	678	(4,346)
<b>Items that will not be reclassified to profit or loss:</b>	<b>36,761</b>	<b>9,228</b>	<b>79,717</b>	<b>4,820</b>
Revaluation losses of defined benefits plans	(2,640)	156	(1,829)	3,727
Tax effect	311	(57)	154	(338)
Share of gains of investments accounted for using the equity method	41,423	9,584	89,436	560
Tax effect	(2,333)	(455)	(8,044)	871
<b>Other comprehensive income</b>	<b>(48,339)</b>	<b>31,704</b>	<b>178,954</b>	<b>(163,113)</b>
<b>Total other comprehensive income</b>	<b>280,390</b>	<b>148,741</b>	<b>347,629</b>	<b>(310,896)</b>
<b>Total comprehensive income attributable to:</b>				
Non-controlling interest	(31,407)	3,312	25,292	(59,853)
Equity holders of the parent	311,797	145,429	322,337	(251,043)
	<b>280,390</b>	<b>148,741</b>	<b>347,629</b>	<b>(310,896)</b>

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

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIODS 1 JANUARY – 30 SEPTEMBER 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

	Paid-in capital	Adjustments to share capital	Treasury shares	Reserves for treasury shares	Losses on Hedging shares (**)	Restricted reserves appropriated from profit	Gains and losses on remeasurement of defined benefit plans(*)	Gains from investments in equity Instruments (*)	Gains (Losses) on Assets at FVTOCI (**)	Foreign currency translation differences (**)	Prior years' profit	Net profit for the period	Put option valuation fund for non-controlling interests	Equity attributable to the parent	Non-controlling interests	Total equity
<b>Balances as of 1 January 2023</b>	<b>100,000</b>	<b>775,733</b>	<b>(132,687)</b>	<b>132,687</b>	<b>(13,464)</b>	<b>242,091</b>	<b>(19,990)</b>	<b>72,533</b>	<b>(23,200)</b>	<b>632,366</b>	<b>1,104,208</b>	<b>432,869</b>	<b>(223,558)</b>	<b>3,079,588</b>	<b>243,372</b>	<b>3,322,960</b>
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	432,869	(432,869)	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-	-	-	-	(287,553)	-	-	(287,553)	-	(287,553)
Decrease due to changes in ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	-	(168,344)	(168,344)	-	(168,344)
Increase/decrease due to share buy-back transactions	-	-	(122,343)	122,343	-	-	-	-	-	-	(122,343)	-	-	(122,343)	-	(122,343)
Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	174,469	-	174,469	(5,794)	168,675
Other comprehensive income	-	-	-	-	(4,342)	-	(1,673)	81,390	5,004	67,489	-	-	-	147,868	31,086	178,954
<b>Balances as of 30 September 2023</b>	<b>100,000</b>	<b>775,733</b>	<b>(255,030)</b>	<b>255,030</b>	<b>(17,806)</b>	<b>242,091</b>	<b>(21,663)</b>	<b>153,923</b>	<b>(18,196)</b>	<b>699,855</b>	<b>1,127,181</b>	<b>174,469</b>	<b>(391,902)</b>	<b>2,823,685</b>	<b>268,664</b>	<b>3,092,349</b>
<b>Balances as of 1 January 2024</b>	<b>100,000</b>	<b>775,734</b>	<b>(285,690)</b>	<b>285,690</b>	<b>(14,071)</b>	<b>242,091</b>	<b>(45,331)</b>	<b>225,080</b>	<b>1,826</b>	<b>723,354</b>	<b>1,096,519</b>	<b>190,416</b>	<b>(428,774)</b>	<b>2,866,844</b>	<b>261,672</b>	<b>3,128,516</b>
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	190,416	(190,416)	-	-	-	-
Dividends Paid	-	-	-	-	-	-	-	-	-	-	(408,664)	-	-	(408,664)	-	(408,664)
Decrease due to changes in ownership interest in subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	(36,253)	-	(41,999)	(78,252)	(9,090)	(87,342)
Increase/decrease due to share buy-back transactions	-	-	(116,288)	116,288	-	-	-	-	-	-	(116,288)	-	-	(116,288)	-	(116,288)
Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	318,421	-	318,421	10,308	328,729
Other comprehensive income	-	-	-	-	3,059	-	(2,329)	39,090	(1,077)	(45,367)	-	-	-	(6,624)	(41,715)	(48,339)
<b>Balances as of 30 September 2024</b>	<b>100,000</b>	<b>775,734</b>	<b>(401,978)</b>	<b>401,978</b>	<b>(11,012)</b>	<b>242,091</b>	<b>(47,660)</b>	<b>264,170</b>	<b>749</b>	<b>677,987</b>	<b>725,730</b>	<b>318,421</b>	<b>(470,773)</b>	<b>2,575,437</b>	<b>221,175</b>	<b>2,796,612</b>

(\*) Other accumulated comprehensive income/(expenses) that will not be reclassified to profit or loss

(\*\*) Accumulated other comprehensive income/(expenses) to be reclassified to profit or loss

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

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE PERIODS 1 JANUARY - 30 SEPTEMBER 2024 AND 2023**

(Amounts expressed in thousands of Turkish Lira ("TL") in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

	Notes	1 January - 30 September 2024	1 January - 30 September 2023
<b>A. Cash flows generated from operating activities</b>		<b>229,171</b>	<b>(417,624)</b>
Profit for the period		328,729	168,675
<b>Adjustments to reconcile profit for the period</b>		<b>299,437</b>	<b>(471,746)</b>
Adjustments related to depreciation and amortization expenses	11, 12, 13	480,592	377,816
Adjustments related to provisions for employment termination benefits	16	67,513	51,490
Adjustments related to interest expenses	25	281,819	152,076
Adjustments related to interest income	24	(9,549)	(23,057)
Adjustments related to fair value losses (gains) of derivative financial instruments	23	(108,046)	(123,367)
Adjustments related to fair value losses (gains) on derivative financial instruments		-	1,962
Adjustment related to impairment/(reversal of) on receivables	8	377	(676)
Adjustments related to unrealised foreign exchange differences		(130,939)	(489,761)
Adjustments related to tax income	26	41,351	219,861
Monetary (gain) / loss effect		(323,681)	(638,090)
<b>Changes in working capital</b>		<b>(359,864)</b>	<b>49,989</b>
Adjustments related to decrease / (increase) in inventories		12,718	(11,485)
Adjustments related to increase in trade receivables		(27,555)	(240,803)
Adjustments related to increase/(decrease) in trade payables		(86,111)	30,573
Increase in other assets related to operations		(65,665)	(92,221)
Increase/(decrease) in other payables related to operations		(193,251)	363,925
<b>Cash flows generated from operating activities</b>		<b>268,302</b>	<b>(253,082)</b>
Tax payments	26	(15,315)	(148,544)
Payments related to provision for employee benefits	16	(23,816)	(15,998)
Cash outflows for purchases of property, plant and equipment and intangible assets	11, 12	(728,330)	(687,113)
Cash outflows for the acquisition of debt instruments or shares of other entities or funds		738,215	637,146
Proceeds from sale of property and equipment and intangible assets		2,796	271
Cash outflows from share purchase or capital increase in associates and joint ventures		(45,343)	-
Interest received		117,595	146,424
<b>B. Cash flows from investing activities</b>		<b>84,933</b>	<b>96,728</b>
Repayments of loans	31	(63,648)	(38,018)
Cash inflows from loans	31	101,311	59,760
Interest paid		(278,153)	(147,906)
Cash outflows from the acquisition of own shares of entity		(116,288)	(122,343)
Cash outflows related to debt payments arising from lease agreements	31	(13,901)	(34,700)
Dividends paid		(408,664)	(287,553)
<b>C. Cash flows from financing activities</b>		<b>(779,343)</b>	<b>(570,760)</b>
<b>Net increase in cash and cash equivalent before the effects of foreign currency translation differences (A+B+C)</b>		<b>(465,239)</b>	<b>(891,656)</b>
<b>D. Effects of currency translation differences on cash and cash equivalents</b>		<b>618,658</b>	<b>1,243,761</b>
<b>Monetary gain on cash and cash equivalents</b>		<b>(175,045)</b>	<b>(283,829)</b>
<b>E. Net decrease in cash and cash equivalents (A+B+C+D)</b>		<b>(21,626)</b>	<b>68,276</b>
<b>F. Cash and cash equivalents at the beginning of the period</b>	<b>4</b>	<b>663,174</b>	<b>512,980</b>
<b>Cash and cash equivalents at the end of the period (A+B+C+D+E+F)</b>	<b>4</b>	<b>641,548</b>	<b>581,256</b>

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



## LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

#### NOTE 1 - ORGANIZATION AND OPERATIONS OF THE GROUP

Logo Yazılım Sanayi ve Ticaret Anonim Şirketi (“Logo Yazılım” or “the Company”) was established in 1986 as a Limited Company and became a corporation on 30 September 1999. The Company is domiciled in Turkey and operates under the Turkish Commercial Code.

The main activity of the Company is production, development, processing and multiplication of operating systems, application software, databases, software increasing productivity, multimedia software products and all types of similar software processed inside all types of computer hardware, and distribution of these at all physical and electronic environment, and to carry out all the services such as technical support, training and technical service activities.

As of 30 September 2024, the average number of the personnel of the Group is 1,546 (31 December 2023: 1,501).

The address of the registered office of the Company is as follows:

Şahabettin Bilgisu Caddesi, No: 609  
Gebze Organize Sanayi Bölgesi  
Gebze, Kocaeli

As of 30 September 2024, main shareholder and ultimate controlling party of Logo Yazılım is Logo Teknoloji ve Yatırım A.Ş. The partnership structure of the Company is explained in Note 18.

The operations of subsidiaries and joint ventures of Logo Yazılım (together referred to as “the Group”) are as follows.

<b>Subsidiaries</b>	<b>Country of operation</b>	<b>Field of activity</b>
Total Soft S.A. (“Total Soft”)	Romania	Software development and marketing
Logo Financial Solutions GmbH (“Logo GmbH”)	Germany	Software development and marketing
Logo Business Solutions FZ-LLC (“Logo FFC-LLC”)	United Arab Emirates	Software marketing
Architected Business Solutions SRL (“ABS”)	Romania	Software development and marketing
ABS Financial Services SRL (“ABS FS”)	Romania	Software development and marketing
ELBA HR İnsan Kaynakları Eğitim ve Danışmanlık A.Ş. (“Peoplise”)	Türkiye	Software development and marketing
Logo Ödeme Hizmetleri A.Ş. (“Logo Ödeme”)*	Türkiye	Software development and marketing
<b>Joint venture</b>	<b>Country of operation</b>	<b>Field of activity</b>
Logo Infosoft Business Technology Private Limited (“Logo Infosoft”)	India	Software development and marketing

(\*) Logo Ödeme Hizmetleri A.Ş. was established within the Group on 29 November 2022 to operate within the scope of our country's new regulations on open banking within the framework of the goal of maintaining and growing its investments in the field of fintech. As of 30 September 2024, it has not started its operations yet. The name of the company was changed to Logo Ödeme Hizmetleri A.Ş. on 19 September 2023. The revenue model of our fintech services will be based on annual package subscription and credits per transaction and is expected to significantly increase the Company's SaaS (Software-as-a-Service) revenues.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**2.1 Basis of Presentation**

**2.1.1 Financial Reporting Standards Applied**

The accompanying financial statements of the Group have been prepared in accordance with the communiqué numbered II - 14.1 ‘Communiqué on the Principles of Financial Reporting in Capital Markets’ (“the Communiqué”) announced by the CMB on 13 June 2013 which is published on Official Gazette numbered 28676, in compliance with the international standards, Turkish Accounting Standards/Turkish Financial Reporting Standards (“TAS/IFRS”) promulgated by the Public Oversight Accounting and Auditing Standards Authority (“POA”) and related supplements and interpretations. TAS/IFRS are updated in harmony with the changes and updates in International Financial and Accounting Standards (“IFRS”) by the communiqués.

The financial statements are presented in accordance with “Announcement regarding with TAS Taxonomy” which was published on 4 October 2022 by the POA, and the format and mandatory information recommended by CMB.

The Group has prepared its condensed financial statements for the interim period ended 30 September 2024 in accordance with the Turkish Accounting Standard 34, "Interim Financial Reporting" ("TAS 34"). Interim condensed consolidated financial statements do not include all disclosures and notes required by the year-end financial statements and they should be read in conjunction with the consolidated financial statements dated as at 31 December 2023.

The financial statements have been prepared under the historical cost convention except for the financial investments, derivative assets and liabilities at fair values and revaluations related to the differences between carrying value and fair value of tangible and intangible assets arising from business combinations.

**2.1.2 Financial Statements of Subsidiaries Operating in Foreign Countries**

The financial statements of subsidiaries operating in foreign countries are adjusted to TAS/IFRS published by the POA for the purpose of fair presentation with necessary adjustments and classifications. Subsidiaries’ assets and liabilities of the related foreign subsidiaries are translated into Turkish Lira from the foreign exchange rate at the balance sheet date and income and expenses are translated into Turkish Lira at the average foreign exchange rate. Exchange differences arising from the use of closing and average exchange rates are recognised under the foreign currency translation reserve in equity.

**2.1.3 Basis of Consolidation**

The condensed consolidated financial statements prepared in accordance with the principles of consolidated financial statements for the year ended 31 December 2023 include the accounts of Logo Yazılım and its subsidiaries.

The table below sets out the subsidiaries of Logo Yazılım and ownership interests held by the Company at 30 September 2024 and 31 December 2023:

<b>Subsidiaries</b>	<b>30 September 2024 (%)</b>	<b>31 December 2023 (%)</b>
Total Soft	80.00	80.00
Logo GmbH	80.00	80.00
ABS	80.00	80.00
ABS FS (*)	39.20	39.20
Peoplise	100.00	88.00
Logo Ödeme	100.00	100.00

(\*) In 2018, the Company acquired 100% of the shares of Architected Business Solutions SRL and indirectly owns 49% of the shares of Nexia ABS Financial Services SRL. Pursuant to the parent agreement, all risks and gains (including gains, losses and net asset rights) related to Nexia's shares have been transferred to the Company.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.1.3 Basis of Consolidation (cont’d)**

<b>Joint venture</b>	<b>30 September 2024 (%)</b>	<b>31 December 2023 (%)</b>
Logo Infosoft (*)	75,93	68,25

(\*) On 1 January 2018, the Company has joint control of Logo Infosoft based on the contract made with GSF Software Labs LLC. After this date, Logo Infosoft was evaluated as a joint venture in the consolidated financial statements and accounted for as an investment valued by the equity method.

*Subsidiaries*

The condensed consolidated financial statements include financial statements of the Company and entities controlled by the Company's subsidiaries. Control is provided by the Company providing the following conditions:

- Have the authority on the investee company/asset,
- Being open to or entitled to variable returns from the investee company/asset and
- Ability to use its power that may have effect on the returns.

The balance sheets, income statements and other comprehensive income statements of the subsidiaries that are incorporated into consolidation are consolidated using full consolidation method. The registered value of the investment recorded in the assets of the company and the amount from subsidiaries' shareholder's equity corresponded to the Company's share are settled net. The transactions and balances between the Company and subsidiaries are mutually deleted under consolidation.

*Joint ventures*

Joint venture is a joint initiative in which the sides, who have joint control in an arrangement, have rights related to net assets in this common arrangement. Joint control is the sharing of the control over an economic activity depends on the agreement. This control is supposed to exist if the decisions about the related activity can only be made by the unanimous vote of the sides who share the control.

The investments in joint ventures are recognized using equity method as of the date after the investees turn into subsidiary or joint venture.

**2.1.4 Functional and Presentation Currency**

The financial position and operating results of the Group are prepared in TL, which is the currency of the main economic environment in which Logo Yazılım operates (“functional currency”) and the presentation currency for the consolidated financial statements.

Functional currency of subsidiaries operating in Romania is Romanian Leu (“RON”). Functional currency of Logo Infosoft is Indian rupee (“INR”). Financial information of each entity included in consolidation are measured using the currency of the primary economic environment in which these entities operate, normally under their local currencies. The financial statements of subsidiaries operating in foreign countries have been prepared in accordance with the laws and regulations applicable in the country in which they operate, in the currency of that country, and assets and liabilities for each statement of financial position presented are translated to TL at closing exchange rates at the statement of financial position date. Income and expenses are translated to TL at monthly average exchange rates. Foreign currency differences resulting from the use of closing and monthly average rates are followed in the foreign currency translation differences account under shareholders' equity and other comprehensive income.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

---

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.2 Going Concern**

The companies included in the consolidation have prepared their financial statements in accordance with the going concern principle. The Group management has made an assessment of the going concern of the Group's operations and concluded that the Group has sufficient resources to continue its activities in the near future.

**2.3 New and Amended Turkish Financial Reporting Standards**

a) Amendments that are mandatorily effective from 2024

Amendments to TAS 1	<i>Classification of Liabilities as Current or Non-Current</i>
Amendments to TFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to TAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to TAS 7 and TFRS 7	<i>Supplier Finance Arrangements</i>
TSRS 1	<i>General Requirements for Disclosure of Sustainability-related Financial Information</i>
TSRS 2	<i>Climate-related Disclosures</i>

**Amendments to TAS 1 *Classification of Liabilities as Current or Non-Current***

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

**Amendments to TFRS 16 *Lease Liability in a Sale and Leaseback***

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

These amendments to TFRS 16 are effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.

**Amendments to TAS 1 *Non-current Liabilities with Covenants***

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

These amendments to TAS 1 are effective for annual periods beginning on or after 1 January 2024, with earlier application permitted.

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

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

---

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.3 New and Amended Turkish Financial Reporting Standards (cont’d)**

a) Amendments that are mandatorily effective from 2024 (cont’d)

**Amendments to TAS 7 and TFRS 7 *Supplier Finance Arrangements***

The amendments add disclosure requirements, and ‘signposts’ within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

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

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

**TSRS 2 *Climate-related Disclosures***

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

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

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

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)</i>
Amendments to TAS 21	<i>Lack of Exchangeability</i>

**TFRS 17 *Insurance Contracts***

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts on 1 January 2025.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

---

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.3 New and Amended Turkish Financial Reporting Standards (cont’d)**

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

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

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

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

***Amendments to TAS 21 Lack of Exchangeability***

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

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

**2.4 Changes in Accounting Policies**

Accounting policy changes arising from the initial application of a new TAS/TFRS are applied retrospectively or prospectively in accordance with the transitional provisions of the TAS/TFRS. Changes to which no transition clauses are included, material changes in accounting policies or voluntary accounting errors are applied retrospectively and prior period financial statements are restated.

**Financial reporting in high inflation economies**

The financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 “Financial Reporting in Hyperinflationary Economies”.

TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Turkey are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index (“CPI”) is more than 100%.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.4 Changes in Accounting Policies (cont’d)**

Financial reporting in high inflation economies (cont’d)

POA made an announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

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

In this framework, while preparing the financial statements dated 31 December 2023 inflation adjustment has been made in accordance with TAS 29.

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (“TURKSTAT”):

Date	Index	Adjustment coefficient	Three-year cumulative inflation rates
30 September 2024	2,526.16	1.00000	343%
31 December 2023	1,859.38	1.35860	268%
30 September 2023	1,691.04	1.49385	254%

The main lines of TAS 29 indexation transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.
- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.
- All items in the consolidated income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognized in the financial statements.
- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 “Inflation Accounting” is summarized below:

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

---

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.4 Changes in Accounting Policies (cont’d)**

Financial reporting in high inflation economies (cont’d)

Restatement of the Statement of Consolidated Financial Position

Amounts in the consolidated statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognized in profit or loss and presented separately in the statement of comprehensive income.

Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance.

Depreciation and amortization expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

Consolidated financial statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. If the subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate. When consolidating financial statements with different reporting period ends, all monetary and non-monetary items are restated in accordance with the measuring unit current at the date of the consolidated financial statements.

The statement of financial position of the Group's subsidiary operating in Romania is translated into Turkish Lira at the period-end exchange rate and the statement of profit or loss and other comprehensive income. Prior period financial statements are restated to reflect the current period purchasing power for comparative purposes and included in the consolidated financial statements.

Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period.



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

---

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.5 Summary of Significant Accounting Policies**

The interim condensed consolidated financial statements for the six months period ended 30 September 2024 have been prepared in accordance with TAS 34. In addition, the significant accounting policies used in preparing the condensed interim consolidated financial statements for the period ended 30 September 2024 are consistent with the accounting policies disclosed in the consolidated financial statements as at 31 December 2023. Accordingly, the condensed consolidated interim financial statements should be evaluated with the consolidated financial statements for the year ended 31 December 2023. The Group has disclosed its accounting policies for the first time in Note 2.4.

**2.6 Significant Accounting Estimates and Assumptions**

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

*Provision for doubtful receivables*

Provision for doubtful receivables is an estimated amount that management believes to reflect for possible future losses on existing receivables that have collection risk due to current economic conditions. During the impairment test for the receivables, the debtors, other than related parties and key customers are assessed with their prior year performances, their credit risk in the current market, and their individual performances after the balance sheet date up to the issuing date of the financial statements and furthermore, the renegotiation conditions with these debtors are considered.

*Useful lives of intangible assets*

In accordance with the accounting policies disclosed in the consolidated financial statements as of 31 December 2023, property and equipment are stated at historical cost less depreciation, net of any impairment charges. Depreciation on tangible assets is calculated using the straight-line method over their estimated useful lives. Useful lives depend on the best estimates of the management and are reviewed in each balance sheet period and corrected accordingly, when needed.

*Revenue recognition*

The Group records software license revenue and special software development project revenues based on the completion level of contract activities as of the balance sheet date. Completion level is found by dividing the estimated total service rendered as of the balance sheet date by the total contractually required service.

Logo Enterprise Membership (“LEM”) is an insurance package that provides free ownership for all the charged version updates which protect enterprises against all the legal amendments, and which includes new features that will contribute new values to the products throughout the year. Since the free of charge LEM products given in the first year are given along with the currently up-to-date software, they do not bring significant updates for the user and their commercial value is lower compared to the LEM products provided in the subsequent years. Thus, related sales amounts are recognized as revenue within the transaction year.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

---

**NOTE 2 - BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS  
(cont’d)**

**2.6 Significant Accounting Estimates and Assumptions (cont’d)**

*Research expenses and development costs*

Development is defined as the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, products, processes or systems before the start of commercial production or use and the costs incurred for these activities are capitalized by the Group. The Management determines the cost of employees to be capitalized taking into account time spent by each employee on research and development activities. The costs of employees relating to research are expensed as incurred.

*Goodwill impairment test*

The Group tests the goodwill amount for impairment every year or in shorter periods in case of impairment. The recoverable amounts of cash generating units have been determined based on fair value calculations less costs to sell.

**2.7 Comparative Information and Restatement of Prior Periods’ Financial Statements**

The financial statements of the Group include comparative financial information to enable the determination of the financial position and performance. The consolidated balance sheet of the Group as of 30 September 2024 has been provided with the comparative financial information of 31 December 2023 and the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the interim period ended 30 September 2024 have been provided with the comparative financial information, for the period ended 30 September 2023.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 3 - SEGMENT REPORTING**

The Group’s chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments. Adjusted earnings before interest, tax, depreciation and amortization (“EBITDA”) are used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Adjusted EBITDA is calculated by the Company by adding depreciation expense and amortization to the net amount of sales income, cost of sales, operating expenses (excluding other income and expenses from operating activities).

<b>30 September 2024</b>	<b>Türkiye</b>	<b>Romania</b>	<b>Segmental elimination</b>	<b>Consolidated</b>
Segment assets	3,751,282	2,504,589	(4,147)	6,251,724
Segment liabilities	2,360,928	1,098,331	(4,147)	3,455,112
Goodwill	98,231	810,743	-	908,974
Property, plant and equipment and intangible assets	1,920,416	893,375	-	2,813,791
Right-of-use assets	10,957	13,260	-	24,217

<b>30 September 2024</b>	<b>Türkiye</b>	<b>Romania</b>	<b>Segmental elimination</b>	<b>Consolidated</b>
Revenue	2,678,116	970,019	-	3,648,135
Cost of sales	(87,162)	(576,588)	-	(663,750)
Operating expenses	(1,809,014)	(322,755)	-	(2,131,769)
Other income from operating activities	53,929	3,379	-	57,308
Other expenses from operating activities	(48,093)	(565)	-	(48,658)
Income from investing activities	108,046	-	-	108,046
Share of profit/loss of investments accounted through equity method	(37,374)	-	-	(37,374)
Finance income	149,192	1,290	-	150,482
Finance expenses	(295,844)	(22,522)	-	(318,366)
Depreciation and amortization expenses	(342,217)	(138,375)	-	(480,592)
Tax expense	(40,632)	(719)	-	(41,351)
Net monetary position gain (loss)	(393,974)	-	-	(393,974)
Net profit for the period	277,190	51,539	-	328,729
Adjusted EBITDA	1,124,157	209,051	-	1,333,208
Purchases of property, plant and equipment and intangible assets	580,601	147,729	-	728,330

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 3 - SEGMENT REPORTING (cont'd)**

Reconciliation between adjusted EBITDA and profit before tax is as follows:

<b>30 September 2024</b>	<b>Consolidated</b>
Adjusted EBITDA	1,333,208
Depreciation and amortisation expenses	(480,592)
Income from investing activities	108,046
Share of losses of investments accounted for using the equity method	(37,374)
Other operating income	57,308
Other operating expenses	(48,658)
Finance income	150,482
Finance expenses	(318,366)
Net monetary position losses	(393,974)
<b>Profit before tax</b>	<b>370,080</b>

<b>31 December 2023</b>	<b>Türkiye</b>	<b>Romania</b>	<b>Segmental elimination</b>	<b>Consolidated</b>
Segment assets	4,959,783	2,339,597	(40,334)	7,259,046
Segment liabilities	3,002,912	1,167,952	(40,334)	4,130,530
Goodwill	98,231	940,141	-	1,038,372
Property, plant and equipment and intangible assets	1,679,462	1,002,977	-	2,682,439
Right-of-use assets	9,661	23,416	-	33,077

<b>30 September 2023</b>	<b>Türkiye</b>	<b>Romania</b>	<b>Segmental elimination</b>	<b>Consolidated</b>
Revenue	2,259,681	803,346	-	3,063,027
Cost of sales	(72,176)	(468,391)	-	(540,567)
Operating expenses	(1,496,945)	(331,892)	-	(1,828,837)
Other income from operating activities	23,941	7,039	-	30,980
Other expenses from operating activities	(51,814)	(1,666)	-	(53,480)
Income from investing activities	123,367	-	-	123,367
Share of profit/loss of investments accounted through equity method	(11,979)	-	-	(11,979)
Finance income	529,837	6,794	-	536,631
Finance expenses	(169,396)	(22,848)	-	(192,244)
Depreciation and amortization expenses	(291,264)	(86,552)	-	(377,816)
Tax expense	(218,688)	(1,173)	-	(219,861)
Net monetary position gain (loss)	(738,362)	-	-	(738,362)
Net profit/(loss) for the period	177,465	(8,790)	-	168,675
Adjusted EBITDA	981,823	89,616	-	1,071,439
Purchases of property, plant and equipment and intangible assets	519,475	167,638	-	687,113

## LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

#### NOTE 3 - SEGMENT REPORTING (cont'd)

Reconciliation between adjusted EBITDA and profit before tax is as follows:

<b>30 September 2023</b>	<b>Consolidated</b>
Adjusted EBITDA	1,071,439
Depreciation and amortisation expenses	(377,816)
Income from investing activities	123,367
Share of losses of investments accounted for using the equity method	(11,979)
Other income from operating activities	30,980
Other expense from operating activities	(53,480)
Finance income	536,631
Finance expenses	(192,244)
Net Monetary Position Gains (Losses)	(738,362)
<b>Profit before tax</b>	<b>388,536</b>

#### NOTE 4 - CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents as of 30 September 2024 and 31 December 2023 are as follows:

	<b>30 September 2024</b>	<b>31 December 2023</b>
Cash	70	185
Bank	575,095	557,146
- Time deposit	436,980	480,543
- Demand deposit	138,115	76,603
Credit cards slip receivables	15,044	11,727
Liquid funds (*)	51,339	94,116
	<b>641,548</b>	<b>663,174</b>

(\*) Liquid funds consist of investment instruments with a maturity of less than 3 months that can be converted into cash at any time without significant loss.

#### NOTE 5 - FINANCIAL INVESTMENTS

##### Short-term financial investments

	<b>30 September 2024</b>	<b>31 December 2023</b>
- Financial assets at fair value through profit or loss	53,231	107,888
- Financial assets at fair value through other comprehensive income (*)	69,038	275,196
	<b>122,269</b>	<b>383,084</b>

(\*) Private sector bonds consist of highly liquid financial investments that are easily convertible into cash, do not bear the risk of significant value changes. Bonds are denominated in US Dollars.

## LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

#### NOTE 5 - FINANCIAL INVESTMENTS (cont’d)

##### Long-term financial investments

##### *Financial assets at fair value through other comprehensive income*

The analysis of non-current financial investments as of 30 September 2024 and 31 December 2023 is as follows:

	30 September 2024	31 December 2023
Logo Ventures Girişim Sermayesi Yatırım Fonu (“Logo Ventures I”) (*)	15,398	18,235
Logo Ventures Girişim Sermayesi Yatırım Fonu (“Logo Ventures II”) (*)	272,172	321,735
İnterpro Yayıncılık Araştırma ve Organizasyon Hizmetleri A.Ş., (“İnterpro”)	81	110
Figto Ticari Bilgi ve Uygulama Platformu A.Ş., (**)	65,036	65,036
Payer Yazılım Sanayi ve Ticaret A.Ş., (**)	8,243	8,243
Dokuz Eylül Teknoloji Geliştirme Bölgesi A.Ş., (“Dokuz Eylül”)	486	486
	<b>361,416</b>	<b>413,845</b>

(\*) As of 30 September 2024, Logo Ventures has been recognized as the asset fair value and difference is reflected to other comprehensive income and TL 41,423 (30 September 2023: TL 89,436) difference between its fair value and the cost value is accounted in other comprehensive income. İnterpro and Dokuz Eylül is reflected to consolidated financial statements with their cost value since their fair value is not significant as of 30 September 2024 and 31 December 2023. The Company has committed USD 11,200 to, İstanbul Portföy Yönetimi A.Ş. Logo Ventures II Venture Capital Management Fund and a total of USD 5,670 thousand was paid in 2024 and before.

(\*\*) As of 30 September 2024, Payer Yazılım Sanayi ve Ticaret A.Ş. and Figto Ticari Bilgi ve Uygulama Platformu A.Ş., in which the Group has 10% and 4.02% shares respectively, are considered as assets measured at fair value through other comprehensive income, and the difference between fair value and cost has been deemed insignificant, thus considered equal. Additionally, 25% of the shares in Figto Ticari Bilgi ve Uygulama Platformu A.Ş., in which the Group holds 4.02% shares, were sold on 5 April 2023. After the sale, the ownership decreased from 4.02% to 3.02%.

	30 September 2024	31 December 2023
<i>Private sector bonds:</i>		
Assets at fair value through other comprehensive income (***)	151,592	563,339

(\*\*\*) Private sector bonds consist of highly liquid financial investments that are easily convertible into cash, do not bear the risk of significant value changes. Bonds are denominated in US Dollars.

	30 September 2024	31 December 2023
Long-term other financial investment (****)	142,019	115,095

(\*\*\*\*) The Group's joint venture consists of the convertible debt instruments issued by Logo Infosoft, when the relevant amounts are included in equity the ownership ratio of the Group is 89.22%. The Group has not considered the related investment for trading purposes and has recognized the fair value changes in the other comprehensive income statement.

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 6 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

The financial information summary of investment accounted for using the equity method is as follows:

*Summarized information on balance sheet*

<b>Logo Infosoft</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Cash and cash equivalents	34,986	13,788
Other current assets	32,156	33,530
Other non-current assets	1,695	2,550
<b>Total assets</b>	<b>68,837</b>	<b>49,868</b>
Other current liabilities	24,750	26,683
Other non-current liabilities	244,531	256,090
<b>Total liabilities</b>	<b>269,281</b>	<b>282,773</b>
<b>Net liabilities</b>	<b>(200,444)</b>	<b>(232,905)</b>

*Summarized information on income statement*

<b>Logo Infosoft</b>	<b>30 September 2024</b>	<b>30 September 2023</b>
Income	13,064	16,311
Expenses (-)	(82,686)	(60,259)
<b>Net loss for the period</b>	<b>(69,622)</b>	<b>(43,948)</b>
Group's ownership rate	75.93%	66.67%
Group's share	(52,861)	(29,300)
Unrecognized losses (*)	(15,487)	(17,321)
Share of losses of investments Under equity method	(37,374)	(11,979)

(\*) As of 30 September 2024, the total loss of the Group's share but not recorded is TL 125,845 (30 September 2023: TL 42,640).

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 7 – BORROWINGS**

Details of financial borrowings as of 30 September 2024 and 31 December 2023 is as follows:

<b>Short-term borrowings:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Short-term bank loans	6,209	32,842
Payables from lease transactions	14,254	13,562
Credit card payables	1,433	3,230
	<b>21,896</b>	<b>49,634</b>
<b>Short-term portion of long-term borrowings:</b>		
Short-term portion of long-term bank loans	96,693	84,929
Lease liabilities	4,158	4,845
	<b>100,851</b>	<b>89,774</b>
<b>Total short-term borrowings</b>	<b>122,747</b>	<b>139,408</b>
<b>Long-term borrowings:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Long-term bank loans	297,096	305,390
Lease liabilities	18,304	30,026
<b>Total long-term borrowings</b>	<b>315,400</b>	<b>335,416</b>



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 7 – BORROWINGS (cont’d)**

	<b>30 September 2024</b>		
	<b>Weighted average annual interest rate (%)</b>	<b>Original amount</b>	<b>TL equivalent</b>
<b>Short-term borrowings:</b>			
Bank loans - EUR – secured	Euribor 1M+2.95%	162	6,209
Credit card payables - TL	-	1,433	1,433
Lease liabilities – EUR	Euribor 3M	275	10,498
Lease liabilities - TL	12% - 25%	3,756	3,756
			<b>21,896</b>
<b>Short-term portion of long-term borrowings:</b>			
Bank loans - EUR – secured	Euribor 6M+ 2.45%-2.50%-1M+3%	2,529	96,693
Lease liabilities – EUR	-	109	4,158
			<b>100,851</b>
<b>Long-term borrowings:</b>			
Bank loans - EUR – secured	Euribor 6M+ 2.45%-2.50%-1M+3%	7,769	297,096
Lease liabilities – EUR	Euribor 3M	321	12,286
Lease liabilities - TL	-	6,018	6,018
			<b>315,400</b>
<b>Total borrowings</b>			<b>438,147</b>
	<b>31 December 2023</b>		
	<b>Weighted average annual interest rate (%)</b>	<b>Original amount</b>	<b>TL equivalent</b>
<b>Short-term borrowings:</b>			
Bank loans - EUR – secured	Euribor 1M+2.95%	741	32,842
Credit card payables - TL	-	2,378	3,230
Lease liabilities – EUR	Euribor 3M	263	11,668
Lease liabilities - TL	12% - 25%	1,394	1,894
			<b>49,634</b>
<b>Short-term portion of long-term borrowings:</b>			
Bank loans - EUR – secured	Euribor 6M+ 2.45%-2.50%	1,916	84,929
Lease liabilities – EUR	-	109	4,845
			<b>89,774</b>
<b>Long-term borrowings:</b>			
Bank loans - EUR – secured	Euribor 6M+2.45%-2.50%	6,888	305,390
Lease liabilities – EUR	Euribor 3M	550	24,391
Lease liabilities - TL	-	4,148	5,635
			<b>335,416</b>
<b>Total borrowings</b>			<b>474,824</b>

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 7 – BORROWINGS (cont’d)**

The redemption schedules of long-term borrowings as of 30 September 2024 and 31 December 2023 are as follows:

	<b>30 September 2024</b>	<b>31 December 2023</b>
To be paid within 1 - 2 years	115,402	106,153
To be paid within 2 - 5 years	195,599	225,928
To be paid in more than 5 years	4,399	3,335
	<b>315,400</b>	<b>335,416</b>

	<b>Book Value</b>		<b>Fair value</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Bank loans	399,998	423,160	427,524	448,004
	<b>399,998</b>	<b>423,160</b>	<b>427,524</b>	<b>448,004</b>

Interest rate and currency risk of the Group are explained in Note 29.

**NOTE 8 - TRADE RECEIVABLES AND PAYABLES**

The details of trade receivables and payables as of 30 September 2024 and 31 December 2023 are as follows:

<b>Short-term trade receivables:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Buyers	932,415	1,181,869
Cheques and notes receivable	14,761	10,571
Less: Provision for doubtful receivables	(40,469)	(47,489)
Less: Unearned finance income arising from credit sales	(36,859)	(39,582)
	<b>869,848</b>	<b>1,105,369</b>

As of 30 September 2024, the average turnover of the trade receivables is 65 days (31 December 2023: 89 days). The discount rate applied to the undue receivables is 54.95% (31 December 2023: 49.28%).

As of 30 September 2024, TL 179,874 of trade receivables (31 December 2023: TL 86,561) were past due but not impaired. The aging analysis of these trade receivables is as follows:

	<b>30 September 2024</b>	<b>31 December 2023</b>
Up to 1 month	89,392	32,291
1 - 3 months	35,736	16,620
More than 3 months	54,746	37,650
	<b>179,874</b>	<b>86,561</b>

As of 30 September 2024, TL 86,084 of overdue receivables consist of trade receivables of TotalSoft (31 December 2023: TL 65,160). The Group manages its receivables in accordance with credit risk management policies which is explained in Note 29.

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 8 - TRADE RECEIVABLES AND PAYABLES (cont’d)**

The movement of provision for doubtful receivables for the periods ended 30 September 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
<b>As of 1 January</b>	<b>47,489</b>	<b>48,675</b>
Provisions for the period	10,285	13,397
Released provisions	(9,908)	(14,073)
Foreign currency translation difference	5,190	12,475
Inflation difference	(12,587)	(16,193)
<b>As of 30 September</b>	<b>40,469</b>	<b>44,281</b>

<b>Trade payables to third parties:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Trade payables	201,744	382,026
	<b>201,744</b>	<b>382,026</b>

As of 30 September 2024, the average debt payment period is 85 days (31 December 2023: 102 days).

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 8 - TRADE RECEIVABLES AND PAYABLES (cont’d)**

The table below shows the maximum exposure of the Group to credit risk as of 30 September 2024 and 31 December 2023:

30 September 2024	<u>Trade receivables</u>		<u>Other receivables</u>		Bank and funds	Derivative Instruments	Other (**)
	Related party	Other	Related party	Other			
The maximum of credit risk exposure as of reporting date	2,992	869,848	1,707	57	641,479	-	777,296
- Amount of risk covered by guarantees	-	245	-	-	-	-	-
Net carrying value of not past due not impaired financial assets	2,992	689,974	1,707	57	641,479	-	777,296
Net carrying value of past due but not impaired financial assets	-	179,874	-	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-	-
Net carrying value of impaired assets	-	-	-	-	-	-	-
Past due (gross carrying value)	-	40,469	-	-	-	-	-
Impairment (-)	-	(40,469)	-	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-	-

(\*)The guarantees which cover the credit risk include guarantee cheques, mortgages and letter of guarantees.

(\*\*) Receivables specified as other include long and short term financial investments.

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

NOTE 8 - TRADE RECEIVABLES AND PAYABLES (cont’d)

31 December 2023	<u>Trade receivables</u>		<u>Other receivables</u>		Bank and funds	Derivative Instruments	Other (**)
	Related party	Other	Related party	Other			
The maximum of credit risk exposure as of reporting date	2,778	1,105,369	1,292	77	662,989	-	1,475,363
- Amount of risk covered by guarantees	-	333	-	-	-	-	-
Net carrying value of not past due not impaired financial assets	2,778	1,018,808	1,292	77	662,989	-	1,475,363
Net carrying value of past due but not impaired financial assets	-	86,561	-	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-	-
Net carrying value of impaired assets	-	-	-	-	-	-	-
Past due (gross carrying value)	-	47,489	-	-	-	-	-
Impairment (-)	-	(47,489)	-	-	-	-	-
Amount of risk covered by guarantees	-	-	-	-	-	-	-

(\*)The guarantees which cover the credit risk include guarantee cheques, mortgages and letter of guarantees.

(\*\*) Receivables specified as other include long and short term financial investments.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 9 – OTHER RECEIVABLES, PAYABLES AND OTHER ASSETS**

<b>Other short-term receivables from third parties:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Deposits and guarantees given	57	77
	<b>57</b>	<b>77</b>

<b>Other short-term payables to third parties:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Put option liability - ABS (*)	401,007	485,888
Other taxes payable	222,975	263,166
Put option liability - Peoplise (**)	-	25,760
Other payables to third parties	-	2,144
	<b>623,982</b>	<b>776,958</b>

<b>Other long-term payables to third parties:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Other payables	615	836
	<b>615</b>	<b>836</b>

(\*) The Company has signed a new agreement with Avramos Holding, a 20% shareholder of its subsidiary Total Soft. Within the framework of the management buyout offer, Avramos Holding will pay a total of EUR 15.1 million to the Company until the end of 2027 and increase its stake in Total Soft in two stages, from 20% to 30% in 2025 and from 30% to 85% at the end of 2027. For the 15% Total Soft shareholding that will remain with the Company at the end of 2027, the Company has a put option to sell to Avramos Holding starting in 2030.

In accordance with the same agreement, the Company made a capital increase of EUR 9 million to Total Soft. The put-option amounting to EUR 10.5 million, which was classified as liabilities in the Company's balance sheet in relation to Avramos 20% shareholding in the Company, will be reversed in the year-end financial statements and instead the Company's obligation to sell the shares to Avramos Holding will be added. As a requirement of this transaction, valuation process of Total Soft have been started. Total Soft will be accounted for using the equity method in the consolidated financial statements of the Company as of year-end.

(\*\*) As a result of the acquisition of Peoplise, the put option given by Logo Yazılım to the shareholders for the 12% shares owned by the minority shareholders was paid in full on 29 March 2024.

<b>Other current assets:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Business advances	15,396	5,797
Prepaid taxes	9,706	17,089
Personnel advances	9,185	4,873
Deferred VAT	6,837	4,210
Other	35,133	27,810
	<b>76,257</b>	<b>59,779</b>

**NOTE 10- INVENTORIES**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Raw materials	21,553	46,714
Trade goods	1,998	2,519
Other	29	82
	<b>23,580</b>	<b>49,315</b>

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

NOTE 11 - PROPERTY, PLANT AND EQUIPMENT

	1 January 2024	Additions	Disposals	Foreign currency translation differences	30 September 2024
<b>Cost:</b>					
Machinery. plant and equipment	180,105	17,852	(1,432)	(4,465)	192,060
Motor vehicles	157,741	8,619	(3,761)	(5,147)	157,452
Furniture and fixtures	65,395	110	(177)	(195)	65,133
Leasehold improvements	421,791	255	-	(313)	421,733
	<b>825,032</b>	<b>26,836</b>	<b>(5,370)</b>	<b>(10,120)</b>	<b>836,378</b>
<b>Accumulated depreciation:</b>					
Machinery. plant and equipment	113,903	17,549	(861)	(4,313)	126,278
Motor vehicles	40,891	21,319	(1,536)	(2,361)	58,313
Furniture and fixtures	59,207	2,360	(177)	137	61,527
Leasehold improvements	224,875	9,881	-	(257)	234,499
	<b>438,876</b>	<b>51,109</b>	<b>(2,574)</b>	<b>(6,794)</b>	<b>480,617</b>
<b>Net book value</b>	<b>386,156</b>				<b>355,761</b>

	1 January 2023	Additions	Disposals	Foreign currency translation differences	30 September 2023
<b>Cost:</b>					
Machinery. plant and equipment	141,668	57,853	(16,445)	(3,696)	179,380
Motor vehicles	70,033	64,140	(752)	1,398	134,819
Furniture and fixtures	77,987	48	(8,724)	(1,077)	68,234
Leasehold improvements	439,442	384	-	256	440,082
	<b>729,130</b>	<b>122,425</b>	<b>(25,921)</b>	<b>(3,119)</b>	<b>822,515</b>
<b>Accumulated depreciation:</b>					
Machinery. plant and equipment	117,646	14,855	(16,238)	(2,986)	113,277
Motor vehicles	20,932	14,751	(738)	(837)	34,108
Furniture and fixtures	70,381	1,218	(8,674)	(816)	62,109
Leasehold improvements	231,850	8,960	-	(31)	240,779
	<b>440,809</b>	<b>39,784</b>	<b>(25,650)</b>	<b>(4,670)</b>	<b>450,273</b>
<b>Net book value</b>	<b>288,321</b>				<b>372,242</b>

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 12 - INTANGIBLE ASSETS**

	<b>1 January 2024</b>	<b>Additions</b>	<b>Disposals</b>	<b>Foreign currency translation differences</b>	<b>30 September 2024</b>
<b>Cost:</b>					
Development costs	4,987,496	684,757	-	(162,380)	5,509,873
Advanced technology	165,297	-	-	(3,466)	161,831
Customer relations	397,181	-	-	(32,308)	364,873
Non-compete agreement	30,297	-	-	-	30,297
Other intangible assets	223,035	16,737	-	812	240,584
	<b>5,803,306</b>	<b>701,494</b>	<b>-</b>	<b>(197,342)</b>	<b>6,307,458</b>
<b>Accumulated depreciation:</b>					
Development costs	2,915,454	393,984	-	(52,447)	3,256,991
Advanced technology	156,719	3,277	-	(3,231)	156,765
Customer relations	234,536	15,170	-	(13,498)	236,208
Non-compete agreement	30,297	-	-	-	30,297
Other intangible assets	170,017	4,427	-	(5,277)	169,167
	<b>3,507,023</b>	<b>416,858</b>	<b>-</b>	<b>(74,453)</b>	<b>3,849,428</b>
<b>Net book value</b>	<b>2,296,283</b>				<b>2,458,030</b>

Of the total additions to development costs for the interim period ended 30 September 2024 (30 September 2023: TL 557,671) consist of capitalised personnel costs.

Depreciation and amortization expenses related to property, plant and equipment, intangible assets, and right-of-use assets as of 30 September 2024 are allocated as follows: TL 385,169 (30 September 2023: TL 315,240) to research and development expenses: TL 19,220 (30 September 2023: TL 22,546) to marketing expenses: TL 35,473 (30 June 2023: TL 35,303) to general administrative expenses: and TL 40,730 (30 September 2023: TL 4,727) to cost of sales. (Note 21 and 22).



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 12 - INTANGIBLE ASSETS (cont’d)**

	1 January 2023	Additions	Disposals	Foreign currency translation differences	30 September 2023
<b>Cost:</b>					
Development costs	4,178,544	564,351	-	(1,289)	4,741,606
Advanced technology	166,195	-	-	(1,274)	164,921
Customer relations	400,496	-	-	(7,943)	392,553
Non-compete agreement	30,297	-	-	-	30,297
Other intangible assets	211,702	337	-	8,773	220,811
	<b>4,987,234</b>	<b>564,688</b>	<b>-</b>	<b>(1,733)</b>	<b>5,550,188</b>
<b>Accumulated amortization:</b>					
Development costs	2,481,851	293,544	-	951	2,776,346
Advanced technology	152,710	3,277	-	(817)	155,170
Customer relations	210,700	16,327	-	(739)	226,288
Non-compete agreement	30,297	-	-	-	30,297
Other intangible assets	165,331	4,914	-	(206)	170,039
	<b>3,040,889</b>	<b>318,062</b>	<b>-</b>	<b>(811)</b>	<b>3,358,140</b>
<b>Net book value</b>	<b>1,946,345</b>				<b>2,192,048</b>

**NOTE 13 – RIGHT-OF-USE ASSETS**

	1 January 2024	Additions	Disposals	Foreign currency translation differences	30 September 2024
<b>Cost:</b>					
Motor vehicles	34,939	-	(30,725)	(1,113)	3,101
Office	73,882	7,560	(6,791)	(7,372)	67,279
	<b>108,821</b>	<b>7,560</b>	<b>(37,516)</b>	<b>(8,485)</b>	<b>70,380</b>
<b>Accumulated depreciation:</b>					
Motor vehicles	34,844	-	(30,630)	(1,113)	3,101
Office	40,901	12,625	(6,329)	(4,135)	43,062
	<b>75,745</b>	<b>12,625</b>	<b>(36,959)</b>	<b>(5,248)</b>	<b>46,163</b>
<b>Net book value</b>	<b>33,076</b>				<b>24,217</b>

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

NOTE 13 – RIGHT-OF-USE ASSETS (cont’d)

	1 January 2023	Additions	Disposals	Foreign currency translation differences	30 September 2023
<b>Cost:</b>					
Motor vehicles	32,055	-	(14,037)	(142)	17,876
Office	75,093	19,437	(3,399)	(2,085)	89,046
	<b>107,148</b>	<b>19,437</b>	<b>(17,436)</b>	<b>(2,227)</b>	<b>106,922</b>
<b>Accumulated depreciation:</b>					
Motor vehicles	28,220	4,861	(14,915)	(765)	17,401
Office	28,058	15,109	(3,399)	373	40,141
	<b>56,278</b>	<b>19,970</b>	<b>(18,314)</b>	<b>(392)</b>	<b>57,542</b>
<b>Net book value</b>	<b>50,870</b>				<b>49,380</b>

NOTE 14 - GOODWILL

	30 September 2024	31 December 2023
Total Soft	600,137	695,922
Total Soft (ABS)	203,663	236,169
Netsis	64,970	64,970
Peoplise	18,398	18,398
Total Soft (Nexia)	6,943	8,050
Other	14,863	14,863
	<b>908,974</b>	<b>1,038,372</b>

Movement table of goodwill for the interim periods ended 30 September 2024 and 2023 are as follows:

	2024	2023
<b>As of 1 January</b>	<b>1,038,372</b>	<b>1,051,343</b>
Foreign currency translation differences	(129,398)	(31,577)
<b>As of 30 September</b>	<b>908,974</b>	<b>1,019,766</b>

The Group applies impairment test for goodwill every year or in shorter periods in case any triggering event that shows any impairment indicator on goodwill. The recoverable amounts of cash generating units are determined based on fair value less cost of disposal (“FVLCD”).

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 15 - COMMITMENTS AND CONTINGENT LIABILITIES**

**Guarantees received:**

	Original currency	30 September 2024		31 December 2023	
		Original amount	TL equivalent	Original amount	TL equivalent
Guarantee notes	TL	245	245	306	306
		<b>245</b>	<b>245</b>	<b>306</b>	<b>306</b>

As of 30 September 2024 and 31 December 2023, guarantee/pledge/mortgage (“GPM”) given by the Company on behalf of its legal entity are as follows:

**GPM given by the Company:**

	30 September 2024				31 December 2023			
	EUR	USD	RON	TL	EUR (nominal)	USD (nominal)	RON (nominal)	TL
A. Total amount of GPM provided by the Company on behalf of itself	-	1,524	-	9,208	-	1,315	-	8,477
B. Total amount of GPM provided on behalf of the associates accounted under full consolidation method (*)	677,165	-	4,173	-	578,004	-	375	-
C. Total amount of GPM provided on behalf of third parties in order to maintain operating activities (to secure third party payables)	-	-	-	-	-	-	-	-
D. Total amount of other GPM given -	-	-	-	-	-	-	-	-
(i) Total amount of GPM given on behalf of the parent Company -	-	-	-	-	-	-	-	-
(ii) Total amount of GPM provided on behalf of other Group companies which are not in the scope of B and C	-	-	-	-	-	-	-	-
(iii) Total amount of GPM provided on behalf of third parties which are not in the scope of C	-	-	-	-	-	-	-	-
	<b>677,165</b>	<b>1,524</b>	<b>4,173</b>	<b>9,208</b>	<b>578,004</b>	<b>1,315</b>	<b>375</b>	<b>8,477</b>

(\*) Note 7.

As of 30 September 2024, the ratio of other CPMs given by the Company to the equity is 0% (31 December 2023: 0%).

**NOTE 16 - EMPLOYEE BENEFITS**

**Short-term payables for  
employee benefits:**

	30 September 2024	31 December 2023
Taxes, funds and social security payables	272,714	261,020
Due to personnel	163,574	48,470
Personnel bonuses	25,977	270,446
	<b>462,265</b>	<b>579,936</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 16 - EMPLOYEE BENEFITS (cont’d)**

**Long-term payables for  
employee benefits:**

	<b>30 September 2024</b>	<b>31 December 2023</b>
Provision for employment termination benefits	94,965	104,489
Provision for unused vacation	81,930	78,092
	<b>176,895</b>	<b>182,581</b>

The movements of provision for unused vacation for the interim periods ended 30 September 2024 and 2023 are as follow:

	<b>2024</b>	<b>2023</b>
<b>As of 1 January</b>	<b>78,093</b>	<b>64,300</b>
Increase during the year	25,966	27,574
Foreign currency translation difference	4,011	10,741
Inflation effect	(26,140)	(29,015)
<b>As of 30 September</b>	<b>81,930</b>	<b>73,600</b>

Under the Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and achieves the retirement age (58 for women and 60 for men). The amount payable consists of one month’s salary limited to a maximum of TL 41,828 for each year of service (31 December 2023: TL 36,813). Provision for employment termination benefits is calculated based on the present value of the Group's obligation to pay in the event of retirement.

Employment termination benefit liability is not funded and there is no legal funding requirement.

TAS 19 “Employee Benefits” requires actuarial valuation methods to be developed to estimate the Group’s obligation under the defined benefit plans. The following actuarial assumptions are used in the calculation of the total liability. Actuarial gain/(loss) is accounted under the “Actuarial gain/(loss) calculated within the scope of employee benefits”:

	<b>30 September 2024</b>	<b>31 December 2023</b>
Discount rate (%)	3.50	3.50
Probability of voluntary leave (%)	96.02	92.32

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Since the Group calculates the reserve for employment termination benefits every six months the maximum amount of TL 41,828 which is effective from 1 July 2024 (1 July 2023: TL 36,813) has been taken into consideration in the calculations.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 16 - EMPLOYEE BENEFITS (cont’d)**

The movements of the provision for employment termination benefits for the interim periods ended 30 September 2024 and 2023 are as follows:

	<b>2024</b>	<b>2023</b>
<b>As of 1 January</b>	<b>104,489</b>	<b>87,658</b>
Service cost	25,104	12,632
Interest cost	16,443	11,284
Actuarial loss	2,640	1,829
Compensations paid	(23,816)	(15,998)
Inflation effect	(29,895)	(29,672)
<b>As of 30 September</b>	<b>94,965</b>	<b>67,733</b>

**NOTE 17 - PREPAID EXPENSES AND LIABILITIES FROM CONTRACTS WITH CUSTOMERS**

<b>Short-term prepaid expenses:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Prepaid expenses	75,995	66,487
	<b>75,995</b>	<b>66,487</b>

<b>Long-term prepaid expenses:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Advances given	4,322	4,079
	<b>4,322</b>	<b>4,079</b>

<b>Short-term deferred income:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Liabilities from contracts with customers (*)	1,416,999	1,569,849
Advances received	23,074	20,808
	<b>1,440,073</b>	<b>1,590,657</b>

(\*) Liabilities from customer contracts include LEM sales income, pay as you go revenues (integrator revenues), after-sales support revenues, and future portions of special software development project sales.

<b>Long-term deferred income:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Liabilities from contracts with customers (*)	41,413	61,287
	<b>41,413</b>	<b>61,287</b>

(\*) Liabilities from customer contracts represent the portion of pay as you go income (integrator income) that belongs to future periods.

## LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

#### NOTE 17 - PREPAID EXPENSES AND LIABILITIES FROM CONTRACTS WITH CUSTOMERS (cont'd)

The details of deferred income as of 30 September 2024 and 31 December 2023 as follows:

	30 September 2024	31 December 2023
Pay as you go sales	811,344	851,949
LEM sales	490,558	602,963
Revenue from continuing projects	130,500	52,147
After-sales services revenue	26,010	124,077
	<b>1,458,412</b>	<b>1,631,136</b>

#### NOTE 18 - EQUITY

The Company's authorized and paid-in share capital consists of 100,000,000 (31 December 2023: 100,000,000) shares with a nominal value of Kr 1 each. The shareholding structure of the Company as of 30 September 2024 and 31 December 2023 is as follows:

	30 September 2024	Share rate (%)	31 December 2023	Share rate (%)
Logo Teknoloji ve Yatırım A.Ş.	33,630	33.63	33,630	33.63
Publicly traded	66,370	66.37	66,370	66.37
	<b>100,000</b>	<b>100.00</b>	<b>100,000</b>	<b>100.00</b>
Share capital adjustment differences	775,734		775,734	
<b>Paid-in share capital</b>	<b>875,734</b>		<b>875,734</b>	

The shares representing capital are categorized as group A and B. The privileges granted to group A shares are as follows: half of the board members will be elected from among the candidates nominated by group A shareholders and the Chairman of the Board is elected from among the board members proposed by Group A shareholders. Adjustment to share capital represents the difference between the historical amounts and the amounts adjusted according to the inflation of cash contributions to share capital.

#### Treasury shares

As of 30 September 2024, the amount of treasury shares which is accounted in Group's equity is TL 401,978 (31 December 2023: TL 285,690).

#### Dividend distribution

Listed companies distribute dividend in accordance with the Communiqué No. II - 19.1 issued by the CMB which is effective from 1 February 2014.

As a dividend distribution policy, as long as the ongoing regulations and its financial resources allow the Company, considering its long-term corporate strategy, investment plans and financing policies, and its profitability and cash position, and provided that it can be met from the profit in the statutory records, intends to distribute up to 55% of the distributable profit calculated in accordance with Capital Market Regulations to its shareholders; dividend distribution may be realized in cash or by capital increase through bonus shares or partly in cash and partly through bonus shares. In the event that the dividend amount is less than 5% of the paid-in capital then such amount will not be distributed and will be retained within the company.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 18 – EQUITY (cont’d)**

**Dividend distribution (cont’d)**

Dividend advance payments can be made in accordance with Turkish Commercial Code and CMB regulations provided that General Assembly authorizes the Board of Directors to pay dividend advance, limited to the related year, to shareholders in accordance with the Articles of Association.

The Group aims to complete the dividend payment before the last working day of the year in which dividend distribution decision is made in the General Assembly and starts the payment latest at the end of the accounting period when the General Assembly meeting is held. The General Assembly or Board of Directors, if authorized by the General Assembly, can decide to distribute dividend in installments in line with CMB regulations.

**NOTE 19 - EXPENSES BY NATURE**

As of 30 September 2024 and 30 September 2023, expenses are disclosed by function and the details of the expenses are summarized in Note 21 and Note 22.

**NOTE 20 - REVENUE AND COST OF SALES**

<b>Revenue</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Sales income	1,715,851	551,664	1,578,338	531,254
Service income	1,053,548	299,780	837,875	212,835
SaaS service income	914,404	328,308	684,721	241,695
Sales returns	(17,352)	(6,804)	(18,318)	(6,126)
Sales discounts	(18,316)	(4,803)	(19,589)	(5,771)
<b>Net sales income</b>	<b>3,648,135</b>	<b>1,168,145</b>	<b>3,063,027</b>	<b>973,887</b>
Cost of sales	(663,750)	(201,205)	(540,567)	(132,913)
<b>Gross profit</b>	<b>2,984,385</b>	<b>966,940</b>	<b>2,522,460</b>	<b>840,974</b>

<b>Cost of Sales</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Cost of services	544,396	157,967	474,179	112,679
Cost of transfer of financial rights	58,635	19,707	46,490	14,092
Cost of trade goods sold	19,989	6,076	15,171	5,104
Depreciation and amortization	40,730	17,455	4,727	1,038
<b>Cost of sales</b>	<b>663,750</b>	<b>201,205</b>	<b>540,567</b>	<b>132,913</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 21 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING EXPENSES AND GENERAL ADMINISTRATIVE EXPENSES**

<b>Research and development expenses</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Personnel expenses	500,906	163,594	442,369	157,217
Depreciation and amortization	385,169	125,274	315,240	106,760
Outsourced benefits and services	55,728	18,706	53,421	18,714
Consultancy expenses	27,334	9,200	25,857	8,238
Motor vehicle expenses	18,661	6,434	14,293	5,479
Travel expenses	3,188	1,119	1,977	631
Other	84,888	28,354	70,829	23,391
	<b>1,075,874</b>	<b>352,681</b>	<b>923,986</b>	<b>320,430</b>

<b>Marketing, sales and distribution expenses:</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Personnel expenses	319,878	105,093	254,228	89,254
Advertising and sales expenses	273,502	76,360	221,538	61,975
Depreciation and amortization	19,220	7,036	22,546	7,531
Motor vehicle expenses	16,609	5,741	12,570	4,784
Consultancy expenses	19,410	15,144	21,215	4,378
Outsourced benefits and services	6,556	2,419	8,815	2,575
Travel expenses	3,233	915	2,042	740
Other	18,204	5,456	15,769	5,050
	<b>676,612</b>	<b>218,164</b>	<b>558,723</b>	<b>176,287</b>

<b>General administrative expenses:</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Personnel expenses	254,385	81,485	208,385	67,829
Consultancy expenses	48,147	18,756	47,597	15,833
Depreciation and amortization	35,473	10,443	35,303	9,524
Motor vehicle expenses	11,759	4,034	9,640	3,245
Outsourced benefits and services	7,604	1,841	2,915	814
Travel expenses	2,299	372	1,851	456
Other	19,616	7,453	40,437	20,137
	<b>379,283</b>	<b>124,384</b>	<b>346,128</b>	<b>117,838</b>



LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

NOTE 22 - OTHER OPERATING INCOME AND EXPENSES

<b>Other operating income</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Rediscount income	31,024	3,602	2,579	1,121
Foreign exchange income (*)	13,306	2,877	21,169	2,619
Overdue interest income	352	352	725	131
Other	12,626	810	6,507	3,151
	<b>57,308</b>	<b>7,641</b>	<b>30,980</b>	<b>7,022</b>

<b>Other operating expenses</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Rediscount expenses	31,455	944	12,114	1,101
Foreign exchange losses (*)	7,410	1,143	23,599	6,611
Provision expenses	657	603	-	(2,200)
Other	9,136	2,627	17,767	3,663
	<b>48,658</b>	<b>5,317</b>	<b>53,480</b>	<b>9,175</b>

(\*) Arising from the foreign exchange differences of trade receivables and payables.

NOTE 23 - INCOME FROM INVESTING ACTIVITIES

	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Gain on sale of securities	108,046	32,278	123,367	31,777
	<b>108,046</b>	<b>32,278</b>	<b>123,367</b>	<b>31,777</b>

NOTE 24 - FINANCE INCOME

	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Foreign exchange gains	140,933	23,909	513,574	90,317
Interest income	9,549	915	23,057	6,003
	<b>150,482</b>	<b>24,824</b>	<b>536,631</b>	<b>96,320</b>

LOGO YAZILIM SANAYİ VE TİCARET A.Ş.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

NOTE 25 - FINANCE EXPENSES

	1 January - 30 September 2024	1 July - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2023
Interest expenses (*)	278,153	84,717	147,906	58,170
Interest expense of employment termination benefits	16,443	5,390	11,284	3,364
Foreign exchange losses	15,890	6,031	23,345	16,786
Interest expense from leases	3,666	1,311	4,170	595
Credit card commissions	3,483	1,345	1,089	462
Other financial expenses	731	654	4,450	1,026
	<b>318,366</b>	<b>99,448</b>	<b>192,244</b>	<b>80,403</b>

(\*) Interest expense amounting to TL 260,434 (30 September 2023: TL 88,374) consists of bank charges arising from early collection of credit card receivables.

NOTE 26 - TAX ASSETS AND LIABILITIES

	1 January - 30 September 2024	1 January - 31 December 2023
Corporate tax expense	7,384	163,445
Prepaid taxes and funds (-)	(2,653)	(150,783)
<b>Current profit tax liability</b>	<b>4,731</b>	<b>12,662</b>
	<b>30 September 2024</b>	<b>30 September 2023</b>
Current period tax expense	(7,384)	(167,878)
Deferred tax income	(33,967)	(51,983)
<b>Current period tax expense</b>	<b>(41,351)</b>	<b>(219,861)</b>

*Deferred taxes*

The Group recognizes deferred tax assets and liabilities based upon the temporary differences between financial statements as reported in accordance with TFRS and its tax base of statutory financial statements. These differences usually result in the recognition of revenue and expense items in different periods for TFRS and statutory tax purposes.

Turkish Tax Legislation does not permit a parent company to file a consolidated tax return. Therefore, tax assets and liabilities, as reflected in the financial statements, have been calculated on a separate-entity basis.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 26 - TAX ASSETS AND LIABILITIES (cont’d)**

The composition of cumulative temporary differences and the related deferred income tax assets and liabilities in respect of items for which deferred tax has been provided at 30 September 2024 and 31 December 2023 using the enacted tax rates, is as follows:

	<b>Total temporary differences</b>		<b>Deferred tax assets/(liabilities)</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
<b>Deferred tax assets:</b>				
Provisions for expenses	28,330	208,337	7,082	52,084
Provision for employment termination benefits	65,784	58,524	16,446	14,631
Deferred income	50,760	54,732	12,690	13,683
Valuation of other financial assets	(999)	-	(250)	-
Vacation provision	23,192	18,989	5,798	4,747
Finance income unaccrued	35,640	46,903	8,910	11,726
Provision for doubtful receivables	1,811	2,110	453	527
	<b>204,518</b>	<b>389,595</b>	<b>51,129</b>	<b>97,398</b>
<b>Deferred tax liabilities:</b>				
Difference between the tax base and carrying value of property, plant and equipment and intangible assets	(166,650)	(178,988)	(41,662)	(44,744)
Deferred tax from valuation of other financial assets	-	(2,436)	-	(609)
Inventories	(625)	(1,338)	(156)	(335)
Prepaid expenses	(7,350)	(4,858)	(1,838)	(1,215)
Gains from investments in equity-based financial instruments	(52,028)	(58,008)	(13,007)	(14,502)
	<b>(226,653)</b>	<b>(245,628)</b>	<b>(56,663)</b>	<b>(61,405)</b>
<b>Deferred income tax assets/(liabilities), net</b>			<b>(5,534)</b>	<b>35,993</b>

The analysis of deferred tax assets and liabilities are as follows:

<b>Deferred tax assets</b>	<b>1 January - 30 September 2024</b>	<b>1 January - 31 December 2023</b>
To be recovered less than 12 months	28,885	78,020
To be recovered more than 12 months	22,244	19,378
	<b>51,129</b>	<b>97,398</b>
<b>Deferred tax liabilities</b>		
To be recovered less than 12 months	(1,994)	(1,550)
To be recovered more than 12 months	(54,669)	(59,855)
	<b>(56,663)</b>	<b>(61,405)</b>
<b>Deferred income tax assets/(liabilities), net</b>	<b>(5,534)</b>	<b>35,993</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 26 - TAX ASSETS AND LIABILITIES (cont’d)**

Movement of deferred taxes asset/(liabilities) for the periods is as follows:

	<b>2024</b>	<b>2023</b>
<b>1 January</b>	<b>35,992</b>	<b>(18,580)</b>
Charged to statements of profit or loss	(33,967)	(51,983)
Charged to other comprehensive income	(1,824)	(7,212)
<u>Foreign currency translation difference</u>	<u>(5,735)</u>	<u>(5,732)</u>
<b>30 September</b>	<b>(5,534)</b>	<b>(83,507)</b>

***Corporate Tax***

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Turkish Corporate Tax Law has been amended by Law No. 5520 dated 13 June 2006. Most of the articles of this new Law No. 5520 have come into force effective from 1 January 2006. Accordingly, the corporate tax rate for the 2024 interim period is 25% (31 December 2023: 25%). The corporate tax rate is 16% in Romania for 2024 (31 December 2023: 16%).

Corporation tax rate is applicable on the total income of the companies after adjusting for certain disallowable expenses, income tax exemptions (participation exemption etc.) and income tax deductions (for example research and development expenses deduction). No further tax is payable unless the profit is distributed.

Dividends paid to non-resident corporations, which have a place of business in Turkey, or resident corporations are not subject to withholding tax. Otherwise, dividends paid are subject to withholding tax at the rate of 10%. An increase in capital via issuing bonus shares is not considered as a profit distribution and thus does not incur withholding tax.

Corporations are required to pay advance corporation tax quarterly at the rate of 25% on their corporate income. Advance tax is payable by the 17th of the second month following each calendar. Advance tax paid by corporations is credited against the annual corporation tax liability. The balance of the advance tax paid may be refunded or used to set off against other liabilities to the government.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within the 30th of the fourth month following the close of the financial year to which they relate.

Tax returns are open for 5 years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns, and the related accounting records on which they are based, and may issue re-assessments based on their findings.

Under the Turkish taxation system, tax losses can be carried forward to offset against future taxable income for up to 5 years. Tax losses cannot be carried back to offset profits from previous periods.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 26 - TAX ASSETS AND LIABILITIES (cont’d)**

*Corporate Tax (cont’d)*

There are many exemptions in Corporate Tax Law regarding corporations. Those related to the Group are explained below:

Within the scope of the Temporary Article added to the Technology Development Zones Law No. 4691 with Article 44 of the Law No. 5035, the income and corporate taxpayers operating in the technology development zones are exempted from income and corporate tax for earnings, which are exclusively from the software and R&D activities in this zone, until 31 December 2028.

The investment allowance, which has been applied for many years and calculated as 40% of property plant and equipment acquisitions exceeding a certain amount, was annulled with the Law No. 5479 dated 30 March 2006. However, in accordance with the temporary Law No. 69 added to the Income Tax Law, corporate and income taxpayers can offset the investment allowance amounts present as of 31 December 2005, which could not be offset against taxable income in 2005 and:

- a) In accordance with the investment certificates prepared for applications made before 24 April 2003, investments to be made after 1 January 2006 in the scope of the certificate regarding the investments that began in the scope of additional articles 1, 2, 3, 4, 5 and 6 of Income Tax Law No: 193 before it was repealed with the Law No: 4842 dated 9 April 2003 and,
- b) Investment allowance amounts to be calculated in accordance with legislation effective at 31 December 2005 related to investments which exhibit a technical and economic and integrity and which were started prior to 1 January 2006 in the scope of Income Tax Law 193 repealed 19th article, only against the income related to the years 2006, 2007 and 2008, in accordance with the legislation at 31 December 2005 (including provisions related to tax rates).

The Constitutional Court abolished the provisions of Temporary Article 69 of the Income Tax Law regarding the time limitation to the investment allowance in its meeting held on 15 October 2009 and published the minutes of the relevant meeting on its website in October 2009. The decision of the Constitutional Court on the cancellation of the time limitation for investment allowance for the years 2006, 2007 and 2008 came into force with its promulgation in the Official Gazette, dated 8 January 2010, and thereby the time limitation regarding investment allowance was removed.

**NOTE 27 - EARNINGS PER SHARE**

In the interim period ending on 30 September 2024, the profit for the period was full TL 3.39 (30 September 2023: full TL 1.82) per thousand shares calculated from the nominal value of 1 Kr.

	<b>30 September 2024</b>	<b>30 September 2023</b>
Net income attributable to equity holders of the parent	318,421	174,469
Average number of shares for the year	9,400,102	9,592,392
<b>Earnings per share</b>	<b>3.39</b>	<b>1.82</b>

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 28 - RELATED PARTY DISCLOSURES**

**a) Receivables and payables from related parties as of 30 September 2024 and 31 December 2023:**

<b>Trade receivables from related parties:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Other	2,992	2,778
	<b>2,992</b>	<b>2,778</b>

<b>Other payables to related parties:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Other	-	5
	<b>-</b>	<b>5</b>

<b>Other receivables from related parties:</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Logo Infosoft	1,707	1,292
	<b>1,707</b>	<b>1,292</b>

**b) Services given from related parties during the periods ended 30 September 2024 and 2023:**

<b>Services given to related parties</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Logo Infosoft	-	-	4,550	273
Tekbulut Teknoloji	188	184	-	-
Timus Siber Güvenlik Teknolojileri A.Ş,	7,052	1,299	5,540	1,137
Logo Teknoloji ve Yatırım A.Ş,	133	48	103	53
	<b>7,373</b>	<b>1,531</b>	<b>10,193</b>	<b>1,463</b>

**c) Services received from related parties during the periods ended 30 September 2024 and 2023:**

**Services received from related parties**

<b>Services received from related parties</b>	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Logo Infosoft	193	-	2,084	632
	<b>193</b>	<b>-</b>	<b>2,084</b>	<b>632</b>

**d) Remuneration of the key management:**

	<b>1 January- 30 September 2024</b>	<b>1 July - 30 September 2024</b>	<b>1 January- 30 September 2023</b>	<b>1 July - 30 September 2023</b>
Remuneration of the key management	89,048	29,919	78,437	28,147
	<b>89,048</b>	<b>29,919</b>	<b>78,437</b>	<b>28,147</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 29 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**

**29.1 Financial risk management**

**Credit risk**

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements. These risks are managed by limiting aggregate risk from any individual counterparty (excluding related parties) and obtaining sufficient collateral, where necessary.

**Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business the Company aims at maintaining flexibility in funding by keeping committed credit lines available. The Company management monitors the liquidity reserve movements according to the estimated cash flows. The Company management holds adequate cash and credit commitment that will meet the need cash for recent future in order to manage its liquidity risk. In this context, the Company has credit limit from banks amounting to over TL 100,000 that can be utilized whenever needed.

<b>30 September 2024</b>						
<b>Non-derivative financial instruments</b>	<b>Carrying value</b>	<b>Total contractual cash outflow (I+II+III+IV)</b>	<b>Up to 3 months (I)</b>	<b>Between 3-12 months (II)</b>	<b>Between 1-5 years (III)</b>	<b>More than 5 years (IV)</b>
Borrowings	438,147	465,673	58,173	76,794	326,307	4,399
Trade payables						
- Trade payables to third parties	201,744	201,744	201,744	-	-	-
Payables related to employee benefits	462,265	462,265	462,265	-	-	-
Other payables						
- Other payables to third parties	624,597	624,597	623,982	-	615	-
<b>Total liabilities</b>	<b>1,726,753</b>	<b>1,754,279</b>	<b>1,346,164</b>	<b>76,794</b>	<b>326,922</b>	<b>4,399</b>

<b>31 December 2023</b>						
<b>Non-derivative financial instruments</b>	<b>Carrying value</b>	<b>Total contractual cash outflow (I+II+III+IV)</b>	<b>Up to 3 months (I)</b>	<b>Between 3-12 months (II)</b>	<b>Between 1-5 years (III)</b>	<b>More than 5 years (IV)</b>
Borrowings	474,824	499,667	41,083	107,529	347,720	3,335
Trade payables						
- Trade payables to third parties	382,026	382,026	382,026	-	-	-
Payables related to employee benefits	579,936	579,936	579,936	-	-	-
Other payables						
- Other payables to third parties	777,794	777,794	776,958	-	836	-
<b>Total liabilities</b>	<b>2,214,580</b>	<b>2,239,423</b>	<b>1,780,003</b>	<b>107,529</b>	<b>348,556</b>	<b>3,335</b>

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 29 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)**

**29.1 Financial risk management (cont’d)**

**Interest rate risk**

The Group management uses its interest-bearing assets in short-term investment instruments within the framework of the principle of managing with natural precautions by balancing the maturities of interest-sensitive assets and liabilities.

The Group’s interest rate sensitive financial instruments are as follows:

	<b>30 September 2024</b>	<b>31 December 2023</b>
<u>Financial instruments with fixed interest rate</u>		
Financial assets		
- Financial assets at amortized cost	4,038	480,543
- Financial assets with fair value reflected to other comprehensive income	220,630	838,535
Financial liabilities	44,358	84,505
Put option valuation fund for non-controlling interests	401,007	511,648
<u>Financial instruments with floating interest rate</u>		
Financial assets		
- Financial assets with fair value reflected to profit/loss	104,570	202,004
Financial liabilities	393,789	390,319

Financial assets designated as fair value through profit or loss consists of fixed and floating interest rate bank deposits denominated in TL and foreign currencies which maturities less than three months and liquid funds. Since the interest expense of the floating rate loans during the year is not significant, sensitivity analysis of interest rate change has not been presented.

**Funding risk**

The ability to fund the existing and prospective debt requirements is managed as necessary by obtaining adequate committed funding lines from high quality lenders.

**Foreign currency risk**

The Group is exposed to exchange rate risk arising from exchange rate changes due to the translation of foreign currency denominated debts or creditors into Turkish Lira. The foreign currency risk is followed by analyzing the foreign exchange position.

Foreign exchange rates used to translate the Group’s assets and liabilities denominated in foreign currencies into TL as of 30 September 2024 and 31 December 2023 are as follows:

	<b>30 September 2024</b>	<b>31 December 2023</b>
<b>Assets</b>		
USD	34.1210	29.4382
EUR	38.1714	32.5739
<b>Liabilities</b>		
USD	34.1825	29.4313
EUR	38.2402	32.6326

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



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 29 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)**

**29.1 Financial risk management (cont’d)**

**Foreign currency risk (cont’d)**

		<b>Foreign Currency Position as of 30 September 2024</b>			
		TL equivalent	USD	EUR	Other
1.	Trade receivables	54,777	708	802	-
2a.	Monetary financial assets (cash and bank accounts included)	77,196	2,227	31	18
2b.	Non-monetary financial assets	-	-	-	-
3.	Other	-	-	-	-
<b>4.</b>	<b>Current assets (1+2+3)</b>	<b>131,973</b>	<b>2,935</b>	<b>833</b>	<b>18</b>
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	151,592	4,443	-	-
6b.	Non-monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
<b>8.</b>	<b>Non-current assets (5+6+7)</b>	<b>151,592</b>	<b>4,443</b>	<b>-</b>	<b>-</b>
<b>9.</b>	<b>Total assets (4+8)</b>	<b>283,565</b>	<b>7,378</b>	<b>833</b>	<b>18</b>
10.	Trade payables	(18,311)	(370)	(148)	-
11.	Financial liabilities	(117,558)	-	(3,075)	-
12a.	Other monetary liabilities	-	-	-	-
12b.	Other non-monetary liabilities	-	-	-	-
<b>13.</b>	<b>Current liabilities (10+11+12)</b>	<b>(135,869)</b>	<b>(370)</b>	<b>(3,223)</b>	<b>-</b>
14.	Trade payables	-	-	-	-
15.	Financial liabilities	(309,382)	-	(8,090)	-
16a.	Other monetary liabilities	-	-	-	-
16b.	Other non-monetary liabilities	-	-	-	-
<b>17.</b>	<b>Non-current liabilities (14+15+16)</b>	<b>(309,382)</b>	<b>-</b>	<b>(8,090)</b>	<b>-</b>
<b>18.</b>	<b>Total liabilities (13+17)</b>	<b>(445,251)</b>	<b>(370)</b>	<b>(11,313)</b>	<b>-</b>
19.	Net asset/liability position of off-balance sheet derivative financial instruments (19a-19b)	-	-	-	-
19a.	Off-balance sheet foreign currency derivative financial assets	-	-	-	-
19b.	Off-balance sheet foreign currency derivative financial liabilities	-	-	-	-
<b>20.</b>	<b>Net foreign assets/(liability) position (9-18+19)</b>	<b>(161,686)</b>	<b>7,008</b>	<b>(10,480)</b>	<b>18</b>
<b>21.</b>	<b>Net foreign currency asset/(liability) position of monetary items (=1+2a+3+5+6a-10-11-12a-14-15-16a)</b>	<b>(161,686)</b>	<b>7,008</b>	<b>(10,480)</b>	<b>18</b>
22.	Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23.	Export (*)	297,780	861	7,032	-
24.	Import	-	-	-	-

(\*) Includes exports from the countries in which the Group operates. The total amount of sales made by the Group outside of Turkey in the interim period of 30 September 2024 is TL 1,002,317 (30 September 2023: TL 837,243).

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 29 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)**

**29.1 Financial risk management (cont’d)**

**Foreign currency risk (cont’d)**

		<b>Foreign Currency Position as of 31 December 2024</b>			
		<b>TL equivalent</b>	<b>USD</b>	<b>EUR</b>	<b>Other</b>
1.	Trade receivables	63,056	946	569	-
2a.	Monetary financial assets (cash and bank accounts included)	680,215	12,761	3,838	-
2b.	Non-monetary financial assets	-	-	-	-
3.	Other	-	-	-	-
<b>4.</b>	<b>Current assets (1+2+3)</b>	<b>743,271</b>	<b>13,707</b>	<b>4,407</b>	<b>-</b>
5.	Trade receivables	-	-	-	-
6a.	Monetary financial assets	563,339	14,085	-	-
6b.	Non-monetary financial assets	-	-	-	-
7.	Other	-	-	-	-
<b>8.</b>	<b>Non-current assets (5+6+7)</b>	<b>563,339</b>	<b>14,085</b>	<b>-</b>	<b>-</b>
<b>9.</b>	<b>Total assets (4+8)</b>	<b>1,306,610</b>	<b>27,792</b>	<b>4,407</b>	<b>-</b>
10.	Trade payables	(24,786)	(436)	(165)	-
11.	Financial liabilities	(134,284)	-	(3,029)	-
12a.	Other monetary liabilities	-	-	-	-
12b.	Other non-monetary liabilities	-	-	-	-
<b>13.</b>	<b>Current liabilities (10+11+12)</b>	<b>(159,070)</b>	<b>(436)</b>	<b>(3,194)</b>	<b>-</b>
14.	Trade payables	-	-	-	-
15.	Financial liabilities	(329,781)	-	(7,438)	-
16a.	Other monetary liabilities	-	-	-	-
16b.	Other non-monetary liabilities	-	-	-	-
<b>17.</b>	<b>Non-current liabilities (14+15+16)</b>	<b>(329,781)</b>	<b>-</b>	<b>(7,438)</b>	<b>-</b>
<b>18.</b>	<b>Total liabilities (13+17)</b>	<b>(488,851)</b>	<b>(436)</b>	<b>(10,632)</b>	<b>-</b>
19.	Net asset/liability position of off-balance sheet derivative financial instruments (19a-19b)	-	-	-	-
19a.	Off-balance sheet foreign currency derivative financial assets	-	-	-	-
19b.	Off-balance sheet foreign currency derivative financial liabilities	-	-	-	-
<b>20.</b>	<b>Net foreign assets/(liability) position (9-18+19)</b>	<b>817,759</b>	<b>27,356</b>	<b>(6,225)</b>	<b>-</b>
<b>21.</b>	<b>Net foreign currency asset/(liability) position of monetary items (=1+2a+3+5+6a-10-11-12a-14-15-16a)</b>	<b>817,759</b>	<b>27,356</b>	<b>(6,225)</b>	<b>-</b>
22.	Fair value of derivative instruments used in foreign currency hedge	-	-	-	-
23.	Export	309,783	1,224	5,894	-
24.	Import	-	-	-	-

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 29 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)**

**29.1 Financial risk management (cont’d)**

The following table shows the TL equivalents of Group’s sensitivity to a 10% change in USD and EUR 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items at the end of the period and presents effect of 10% change in foreign currency rates. The positive amount indicates increase in profit/loss before tax or equity.

*Foreign currency sensitivity*

	30 September 2024			
	Profit/(Loss)		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
<b>Change of USD against TL by 10%</b>				
1- USD net assets/liabilities	23,934	(23,934)	-	-
2- Hedged portion from USD risks (-)	-	-	-	-
<b>3- USD net effect (1+2)</b>	<b>23,934</b>	<b>(23,934)</b>	-	-
<b>Change of EUR against TL by 10%</b>				
4- EUR net assets/liabilities	(427)	427	-	-
5- Hedged portion from EUR risks (-)	-	-	-	-
<b>6- EUR net effect (4+5)</b>	<b>(427)</b>	<b>427</b>	-	-
<b>Change of USD against RON by 10%</b>				
7- USD net assets/liabilities	(24)	24	-	-
8- Hedged portion from USD risks (-)	-	-	-	-
<b>9- USD net effect (7+8)</b>	<b>(24)</b>	<b>24</b>	-	-
<b>Change of EUR against RON by 10%</b>				
10- EUR net assets/liabilities	(39,573)	39,573	-	-
11- Hedged portion from EUR risks (-)	-	-	-	-
<b>12- EUR net effect (10+11)</b>	<b>(39,573)</b>	<b>39,573</b>	-	-

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 29 -NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)**

**29.1 Financial risk management (cont’d)**

*Foreign currency sensitivity:*

	31 December 2023			
	Profit/(Loss)		Equity	
	Foreign currency appreciation	Foreign currency depreciation	Foreign currency appreciation	Foreign currency depreciation
<b>Change of USD against TL by 10%</b>				
1- USD net assets/liabilities	74,450	(74,450)	-	-
2- Hedged portion from USD risks (-)	-	-	-	-
<b>3- USD net effect (1+2)</b>	<b>74,450</b>	<b>(74,450)</b>	-	-
<b>Change of EUR against TL by 10%</b>				
4- EUR net assets/liabilities	(63,857)	63,857	-	-
5- Hedged portion from EUR risks (-)	-	-	-	-
<b>6- EUR net effect (4+5)</b>	<b>(63,857)</b>	<b>63,857</b>	-	-
<b>Change of USD against RON by 10%</b>				
7- USD net assets/liabilities	(121)	121	-	-
8- Hedged portion from USD risks (-)	-	-	-	-
<b>9- USD net effect (7+8)</b>	<b>(121)</b>	<b>121</b>	-	-
<b>Change of EUR against RON by 10%</b>				
10- EUR net assets/liabilities	31,964	(31,964)	-	-
11- Hedged portion from EUR risks (-)	-	-	-	-
<b>12- EUR net effect (10+11)</b>	<b>31,964</b>	<b>(31,964)</b>	-	-

*Hedging activities*

The functional currency of Total Soft, the Group's subsidiary operating in Romania, is RON. In order to hedge the foreign currency translation risk arising from the conversion of Total Soft's Euro-denominated borrowings into RON, 54% of Total Soft's Euro-denominated revenues are defined as hedging instruments which is planned to generate between 2020 and 2028. The Group management considers the risk of future hedge ineffectiveness to be low due to the low hedge ratio used. As at 30 September 2024, foreign exchange loss amounting to TL 3,059 - expense (30 September 2023: TL (4,342)- expense) is recognized in the hedging gains/losses reserve under equity.

**Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may pay out dividends, return capital to shareholders, issue new shares or sell assets to reduce debt.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 29 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont’d)**

**Capital risk management (cont’d)**

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including borrowings, accounts payable and due to related parties, as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as equity, as shown in the consolidated statement of financial position, plus net debt.

	<b>30 September 2024</b>	<b>31 December 2023</b>
Total payables	438,147	474,824
Less: Cash and cash equivalents (*)	(763,817)	(1,046,258)
<b>Net debt</b>	<b>(325,670)</b>	<b>(571,434)</b>
Total equity	2,575,437	2,866,844
<b>Total capital</b>	<b>2,249,767</b>	<b>2,295,410</b>
<b>Debt/equity ratio</b>	<b>(14%)</b>	<b>(25%)</b>

(\*) Cash and cash equivalents, deposits with a maturity of more than 3 months, stocks and private sector bonds included in short-term financial investments are included in liquid assets.

Fair value is the amount at which financial instruments could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

The estimated fair values of financial instruments have been determined by the Company, using available market information and appropriate valuation methodologies. However, judgement 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.

**NOTE 30 - FINANCIAL INSTRUMENTS**

**Monetary assets**

The fair value of the foreign currency denominated amounts, which are translated by using the exchange rates prevailing at period-end, is considered to approximate their fair value.

Certain financial assets, including cash and cash equivalents, that are carried at cost are considered to approximate their respective carrying values due to their short-term nature.

The carrying values of trade receivables, including provision for doubtful receivables, are considered to approximate their fair values.

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 30 - FINANCIAL INSTRUMENTS (cont’d)**

**Monetary liabilities**

The fair value of long-term financial liabilities and other monetary liabilities is considered to approximate their respective carrying values as they have floating interests.

It is estimated that the carrying values of trade and other payables reflect their fair values due to their short-term nature.

The Group classifies the fair value measurement of each class of financial instruments according to the source, using the three-level hierarchy, as follows:

Level 1: Market price valuation techniques for the determined financial instruments traded in markets (unadjusted)

Level 2: Other valuation techniques includes direct or indirect observable inputs

Level 3: Valuation techniques does not contain observable market inputs

Fair value hierarchy table as of 30 September 2024 is as follows:

<b>Financial assets at fair value through profit or loss in the statement of financial position</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Financial investments (*)	273,861	-	503,435

(\*) Note 5.

<b>Financial liabilities at fair value through profit or loss in the statement of financial position</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Put option liabilities	-	-	401,007

Since the sensitivities of the inputs used in the analyzes do not have a significant effect on the consolidated financial statements, the sensitivity analysis is not presented separately.

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.**

**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 30 - FINANCIAL INSTRUMENTS (cont’d)**

**Categories and fair values of financial instruments**

**30 September 2024**

	<b>Financial assets at amortized cost</b>	<b>FVTPL</b>	<b>FVTOCI</b>	<b>Financial liabilities at amortized cost</b>	<b>Liabilities at fair value</b>	<b>Carrying value</b>	<b>Note</b>
<b><u>Financial assets</u></b>							
Cash and cash equivalents	641,548	-	-	-	-	641,548	4
Financial assets	-	53,231	724,065	-	-	777,296	5
Trade receivables	869,848	-	-	-	-	869,848	8
Receivables from related parties	4,699	-	-	-	-	4,699	28
<b><u>Financial liabilities</u></b>							
Financial payables	-	-	-	438,147	-	438,147	7
Other payables	-	-	-	223,590	-	223,590	9
Put option liability	-	-	-	-	401,007	401,007	9
Trade payables	-	-	-	201,744	-	201,744	9
Payables to related parties	-	-	-	145	-	145	28

**LOGO YAZILIM SANAYİ VE TİCARET A.Ş.****NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 30 - FINANCIAL INSTRUMENTS (cont’d)****Categories and fair values of financial instruments (cont’d)****31 December 2023**

	<b>Financial assets at amortized cost</b>	<b>FVTPL</b>	<b>FVTOCI</b>	<b>Financial liabilities at amortized cost</b>	<b>Liabilities at fair value</b>	<b>Carrying value</b>	<b>Note</b>
<b><u>Financial assets</u></b>							
Cash and cash equivalents	663,174	-	-	-	-	663,174	4
Financial assets	-	107,888	1,367,475	-	-	1,475,363	5
Trade receivables	1,105,369	-	-	-	-	1,105,369	8
Receivables from related parties	4,070	-	-	-	-	4,070	28
<b><u>Financial liabilities</u></b>							
Financial payables	-	-	-	474,824	-	474,824	7
Other payables	-	-	-	266,146	-	266,146	9
Put option liability	-	-	-	-	511,648	511,648	9
Trade payables	-	-	-	382,026	-	382,026	9
Payables to related parties	-	-	-	5	-	5	28



**NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD 1 JANUARY – 30 SEPTEMBER 2024**

(Amounts expressed in thousands of Turkish Lira (“TL”) in terms of the purchasing power of TL as at 30 September 2024, unless otherwise stated.)

**NOTE 31 - DISCLOSURES ON THE STATEMENT OF CASH FLOWS**

	<b>Bank loans and credit cards</b>	<b>Leases</b>	<b>Total</b>
<b>1 January 2024</b>	<b>426,391</b>	<b>48,433</b>	<b>474,824</b>
Cash inflows	101,311	-	101,311
Cash outflows	(63,648)	-	(63,648)
Foreign currency translation difference	(62,623)	(5,376)	(67,999)
Increase in lease liabilities (TFRS 16)	-	7,560	7,560
Cash outflows from lease liabilities (TFRS 16)	-	(13,901)	(13,901)
<b>30 September 2024</b>	<b>401,431</b>	<b>36,716</b>	<b>438,147</b>
Cash and cash equivalents (-)			(641,548)
<b>Net debt</b>			<b>(203,401)</b>

	<b>Bank loans and credit cards</b>	<b>Leases</b>	<b>Total</b>
<b>1 January 2023</b>	<b>509,770</b>	<b>58,049</b>	<b>567,819</b>
Cash inflows	40,950	-	40,950
Cash outflows	(75,616)	-	(75,616)
Foreign currency translation difference	(48,712)	1,895	(46,817)
Increase in lease liabilities (TFRS 16)	-	3,213	3,213
Cash outflows from lease liabilities (TFRS 16)	-	(14,725)	(14,725)
<b>31 December 2023</b>	<b>426,392</b>	<b>48,432</b>	<b>474,824</b>
Cash and cash equivalents (-)			(663,174)
<b>Net debt</b>			<b>(188,350)</b>

**NOTE 32 - EVENTS AFTER THE REPORTING PERIOD**

None.