

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT
CENTRE – TURKISH GRAMEEN
MICROFINANCE PROGRAM**

**STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024
TOGETHER WITH AUDITOR’S REPORT**

**(Convenience translate into English of
Financial Statements Originally issued in Turkish)**



INDEPENDENT AUDITOR’S REPORT

The Board of Directors of the Türkiye İsrافی Önleme Vakfı

Opinion

We have audited the financial statements of Türkiye İsrافی Önleme Vakfı (“Vakıf”) Mikrokredi Merkezi - Türkiye Grameen Mikrokredi Programı (the Company), which comprise the balance sheet as at December 31, 2024, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. In our opinion, the accompanying financial statements of the Company for the year ended December 31, 2024 are prepared, in all material respects, in accordance with the accounting policies disclosed in Notes 2 and 28.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Distribution and Use

We draw attention to Notes 2 and 28 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the Company in complying with the financial reporting provisions of the contract referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Company and should not be distributed to or used by parties other than the Company. Our opinion is not modified in respect of this matter.



Other Matter

As part of our audit of the January 1 - December 31, 2024 financial statements, we also audited the adjustments described in Note II that were applied to amend the December 31, 2023 financial statements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the December 31, 2023 financial statements of the company other than with respect to the adjustments and, accordingly, we do not express an audit opinion or any other form of assurance on the December 31, 2023 financial statements taken as a whole.

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

Management is responsible for the preparation of the financial statements in accordance with the accounting policies set out in Notes 2 and 28, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

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

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

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

A handwritten signature in blue ink, appearing to read 'Aysun Gul Kılıç', is positioned above the printed name of the auditor.

Aysun Gul Kılıç, SMMM
Independent Auditor

Istanbul, 5 August 2025

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROFINANCE PROGRAM**

BALANCE SHEET AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

ASSETS	Notes	31 December 2024	Restated(*) 31 December 2023
I. CURRENT ASSETS			
Liquid assets		630,877	1,731,026
Cash		13,825	30,585
Banks		617,052	1,700,441
Trade receivables		145,168,937	123,274,062
Customers		137,228,169	118,066,524
Trade receivables from related parties	18	7,694,853	5,095,141
Notes receivables		154,050	18,502
Other trade receivables		91,865	93,895
Doubtful trade receivables		1,370,644	1,649,151
Provision for doubtful receivables		(1,370,644)	(1,649,151)
Inventories		944	1,888
Short-term prepaid expenses and income accrual		722,850	1,493,631
Short-term prepaid expenses		722,850	1,493,631
Other current assets		3,958,365	5,303,686
Prepaid taxes and funds		21,855	4,289
Job advances		3,933,708	2,133,085
Advances paid		-	5,740
Receivables from employees		2,540	3,059,455
Income accrual		262	102,943
Counting and receiving deficiencies		-	(1,826)
Total current assets		150,481,973	131,804,293
II. NON-CURRENT ASSETS			
	17		
Property and equipment		3,685,646	4,340,519
Motor vehicles		48,883,442	42,020,137
Furniture and fixtures		19,587,567	15,178,445
Accumulated depreciation		(64,785,363)	(52,858,063)
Intangible assets	17	3,136,901	1,134,547
Establishment costs		4,032	4,032
Leasehold improvements		2,933,794	2,282,676
Other intangible assets		6,487,287	2,696,902
Accumulated amortization		(6,288,212)	(3,849,063)
Other non-current assets		31,596	22,932
Deposits given		31,596	22,932
Total non-current assets		6,854,143	5,497,998
TOTAL ASSETS		157,336,116	137,302,291

(*) The effects of the restatement have been explained in the statement of changes in funds.

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

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROFINANCE PROGRAM

BALANCE SHEET AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

			Restated(*)
LIABILITIES AND FUNDS	Notes	December 2024	31 December 2023
<u>CURRENT LIABILITIES</u>			
Borrowings		3,659,249	6,060
Short-term borrowings		3,659,249	6,060
Trade payables		17,848,832	16,196,478
Suppliers		201,387	1,439,257
Due to related parties	18	17,647,445	14,757,221
Other payables		29,718,295	22,585,941
Total deposits collected (voluntary savings)		19,488,229	21,183,491
Other payables to related parties	18	6,940,483	1,395,169
Payables to employees		3,289,583	7,281
Advances received		822,473	7,754,396
Advances received		822,473	7,754,396
Taxes and withholdings payable		2,690,926	2,078,330
Taxes and funds payable		1,129,076	644,760
Social security premiums payable		1,561,850	1,433,570
Other current liabilities		-	20.170
Provisions for lawsuits		-	20.170
Provisions for liabilities and expenses		120,493	35,291
Tax and other legal obligations		120,493	35,291
Total current liabilities		54,860,268	48,676,666
<u>NON-CURRENT LIABILITIES</u>			
Other payables		40,819,241	-
Other payables to related parties	18	40,819,241	-
Total non-current liabilities		40,819,241	-
<u>FUNDS</u>			
Share capital	15	16,199,480	16,199,480
Capital Adjustment Positive Differences		73,437,211	68,816,361
<i>Other reserves</i>		<i>74,463,923</i>	<i>71,168,382</i>
<i>Special funds</i>		<i>74,463,923</i>	<i>71,168,382</i>
Retained earnings		(67,558,598)	(65,248,878)
Net gain for the year		(34,885,409)	(2,309,720)
Total funds		61,656,607	88,625,625
TOTAL LIABILITIES AND FUNDS RECEIVED		157,336,116	137,302,291

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

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROFINANCE PROGRAM**

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

	Notes	31 December 2024	31 December 2023
Gross sales		59,758,400	43,129,451
Sales		59,758,400	43,129,451
Sales deductions		(8,839)	(6,096)
Sales returns		(8,839)	(6,096)
Net sales		59,749,561	43,123,355
Cost of sales		(75,336,719)	(50,923,007)
Cost of services provided		(75,336,719)	(50,923,007)
GROSS PROFIT		(15,587,158)	(7,799,652)
Operating expenses		(28,491,007)	(16,468,605)
Marketing, selling and distribution expense		(9,995)	(33,393)
General administrative expenses	13	(28,481,012)	(16,435,212)
PROFIT FROM PRIMARY OPERATIONS		(44,078,165)	(24,268,257)
Other operating income		331,812	671,076
Foreign exchange gains		-	17,957
Interest income		317,108	135,059
Other income		14,704	5,952
Provision no longer required		-	512,108
Other operating expense		(66,150)	(161,207)
Provision expenses		-	(56,018)
Exchange loss		(66,150)	(105,189)
Financial expenses		(576,635)	(661,210)
Financial expenses	3	(576,635)	(661,210)
ORDINARY PROFIT		(44,389,138)	(24,419,598)
Extraordinary income and gain	13	12,932,140	22,681,846
Extraordinary income		12,932,140	22,681,846
Extraordinary expense and loss	13	(3,307,917)	(571,967)
Prior period expense and loss		(231,340)	(33,326)
Extraordinary loss		(3,076,577)	(538,641)
Income before taxation		(34,764,915)	(2,309,719)
Tax expenses		(120,493)	-
NET PROFIT FOR THE YEAR		(34,885,409)	(2,309,719)

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

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

I. NATURE OF OPERATIONS

The Grameen Trust ("GT") is committed to the cause of alleviating global poverty by providing financial and technical support to Grameen Bank Build-Operate-Transfer Programmes in Bangladesh and abroad. As part of its commitment, GT began a Grameen replication project in Turkey under its build, operate and transfer model with the support of the Turkish Foundation for Waste Reduction ("TISVA").

Turkish Grameen Microfinance Program ("TGMP") was officially launched by TISVA in Diyarbakır, in the south-east of Turkey, in June 2003 with the support of GT. The primary objective of this project is to provide loans to poor women in rural and urban areas surrounding Diyarbakır, and to support their income-generating activities and small businesses as a means of reducing poverty. The project then spread to the whole country. During the implementation of the project, due to the regulations, the project was financed by the donations given by various organisations and people under the control of Diyarbakır Governor's Office.

TISVA and Hüsnü Özyeğin paid the balance of public money in the accounts of Diyarbakır Governor's Office related to Bağlar and Hüsnü Özyeğin Ergani Branches in 2006. TGMP was taken over by TISVA with a payment of TRY429,112. The TISVA Microcredit Centre, which is an economic enterprise foundation, was established as a part of TISVA in 2006.

TGMP is being implemented in 76 (31 December 2023: 95) different locations; Afşin (Kahramanmaraş), Afyon, Aksaray, Amasya, Ankara, Artvin, Aydın, Aydın Batı, Bağcılar (İstanbul), Balıkesir, Bartın, Batman-Siirt, Bilecik, Bingöl, Bismil (Diyarbakır), Burdur, Bursa, Çankırı, Denizli, Edremit (Balıkesir), Elazığ, Elbistan (Kahramanmaraş), Ergani (Diyarbakır), Erzincan, Eskişehir, Gaziantep-Şahinbey, Giresun, Hakkari, Hatay, Iğdır, İskenderun (Hatay), İzmit (Kocaeli), Isparta, Kahramanmaraş, Karaman, Kayapınar (Diyarbakır), Kayseri, Kemaliye (Erzincan), Kırıkkale, Kırklareli, Kırşehir, Kızıltepe (Mardin), Konya, Kütahya, Malatya, Manisa, Mardin, Mersin, Midyat (Mardin), Muğla, Nazilli (Aydın), Niğde, Nizip (Gaziantep), Ordu, Osmaniye, Reyhanlı (Hatay), Rize, Salıpazarı (Samsun), Samsun, Soma (Manisa), Sarıçam (Adana), Sarıyer (İstanbul), Seyhan (Adana), Sinop, Sivas, Siverek (Şanlıurfa), Bağlat-Sur (Diyarbakır), Şanlıurfa, Şırnak, Tokat, Trabzon, Türkoğlu (Kahramanmaraş), Van, Yenişehir (Bursa), Yozgat ve Zonguldak. The number of employees of TGMP at 31 December 2024 is 136 (31 December 2023: 202) and the total member of TGMP is 30,946 (31 December 2023: 42,616).

TGMP projects include nine types of micro loans:

a) Introductory Loan

Introductory Loan aims to make a smooth transition for financially challenged micro-entrepreneurs who are introduced to the microcredit system for the first time. Introductory Loan has a lower limit of TRY1,000 and an upper limit of TRY3,000 to be repaid in 33 weeks.

Micro-entrepreneurs who receive Introductory Loan cannot use other types of loans. Micro-entrepreneurs have an option to receive an additional Basic Loan or Business Loan only after they have repaid 15 weeks of installments of their loan.

This loan type can also be given to micro-entrepreneurs who used a loan from the system before but has a passive status. Thus, financially challenged women who used a loan from the microcredit system before are reintroduced into the system.

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

I. NATURE OF OPERATIONS (Continued)

b) Business Loan

Micro-entrepreneurs who have fully repaid their Introductory Loan or wish to receive an intermediate withdrawal can receive Business Loan. However, Business Loan is not provided to micro-entrepreneurs who are introduced to microcredit system for the first time. Micro-entrepreneurs have an option to receive Business Loan rather than Introductory Loan if they are in passive status meaning that they have benefited from the microcredit system before. Business Loan is a type of loan with lower limit of TRY1,000 and an upper limit of TRY7,000 to be repaid in 40 weeks.

Micro-entrepreneurs who have received Business Loan can also benefit from Entrepreneurial Loan if they are taxpayers. However, micro-entrepreneurs who have received Business Loan cannot benefit from Basic Loan and Development Loan at the same time. Micro-entrepreneurs have an option to receive intermediate withdrawal only after they have paid back 15 weeks of installments of the loan.

c) Basic Loan

Micro-entrepreneurs who have fully repaid their Introductory Loan or wish to receive an intermediate loan can receive Basic Loan. However, Basic Loan is not provided to micro-entrepreneurs who are introduced to the microcredit system for the first time. Micro-entrepreneurs have an option to receive Basic Loan rather than Introductory Loan if they are in passive status meaning that they have benefited from the microcredit system before.

Basic Loan is a type of loan with lower limit of TRY1,000 and an upper limit of TRY10,000 to be repaid in 48 weeks and grace period for the first 4 weeks. Micro-entrepreneurs who have received Basic Loan can also benefit from Entrepreneurial Loan if they are taxpayers. However, micro-entrepreneurs who have received Basic Loan cannot benefit from Business Loan and Development Loan at the same time. Micro-entrepreneurs have an option to receive intermediate loan only after they have paid back 20 weeks of installments of the loan.

d) Development Loan

Micro-entrepreneurs who are in the microcredit system for 5 years and more, who use their financing in line with their microcredit purpose and contribute to their family and national economy by engaging in income-generating activities can receive Development Loan. Development Loan is a type of loan with a lower limit of TRY7,000 and an upper limit of TRY10,000 to be repaid in 46 weeks.

Micro-entrepreneurs who have benefited from Development Loan can receive Entrepreneurial Loan simultaneously. However, micro-entrepreneurs who have received Development Loan cannot benefit from Business Loan and Basic Loan at the same time. Micro-entrepreneurs have an option to receive intermediate loan only after they have paid back 20 weeks of installments of the loan.

e) Entrepreneurial Loans

This loan type can also be given to micro-entrepreneurs who used a loan from the system before but have a passive status. Thus, financially challenged women who used a loan from the microcredit system before are reintroduced into the system.

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

I. NATURE OF OPERATIONS (Continued)

e) Entrepreneurial Loans (Continued)

Entrepreneurial Loan is a type of loan with lower limit of TRY1,000 and an upper limit of TRY10,000 collected in 48 weeks, disbursed to micro-entrepreneurs who are tax payers and have proven their success by using their microcredit financing to grow their business in addition to the loan they have received. If they wish, micro-entrepreneurs can make intermediate withdrawals after the 20th week of the installment payment. Micro-entrepreneurs using Entrepreneurial Loan can use only one of the other main loan types, excluding Introductory Loan.

f) Growth / Happytalist Loan

Micro-entrepreneurs who have increased their income above the poverty threshold and by experiencing this happiness, are motivated to become a trader and want to grow their commercial activities can receive Growth / Happytalist Loan. Growth / Happytalist Loan is provided for micro-entrepreneurs who have benefited from Fundamental Loans (Basic Loan, Business Loan and Development Loan) with a total limit of TRY10,000. Growth / Happytalist Loan has lower limit of TRY10,000 and upper limit of TRY20,000 collected in 60 weeks. Micro-entrepreneurs who have received Growth / Happytalist Loan cannot benefit from Development Loan, Business Loan, Basic Loan and Entrepreneurial Loan at the same time. In order to benefit from Growth / Happytalist Loan, micro-entrepreneurs must be registered to Chamber of Commerce or Chamber of Merchants and Craftsmen.

Micro-entrepreneurs have an option to receive an intermediate withdrawal of Growth / Happytalist Loan only after they have repaid 32 weeks of instalments from their original loan.

g) Social Development Loan

Social Business is a business model that prioritizes social benefit rather than profit maximization in order to overcome problems that threaten humanity such as education, health, access to technology, environment and poverty.

In addition to other loan types, acting with the slogan "Social Business for Good", micro-entrepreneurs who wish to involve in commercial activities in order to generate additional income can receive Social Development Loan which includes different products ranging from cleaning products to cosmetics. Micro-entrepreneurs cannot receive an intermediate withdrawal in Social Development Loan. Micro-entrepreneurs repay the products in 25-60 weeks with a service fee of 5% - 20%, including BSMV, according to the determined limits; nonetheless there is no intermediate withdrawal in Social Development Loan. Micro-entrepreneurs have an option to pay back their Social Development Loan in cash without paying any service fee.

h) Technology Loan (Communication Loan)

The digital divide refers to the difference in low-income people's access to communication and communication technology due to demographic and regional factors. Telephone, television, personal computers and internet are included in the tools used within the scope of communication technology.

Financially challenged women who are the most affected by the digital divide problem in Turkey are provided with financial support to access communication tools via Technology Loan. Therefore, TISVA aims to resolve the digital divide problem in Turkey caused by geographical factors and unfair distribution of income. Financially challenged women who own a smart phone via Technology Loan repay their loans in 25-60 weeks with a service fee of 5% - 20%, including BSMV, according to the determined limits.

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

I. NATURE OF OPERATIONS (Continued)

i) Agriculture and Livestock Loan

Agriculture and Livestock Loan is an additional loan for our current micro-entrepreneurs. To those micro-entrepreneurs who would like to do Agriculture and Livestock activities are given up to TRY15,000. It is repaid in weekly installments with no payments in the first 5 months.

TEKFEN Women Farmer Loan – TISVA Agricultural Support Loan

"Women Farmer Loan Project" is created by the collaboration of TEKFEN Foundation and Turkish Foundation for Waste Reduction (TISVA) in order to leave a livable world to the next generations with the vision of sustainable agriculture. Through Women Farmer Loan Project, low-income women farmers are enabled to operate in the field of agriculture.

10% service fee including BSMV is taken from women farmers who are going to use Women Farmer Loan in order to cover the project costs. The loan amount that is going to be used for agricultural activities is not only going to be used for growing crops. The loan amounts can also be used for manure, pesticide, irrigation systems, and engraftments etc. that are needed for agricultural activities.

To low-income women farmers who use a loan within the "Women Farmer Loan Project" context, TISVA is going to give "TISVA Agricultural Support Loan" that amounts to 25% of "Tekfen Women Farmer Loan" given by the TEKFEN Foundation.

Livestock Loans

Beekeeping:

Micro-entrepreneurs who will operate in the field of beekeeping can be given a maximum Livestock Loan of TRY7,500 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operates in the field of beekeeping can use the Livestock Loan by repaying in 30 weeks with a service fee of 20%, and with no payments for 5 months.

Poultry Farming:

Micro-entrepreneurs who will do poultry farming can be given a maximum Livestock Loan of TRY5,000 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operate in the field of Poultry Farming can use the Livestock Loan by repaying in 40 weeks with a service fee of 15%, and with no payments for 2 months.

Bovine and Ovine Breeding:

Micro-entrepreneurs who will operate in the field of bovine and ovine breeding can be given a maximum Livestock Loan of TRY10,000 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operate in the field of bovine and ovine farming can use the Livestock Loan by repaying in 30 weeks with a service fee of 20%, and with no payments for 5 months.

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

I. NATURE OF OPERATIONS (Continued)

Fishery:

Micro-entrepreneurs who will operate in the field of fishery can be given a maximum Livestock Loan of TRY5,000 with respect to credit limits in the microcredit system. Micro-entrepreneurs who operate in the field of fishery can use the Livestock Loan by repaying in 33 weeks with a service fee of 10%, and with no payments for 1 month.

j) Types of Loans Distributed within the Scope of Cooperation with CARE Turkey – Turkish Grameen Microfinance Program

Cooperation between CARE Turkey and the Turkish Grameen Microfinance Program (TGMP) was started in 2019 in Şanlıurfa, Gaziantep, and Kilis with the aim of strengthening the refugees and the host communities by conducting microcredit activities. In 2021, city of Adana was added in the scope of the project. The cities of the project were chosen by the intensity of the refugee population with the cooperation of TGMP – Care, increase in the social adaptation of both of the communities by bringing together the women micro-entrepreneurs from the refugees and host communities.

Types of loans that are given within the context of the cooperation of CARE Turkey are Basic Loan, Recurring Basic Loan, Basic Loan 2 with a limit of TRY3,000, and Micro Business Credit with a limit ranging between TRY6,000 - TRY50,000.

Within the scope of the project, CARE Turkey covers the service fee of 23%, including BSMV, of Basic Loan 2.

k) Types of Loans Distributed within the Scope of Cooperation with German Sparkassenstiftung für Internationale Kooperation – Turkish Grameen Microfinance Program

The cooperation of TGMP and German Sparkassenstiftung (DSIK) was started in 2019 in the cities of Ankara, Bursa, and Gaziantep with the aim of improving the economic conditions of people and host communities who were forced displacement and financially challenged by providing financial services, financial literacy trainings and technical assistance. In 2021, the city of Konya is added in the scope of the project. Three types of loans; SBF Introductory Loan, SBF Business Loan, and SBF Basic Loan are given within the scope of the project. These loans have the same conditions with the Basic Loan, Business Loan, and Basic Loan of TGMP.

l) Types of Loans Distributed within the Scope of Cooperation with Kiva – Turkish Grameen Microfinance Program

The cooperation protocol between TGMP and Kiva was signed in 2021. Investing Committee of Kiva provided a credit limit to TGMP for fulfilling the microcredit operations for refugees and host communities who do not have access to financial resources. Within the scope of the project, all micro-entrepreneurs throughout Turkey can get microcredit without any limitations of the city and branch within the scope of the cooperation with Kiva.

Five types of loans are given within the scope of the project as; Kiva Introductory Loan, Kiva Business Loan, Kiva Deferred Basic Loan, Kiva Development Loan, and Kiva Entrepreneurial Loan. These loans have the same conditions with the Introductory Loan, Business Loan, Deferred Basic Loan, Development Loan, and Entrepreneurial Loan of TGMP.

In the non-profit microcredit applications, according to the tax ruling that is provided from Ministry of Finance, effective from the beginning of the year 2013, service charges include 5% Banking and Insurance Transactions Tax (BSMV).

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROFINANCE PROGRAM**

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

TGMP maintains its books of account in Turkish lira ("TRY") based on the Turkish Commercial Code ("TCC") and tax legislation and prepares its statutory financial statements in accordance with the Turkish Standard Chart of Accounts.

The changes in funds in years 2024 and 2023 were as follows:

	Share Capital	Positive Distinction From Share Capital Adjustment	Special Funds	Retained Earnings	Net Profit For the Year	Total Funds
1 January 2024 (Previously reported)	16,199,480	68,816,361	71,168,382	(59,456,439)	358,273	97,086,057
Effect of the adjustment (*)	-	-	-	(5,792,439)	(2,667,993)	(8,460,432)
1 January 2024	16,199,480	68,816,361	71,168,382	(65,248,878)	(2,309,720)	88,625,625
Transfers	-	-	-	(2,309,720)	2,309,720	-
Donations	-	(3,295,541)	-	-	(3,295,541)	-
Net income for the year	-	-	-	-	(34,885,409)	(34,885,409)
Inflation adjustment	-	4,620,850	-	-	-	4,620,850
31 December 2024	16,199,480	73,437,211	74,463,923	(67,558,598)	(34,885,409)	61,656,607

	Share Capital	Positive Distinction From Share Capital adjustment	Special Funds	Retained Earnings	Net profit For The Year	Total Funds
1 January 2023	16,199,480	-	65,072,167	(405,299)	427,497	81,293,845
Transfers	-	-	-	427,497	(427,497)	-
Cash Dividend (-)	-	-	-	(254,586)	-	(254,586)
Donations	-	-	6,096,215	-	-	6,096,215
Net income for the year	-	-	-	-	358,273	358,273
Inflation adjustment	-	68,816,361	-	(59,224,051)	-	9,592,310
31 December 2023	16,199,480	68,816,361	71,168,382	(59,456,439)	358,273	97,086,057

(*) The adjustments relate to the cost and depreciation amounts arising from incorrect indexation applied during the inflation adjustment of tangible and intangible fixed assets. The effects of these adjustments on the balance sheet and income statement for the financial year ended 31 December 2023 are as follows:

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

	Previously reported 31 Aralık 2023	Adjustment to Tangible Fixed Assets	Restated 31 December 2023
Finansal Durum Tablosu			
Motor vehicles	33,593,877	8,426,260	42,020,137
Furniture and fixtures	15,284,941	(106,496)	15,178,445
Accumulated depreciation	(37,028,165)	(15,829,898)	(52,858,063)
Accumulated amortization	(2,898,765)	(950,298)	(3,849,063)
Retained earning	(59,456,439)	(5,792,439)	(65,248,878)
Gelir Tablosu			
Cost of services provided (-)	(48,255,014)	(2,667,993)	(50,923,007)

Significant Accounting Policies

The following significant accounting policies have been applied in the preparation of these financial statements:

Financial reporting in a hyperinflationary economy

According to Article 298 of the Tax Procedure Law (TPL), income and corporate taxpayers apply inflation adjustment if the increase in the domestic producer price index (PPI) exceeds 100% in the last three accounting periods and 10% in the current accounting period.

In line with the announcements made by the Ministry of Finance, the Company has started to apply hyperinflation accounting to its financial statements for the year ending on December 31, 2023 in accordance with the Tax Procedure Law General Communiqué No. 555 published in the Official Gazette dated December 30, 2023.

The Company's financial statements for the year ending on December 31, 2024 have been restated for changes in the general purchasing power of the functional currency.

During the inflation period, an institution whose monetary assets exceed its monetary liabilities loses purchasing power, and an institution whose monetary liabilities exceed its monetary assets gains purchasing power to the extent that its assets and liabilities are not tied to a price level.

Monetary items (monetary assets and monetary liabilities) are not subject to inflation adjustment. Because the value of the monetary asset appearing on the balance sheet also indicates the purchasing power of that item as of the balance sheet date. However, since the values of non-monetary assets (non-monetary assets and non-monetary liabilities) appearing on the balance sheet do not indicate the purchasing power of these assets as of the balance sheet date, non-monetary assets are subject to inflation adjustment in order to eliminate the effects of inflation on the balance sheet.

Non-monetary items measured at historical cost are restated by applying the change in the PPI from January 1, 2005 to December 31, 2024.

Revenue

TGMP charges a service fee for each loan disbursed to the microcredit members of the project. The total service charge is determined as 10% and the Banking and Insurance Transactions Tax is 5% of the outstanding loan amount. TGMP revenue includes micro-credit service charges.

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(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

Property and equipment

Property and equipment are stated at cost less accumulated depreciation. The depreciation is provided for property and equipment based on the straight line method. The useful lives of the property and equipment which is adopted by tax laws are as follows:

	Years
Motor vehicles	5 years
Furniture and fixtures	4 years

Pro-rata depreciation method is used for the vehicles.

Intangible assets

Intangible assets mainly comprise establishment costs, leasehold improvements and other intangibles. They are stated at cost less accumulated amortisation. Amortisation is provided based on the straight-line method over five years.

Related parties

For the purpose of these financial statements major donors and key management personnel, in each case together with organisations controlled by or affiliated with them are considered and referred to as related parties. Financial liabilities are accounted for under due to related parties in the balance sheet since the loans are obtained through TISVA.

Provision for doubtful receivables

A credit risk provision for receivables is established when there is objective evidence that TGMP will not be able to collect all amounts due. The amount of the provision is the difference between the carrying amount and the recoverable amount of the receivable.

Taxes on income

In accordance with Corporate Tax Law No. 5520, Article 2, Paragraph 5, the "Law related to taxpayers of corporation tax for the associations and foundations" published on 21 June 2006, commercial, industrial and agricultural enterprises that are owned by or affiliated to associations or foundations are the economic enterprises of associations and foundations. TGMP is an economic enterprise of TISVA and is subject to corporate tax.

The effective tax rate in 2024 is 25% (2023: 25%).

The corporate tax rate to be accrued over the taxable corporate income is based on the remaining tax after deducting the expenses that cannot be deducted from the tax base and the tax exemptions, non-taxable income and other discounts (if any, previous year losses and investment discounts used if preferred). it is calculated.

Losses can be carried forward for a maximum of 5 years, to be deducted from the taxable profits that will arise in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE TURKISH GRAMEEN MICROFINANCE PROGRAM

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

Total deposits collected (Voluntary savings)

Within the scope of the primary objective of TGMP, each project group member voluntarily deposits at least TRY1,00 on a weekly basis. Poor people are encouraged to voluntarily save in order to help developing their saving habits. The group members can withdraw their savings any time. TGMP accounts for the weekly deposits collected from the members voluntarily under total deposits collected (voluntary savings) in the balance sheet.

Trade receivable (Microcredits given)

TGMP's customers are the members of the microcredit program and the receivable is calculated as loans are given to microcredit members by TGMP.

Special funds

Legal funds that must be reserved in the corporation are followed in this account. TISVA transfers the funds received from public institutions and donations received from various foundations, corporations and individuals to TGMP and TGMP follows these funds as special funds in the balance sheet.

III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS

A) NOTES TO THE BALANCE SHEET

1. Upper limit of capital where registered capital system is applied:

TGMP is not subject to registered capital system.

2. a. Total amount of advances extended to the chairman and the members of the board of directors, general manager, general coordinator, assistant general manager and other high-level management during the year:

None (31 December 2023: None). TGMP paid no advances to the chairman and members of the board of directors, chairman and members of board of trustees and audit committee of TISVA.

b. Balance of such advances at year end:

The advance amount given is none the advance received is TRY822,473 (31 December 2023: TRY7,754,396).

3. Total amount of insurance on assets:

TRY24,340,181 (31 December 2023: TRY15,381,184).

4. Total amount of mortgages and other guarantees obtained against the receivables:

None (31 December 2023: None).

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NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

5. Total amount of mortgages and other collaterals and guarantee letters given against the payables:

There are guarantees amounting to TRY9,000,000 by third-party sureties, TRY9,000,000 by shareholder guarantees, and TRY800,000 provided by the Credit Guarantee Fund (31 December 2023: TRY9,000,000 by third-party sureties, TRY9,000,000 by shareholder guarantees, and TRY800,000 provided by the Credit Guarantee Fund).

6. Off-balance sheet commitments and contingent liabilities:

None (31 December 2023: None).

7. Foreign currency denominated cash and bank balances:

None (31 December 2023: None).

8. Foreign currency denominated receivables:

None (31 December 2023: None).

9. Foreign currency denominated liabilities:

None (31 December 2023: None).

10. Amount of bills and financial bonds in circulation issued under the guarantee of banks:

None (31 December 2023: None).

11. Total investment incentive tax exemption to be utilised in current and following periods:

None (31 December 2023: None).

12. Bills in circulation, which are convertible to share certificates:

None (31 December 2023: None).

13. List of shares representing the share capital:

None (31 December 2023: None).

14. Total amount of share capital issued in current period:

None (31 December 2023: None).

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(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

15. List of owners or shareholders holding more than 10% of capital:

	2024		2023	
	%	TRY	%	TRY
Türkiye İsrâfı Önleme Vakfı	100	16,199,480	100	16,199,480

16. List of investments and subsidiaries where more than 10% of the share capital is owned:

None (31 December 2023: None).

17. Tangible and intangible fixed assets movements during the year:

a. Additions (*): TRY4,099,105 (31 December 2023: TRY1,543,398).

b. Disposals: TRY7,154,597 (31 December 2023: TRY891,436).

(*) Predominantly purchased vehicles relate to purchases related to mobile phone and computer software.

18. Share of shareholders, subsidiaries, associates and related parties in short and long-term receivables and payables:

	31 December 2024	31 December 2023
Trade receivables from related parties:		
MCT Kripto Varlıklar Bilişim ve Teknoloji	7,694,853	5095,141
	31 December 2024	31 December 2023
Trade payables to related parties:		
TİSVA Sosyal İşletmecilik ve Sosyal Hizmetler Ltd. Şti. (*)	17,647,445	14,757,221
	31 December 2024	31 December 2023
Other short term payables to related parties:		
Türkiye İsrâfı Önleme Vakfı (**)	6,940,483	1,395,169
	31 December 2024	31 December 2023
Other long term payables to related parties:		
Türkiye İsrâfı Önleme Vakfı (**)	40,819,241	1,395,169

(*) Tisva Social Business balance consists of payables related to the aid under social development loan.

(**) The other liability to the Türkiye İsrâfı Önleme Vakfı relates to the donations and loans transferred by the Foundation.

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

19. Average number of employees in during the year:

The average number of employees during the year is 136. (31 December 2023: 202).

20. Subsequent events:

- a) In 2025, until the issuance date of these financial statements, TGMP received donations amounting to TRY2,135,074 as presented below:

Donating or supporting individual or institution	Amount (TRY)
Kadın Emeğini Değerlendirme Vakfı	900,000
Tekfen Vakfı	500,000
Kiva Mikrokredi Proje Desteği	250,641
Ali Coşkun	250,000
Muzaffer Akpınar Vakfı	18,000
Fonzip	9,771
Diğer	206,662
Toplam	2.135.074

21. Contingent losses and contingent profits:

None (31 December 2023: None).

22. Disclosure of changes in accounting estimates, which have material effect on gross profit ratios and their monetary effect:

None (31 December 2023: None).

23. Amount of blocked deposits in bank accounts:

None (31 December 2023: None).

24. Affiliates, subsidiaries and shareholders issuing available-for-sale marketable securities and their amount:

None (31 December 2023: None).

25. Bonus shares received from affiliates and subsidiaries due to capital increases from reserves:

None (31 December 2023: None).

26. Total amount of unrealised interest related to the following financial period:

TRY12,036,109 (31 December 2023: None).

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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

27. Guarantees extended to shareholders, affiliates and subsidiaries:

None (31 December 2023: None).

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements:

a) The details of the funds and donations transferred to TGMP from TISVA are as follows:

	31 December 2024	31 December 2023
Kiva Mikrokredi Proje Desteęi	12,652,032	12,652,032
Tekfen Vakfı	6,747,845	5,647,345
Aktifbank	4,472,517	4,472,517
Saving Banks Foundation for International Coop.-SBFIC	3,598,228	3,598,228
Albarakatürk	3,500,000	3,500,000
Grameen- Jameel Fonu	1,831,524	746,525
Saving Banks Foundation for International Coop.-BMZ Fonu	1,637,000	1,637,000
Türkiye Kızılay Derneęi	1,500,000	1,500,000
Kahramanmaraş İl Özel İdare Fonu	1,400,935	1,400,935
Gaziantep İl Özel İdare Fonu	1,400,000	1,400,000
Diyarbakır Valilięi	1,017,826	1,017,826
Ziylan Taban A.Ş.	1,010,000	1,010,000
Nihat Gökyiğit	975,000	975,000
Rize İl Özel İdare Fonu	915,000	915,000
Kadın Emeęini Deęerlendirme Vakfı	889,062	315,000
Citybank Fon	874,447	874,447
Denizli Belediyesi Fonu	802,000	802,000
Bursa İl Özel İdare Fonu	800,000	800,000
Aydın İl Özel İdare Fonu	753,688	753,688
Kahramanmaraş Belediyesi	750,000	750,000
United Way Worldwide	726,168	726,168
Osmaniye İl Özel İdare Fonu	675,500	675,500
Hatay İl Özel İdare Fonu	620,000	620,000
Şanlıurfa İl Özel İdare Fonu	599,997	599,997
Whole Planet	571,909	571,909
Hüsnü Özyeęin	551,224	551,224
Galip Öztürk	545,000	545,000
Mardin İl Özel İdare Fonu	535,214	535,214
Amasya İl Özel İdare Fonu	510,000	510,000
Sanpa Gıda A.Ş.	500,000	-
Batman İl Özel İdare Fonu	500,000	500,000
Halil Fatih Akgül	500,000	500,000
Elazığ İl Özel İdare Fonu	500,000	500,000
Trabzon İl Özel İdare Fonu	450,000	450,000
HSBC	426,042	426,042
Açık Toplum Enstitüsü	423,359	423,359
Bingöl İl Özel İdare Fonu	411,000	411,000

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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements (Continued):

	31 December 2024	31 December 2023
Muzaffer Akpınar	463,940	402,240
Manisa İl Özel İdare Fonu	400,000	400,000
Sivas İl Özel İdare Fonu	400,000	400,000
Vuslat Doğan Sabancı	400,000	400,000
M.V Holding A.Ş.	357,500	357,500
Asım Kocabıyık	350,000	350,000
Balıkesir İl Özel İdare Fonu	350,000	350,000
Yusufpaşa Vakfı	350,000	-
Samsun İl Özel İdare Fonu	340,000	340,000
Niğde İl Özel İdare Fonu	325,000	325,000
Akfen A.Ş.	310,000	310,000
Turkcell	305,000	305,000
Balıkesir Altıeylül Belediye Başkanlığı	300,000	300,000
Bursa Osmangazi Belediye Başkanlığı	300,000	300,000
Erzincan İl Özel İdare Fonu	297,750	297,750
Feyyaz Berker	275,000	275,000
Adıyaman İl Özel İdaresi	270,000	270,000
Muş Sodes Fonu	259,357	259,357
Tevfik Öz	257,955	257,955
Vehbi Bilgin	250,000	250,000
Portmobil A.Ş.	250,000	250,000
Tokat İl Özel İdare Fonu	245,000	245,000
Limak Holding A.Ş.	225,000	225,000
Kırıkkale İl Özel İdare Fonu	225,000	225,000
Gaziantep Sodes Projesi Fonu	220,000	220,000
Isparta İl Özel İdare Fonu	210,000	210,000
Yozgat İl Özel İdare Fonu	209,213	209,213
Çankırı İl Özel İdare Fonu	200,000	200,000
Işıl Mühendislik	200,000	200,000
Çorum Belediyesi	200,000	200,000
Malatya Belediyesi	200,000	200,000
Malatya İl Özel İdare Fonu	200,000	200,000
Sakarya İl Özel İdare Fonu	200,000	200,000
Sema Doğan	200,000	200,000
Mehmet Nazif Günal	200,000	200,000
Mehmet Ali Aykoç	200,000	100,000
Karaman İl Özel İdare Fonu	195,000	195,000
Diyarbakır Sodes Fonu	194,600	194,600
Kırklareli İl Özel İdare Fonu	190,000	190,000
Turgay Ciner	190,000	190,000
Bingöl Sodes Projesi Fonu	186,000	186,000
Karaman Belediyesi Fonu	185,000	185,000
Erzincan Sodes Projesi Fonu	184,000	184,000
Ahmet Kaya Bağ	170,500	170,500

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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements (Continued):

	31 December 2024	31 December 2023
Bilecik İl Özel İdare Fonu	170,000	170,000
Batman Pemi Fonu	160,000	160,000
Burdur İl Özel İdare Fonu	160,000	160,000
Aksaray İl Özel İdare Fonu	160,000	160,000
Eskişehir İl Özel İdare Fonu	157,000	157,000
Afyon İl Özel İdare Fonu	150,000	150,000
Eyüp Cenap Gülpınar	150,000	150,000
Muğla İl Özel İdare Fonu	150,000	150,000
Şırnak İl Özel İdare Fonu	150,000	150,000
Adıyaman Sodes fonu	150,000	150,000
Osman Yıldırım Coşkun	150,000	150,000
Şanlıurfa Büyükşehir Belediyesi	148,578	148,578
Sinop İl Özel İdare Fonu	148,000	148,000
Kigder	135,000	-
Borusan Holding A.Ş.	132,450	132,450
Erzurum İl Özel İdare Fonu	120,000	120,000
Denizli İl Özel İdare Fonu	103,000	103,000
Abalıoğlu Yem	100,000	100,000
İşken Enerji Üretim	100,000	100,000
Ordu İl Özel İdare Fonu	100,000	100,000
Sosyal Market Vakfı Fonu	100,000	100,000
Bereket Enerji	100,000	100,000
Altınordu Belediyesi	100,000	100,000
Kahramanmaraş Valiliği	100,000	100,000
Kastamonu Belediyesi	100,000	100,000
Adil Efendi İlim Kül.ve Yard.Vakfı - Mahmut Önügören	100,000	100,000
Ali Polat	100,000	100,000
Rosenberg Emlak A.Ş.	100,000	100,000
Ali Coşkun	100,000	75,000
Yuma İnşaat	80,000	80,000
Zonguldak İl Özel İdare Fonu	75,000	75,000
Hakkari İl Özel İdare Fonu	70,700	70,700
Kırşehir İl Özel İdare Fonu	65,000	65,000
Çorum İl Özel İdare Fonu	64,513	64,513
Park Teknik	62,000	62,000
Hamdi Akın	60,500	60,500
Mardin Midyat Belediyesi	60,000	60,000
İsmail Kavuncu	55,000	55,000
Aziz Akgül	55,000	50,000
Kızıltepe Belediyesi	50,000	50,000
Cey-Kar A.Ş.	50,000	50,000
Rize Valiliği Hizmet Vakfı	50,000	50,000
Iğdır İl Özel İdare Fonu	50,000	50,000
Kahramanmaraş Sosyal Yardımlaşma Vakfı	50,000	50,000

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NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

A) NOTES TO THE BALANCE SHEET (Continued)

28. Other matters that may have a material effect on, or be explained for the clear understanding of the financial statements (Continued):

	31 December 2024	31 December 2023
Metalurji Baştuğ Sanayi A.Ş.	50,000	50,000
Nihat Özdemir	50,000	50,000
Recep Atakaş	50,000	50,000
Siverek Sodes Projesi Fonu	50,000	50,000
Ceylan İnşaat A.Ş.	50,000	50,000
TAV Yatırım Holding A.Ş.	50,000	50,000
Trabzon Belediyesi	50,000	50,000
Tülay Aksoy Fonu	50,000	50,000
Türk Telekom	50,000	50,000
Neşe Racıoğlu	50,000	50,000
Fonzip	28,023	-
Diğer Bağışlar ve Fonlar	2,036,139	2,297,320
TOPLAM	75.169.235	71.168.382

- b) The Turkish Standard Chart of Accounts requires companies to compile statements of changes in shareholders' equity, cash flows, fund flows and profit distribution together with their balance sheet, income statement and notes to the financial statements. Since TGMP is a non-profit organization, it is not required to prepare a statement of profit distribution. However, as of the issuance date of these financial statements, the Foundation has not prepared its statements of changes in shareholders' equity, cash flows and fund flows.
- c) The financial statements are prepared and presented in accordance with General Communique on Accounting System Application ("GCASA") which is different from the accounting principles generally accepted in the countries in which the accompanying financial statements are to be distributed and International Financial Reporting Standards ("IFRS"). The effects of such differences have not been quantified in the accompanying financial statements. Accordingly, the accompanying financial statements are not intended to present the financial position and financial performance of the Foundation in accordance with the accounting principles generally accepted in such countries and IFRS.

29. Date at which the financial statements are approved and become effective:

The financial statements have not yet been approved by the Board of Trustees of TISVA as of the preparation date of these financial statements. According to regulatory rules, there is no such requirement for non-profit organisations.

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**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

B) NOTES TO THE STATEMENT OF INCOME

1. Total depreciation and amortisation charges for the period:

Depreciation: :TRY2,642,240 (2023: TRY2,538,563).

Amortisation: : TRY1,341,230 (2023: TRY573,437).

2. Provision expenses for the period:

None (2023: TRY56,018).

3. Financial expenses for the period:

The financing expense for the period is TRY576,635 (2023: TRY661,210).

4. Amount of financial expenses for the period related to shareholders, subsidiaries and affiliates:

	31 December 2024	31 December 2023
Türkiye İsrافی Önleme Vakfı	548,168	560,547

5. Sales to shareholders, subsidiaries and affiliates:

None (2023: None).

6. Interest, commission, rent and similar income and expenses received from or paid to shareholders, subsidiaries and affiliates:

None (2023: None).

7. Salaries and other benefits paid to the chairman and the members of the board of directors, general manager, general coordinator, assistant general manager and other high-level management during the year:

During the year 2024 TRY1,677,100 was paid to the General Manager and Assistant General Manager of TGMP (2023: TRY1,075,960). TGMP did not pay any salaries and other benefits to the chairman and members of the board of directors, chairman and members of board of trustees and audit committee of TISVA.

8. Depreciation and amortisation method applied:

The depreciation for property and equipment and amortisation for intangibles are provided based on the straight-line method. Pro-rata depreciation method is used for the vehicles. For the current year additions of other property plant and equipment and intangible assets, the depreciation and amortisation calculated for the whole year is accounted for in the financial statements.

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
TURKISH GRAMEEN MICROFINANCE PROGRAM**

NOTES TO THE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2024

(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

B) NOTES TO THE STATEMENT OF INCOME (Continued)

9. Reasons for non-performance of physical inventory counts:

Physical inventories count was not performed by TGMP because there is no inventory amount in the financial statements as of 31 December 2024.

10. Sales of by- products and scraps exceeding 20% of sales:

None (2023: None).

11. Explanatory note for prior period income and expenses:

Expenses and losses of the previous period amounting to TRY231,340 (2023: TRY33,236), consist of various expenses such as communication, electricity, cargo for the previous period.

12. Earnings per share:

Since TGMP is not a joint stock company, earnings per share is not calculated.

13. Other disclosures

- a)** General administrative expenses are mostly attributable to the expenses of the project office in Ankara. The details of general administrative expenses are as follows:

	2024	2023
Salaries	22,024,724	13,064,586
Repair-maintenance	2,855,199	775,683
Rent expenses	966,940	535,888
Consultancy services	873,800	363,366
Transportation	432,883	240,496
Communication	363,838	403,506
Tax expenses	387,570	249,414
Press and printing expenses	211,388	120,026
Food expenses	-	245,249
Other	364,671	436,998
General administrative expenses	28,481,012	16,435,212

**TURKISH FOUNDATION FOR WASTE REDUCTION MICROCREDIT CENTRE
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(Amounts expressed in Turkish lira ("TRY") unless otherwise indicated.)

**III. DISCLOSURES REQUIRED BY TURKISH UNIFORM CHART OF ACCOUNTS
(Continued)**

B) NOTES TO THE STATEMENT OF INCOME (Continued)

13. Other disclosures (Continued):

b) The details of cost of services provided are as follows:

	2024	2023
Salaries	66,248,650	43,826,013
Depreciation and amortisation expenses	3,983,470	3,112,000
Fuel expenses	1,529,439	1,365,979
Repair-maintenance expenses	1,329,610	971,923
Insurance	536,039	555,191
Tax and other duties - (Other than corporate income tax)	522,241	162,095
Stationery	440,680	77,595
Communication	268,198	201,887
Other	478,392	650,324
Cost of sales	75,336,719	50,923,007

c) The details of extraordinary income and gain are as follows:

	2024	2023
Credit Support (*)	7,236,056	21,604,183
Vehicle sales	5,171,724	234,170
Other	524,360	843,493
Total	12,932,140	22,681,846

(*) Credit income mainly consists of the remaining balances collected from women by TGMP, arising from the waiver of receivable claims on microloans that were distributed to be recovered by CARE.

c) The details of extraordinary expense and loss are as follows:

	2024	2023
Effect of the adjustment	(3,076,577)	-
Prior period expense and loss	(231,340)	(33,326)
Other	-	(538,641)
Total	(3,307,917)	(571,967)