

**Mersin Uluslararası
Liman İşletmeciliği Anonim Şirketi
and its subsidiaries**

CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2025
AND INDEPENDENT
AUDITOR'S REPORT

6 April 2026

This report includes 2 pages of independent auditors' report and 44 pages of consolidated financial statements together with their explanatory notes and supplementary information

**MERSİN ULUSLARARASI
LİMAN İŞLETMECİLİĞİ A.Ş.
AND ITS SUBSIDIARIES**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Mersin Uluslararası Liman İşletmeciliği A.Ş.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mersin Uluslararası Liman İşletmeciliği A.Ş. (“the Company”) and its subsidiaries (“the Group”), which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ *Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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2026. For information, contact Deloitte Touche Tohmatsu Limited.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

DRT Bağımsız Denetim ve Şişirici A.Ş.

DRT BAĞIMSIZ DENETİM VE SERBEST MUHASEBECİ MALİ MÜŞAVİRLİK A.Ş.
Member of **DELOITTE TOUCHE TOHMATSU LIMITED**

6 April 2026

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Consolidated Statement of Financial Position

As at 31 December 2025

(All amounts are expressed in thousands of US Dollars ("USD") unless otherwise stated.)

	Notes	31 December 2025	31 December 2024
Assets			
Property and equipment	11	517,985	326,384
Intangible assets	12	427,088	443,015
Right-of-use assets	13	26,445	33,661
Advances given	14	41,086	62,405
Due from related parties	14	213,421	100,510
Non-current assets		1,226,025	965,975
Inventories		13,976	11,799
Trade and other receivables	14	66,951	49,348
Prepaid expenses	14	19,756	8,295
Prepaid taxes	10	--	10,835
Cash and cash equivalents	16	70,538	41,524
Current assets		171,221	121,801
Total assets		1,397,246	1,087,776
Equity			
Share capital	17	100,000	100,000
Legal reserve	17	36,667	36,667
Retained earnings		207,735	100,118
Total equity		344,402	236,785
Liabilities			
Debt securities (non current)	18	547,364	543,650
Bank loans (non current)	26	120,000	--
Employee benefits	22	9,307	10,650
Deferred income	21	57,307	52,424
Lease liabilities (non current)	13	16,111	19,033
Deferred tax liabilities	15	126,933	115,275
Non-current liabilities		877,022	741,032
Debt securities (current)	18	53,203	53,203
Bank loans (current)	26	31,622	--
Lease liabilities (current)	13	1,041	1,769
Trade and other payables	19	42,868	34,600
Current tax liabilities	10	3,690	--
Provisions	20	37,792	14,320
Deferred income	21	5,606	6,067
Current liabilities		175,822	109,959
Total liabilities		1,052,844	850,991
Total equity and liabilities		1,397,246	1,087,776

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

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries*Consolidated Statement of Profit or Loss and Other Comprehensive Income*

As at 31 December 2025

(All amounts are expressed in thousands of US Dollars ("USD") unless otherwise stated.)

	Notes	1 January- 31 December 2025	1 January- 31 December 2024
Operating revenue	6	520,727	444,742
Construction revenue	12	7,703	11,376
Cost of operating revenue	7	(246,214)	(185,336)
Cost of construction	12	(7,703)	(11,376)
Gross profit		274,513	259,406
General administrative expense	7	(47,821)	(32,594)
Impairment of trade receivables		(140)	(4)
Other income / (expense), net		15,911	9,677
Results from operating activities		242,463	236,485
Finance income	8	11,377	7,834
Finance costs	8	(58,170)	(51,271)
Net finance costs		(46,793)	(43,437)
Profit before tax		195,670	193,048
Tax (expense)	10	(44,552)	(51,712)
Profit for the year		151,118	141,336
Other comprehensive income			
Actuarial loss	22,9	(2,634)	(5,832)
Income tax on other comprehensive income	9	659	1,458
Other comprehensive income for the year, net off tax		(1,975)	(4,374)
Total comprehensive income for the year		149,143	136,962

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

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Consolidated Statement of Changes in Shareholders' Equity

For the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars ("USD") unless otherwise stated.)

	Paid-in capital	Legal reserve	Retained earnings	Total equity
Balances at 1 January 2024	100,000	36,667	3,736	140,403
Profit for the period	--	--	141,336	141,336
Actuarial losses net off tax	--	--	(4,374)	(4,374)
Total comprehensive income for the year	--	--	136,962	136,962
Transactions with owners of the Company				
Other transactions with Shareholders	--	--	(40,580)	(40,580)
Total transactions with owners of the Company	--	--	(40,580)	(40,580)
Balances at 31 December 2024	100,000	36,667	100,118	236,785
	Paid-in capital	Legal reserve	Retained earnings	Total equity
Balances at 1 January 2025	100,000	36,667	100,118	236,785
Profit for the period	--	--	151,118	151,118
Actuarial losses net off tax	--	--	(1,975)	(1,975)
Total comprehensive income for the year	--	--	149,143	149,143
Transactions with owners of the Company				
Other transactions with Shareholders (*)	--	--	(41,526)	(41,526)
Total transactions with owners of the Company	--	--	(41,526)	(41,526)
Balances at 31 December 2025	100,000	36,667	207,735	344,402

(*)The amount is related to the discounted amount of the financial asset (loans to shareholders) at initial recognition amounting to USD 150,000 which had been granted in 2025.

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

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its subsidiary
Notes to the Consolidated Financial Statements

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars (“USD”) unless otherwise stated.)

	Notes	1 January- 31 December 2025	1 January- 31 December 2024
Operating activities			
Profit for the year		151,118	141,336
Adjustments for :			
Depreciation and amortization expense	11, 12, 13	50,189	49,191
Provisions for bonus, sales discounts, litigations and other	20	36,917	13,940
Net finance cost	8	46,793	43,437
Current tax expense	10	32,235	31,508
Deferred tax expense	10	12,317	20,204
Realization of tax incentive	21	(16,057)	(12,162)
Bad debt provision / (reversal)	24	140	4
Provision for employment termination benefits	22	3,029	1,539
		316,681	288,997
Change in trade and other receivables and prepaid expenses		31,446	(1,084)
Change in inventories		(2,179)	(2,370)
Change in trade and other payables		11,338	17,428
		357,286	302,971
Taxes paid	10	(18,901)	(24,260)
Payments made for the previous period's provision	20	(13,445)	(22,311)
Employee benefits paid	22	(5,012)	(968)
Net cash from operating activities		319,928	255,432
Investing activities			
Interest received		4,979	6,744
Acquisition of property and equipment	11	(207,331)	(131,950)
Advances paid for acquisition of property and equipment	14	(21,319)	(7,694)
Acquisition of intangible assets	12	(14,497)	(11,700)
Receivables from related parties		(150,000)	(140,000)
Net cash used in investing activities		(388,168)	(284,600)
Financing activities			
Debt securities		(49,500)	(49,500)
Proceeds from borrowings	26	150,000	--
Interest paid	26	1,622	--
Bond refinance transaction payments	18	(3,714)	(3,823)
Payments of lease liabilities	13	(835)	(793)
Interest expense for lease liabilities		(319)	(537)
Net cash used in financing activities		97,254	(54,653)
Net (decrease) in cash and cash equivalents		29,014	(83,821)
Cash and cash equivalents at 1 January		41,524	125,345
Cash and cash equivalents at 31 December	16	70,538	41,524

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

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements

As at and for the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars (“USD”) unless otherwise stated.)

1. Organisations and Operations of the Group

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi (“the Company”) is a company domiciled in Turkey. The address of the Company’s registered office is Yenimahalle 101 Cadde 5307 Sokak No.5 33100 Mersin, Turkey. The consolidated financial statements of the Company as at 31 December 2025 and 2024 comprise the Company and its subsidiaries (together referred to as the “Group”). The key operational activities of the Group are container handling, marine services, operation of multi-purpose terminals, warehousing and logistics related services.

The Company has been registered on 4 May 2007 and started to operate on 11 May 2007, based on the Concession Agreement between the Company and the Turkish Privatization Administration.

Mersin Port used to be operated by the Turkish Republic State Railways (“TCDD”) and included in the list for privatization for years. Turkish Privatization Administration had announced a bid for the privatization of Mersin Port on 14 August 2005. However, the bid could not be finalized until 11 May 2007. Full operational control over Mersin Port on the southeast coast has been transferred to the Company, a joint venture between PSA International Group and Akfen Altyapı Yatırımları Holding Anonim Şirketi (“Akfen Altyapı Yatırımları”), for the next 36 years on 11 May 2007. On 23 July 2009, the shareholder of the Company, Akfen Altyapı Yatırımları has merged with its own shareholder, Akfen Holding Anonim Şirketi (“Akfen Holding”). This merger was done under the name of Akfen Holding. In 2017, Akfen Holding sold %40 of its shares in the Company to Global InfraCo SP Neum SLU.

As of 31 December 2025 and 2024 shareholder structure of the Company is as follows:

Shareholders	31 December 2025		31 December 2024	
	%	USD	%	USD
PSA Turkey Pte. Ltd.	51.00	51,000,000	51.00	51,000,000
Global Infraco SP Neum SLU	39.00	39,000,000	39.00	39,000,000
AKFEN Holding Anonim Şirketi (“Akfen Holding”)	10.00	10,000,000	10.00	10,000,000
Total	100.00	100,000,000	100.00	100,000,000

As of 31 December 2025, the Company has two subsidiaries. Mersin Denizcilik Faaliyetleri ve Ticaret Anonim Şirketi (“Mersin Denizcilik”) is the subsidiary of the Company and Mersin Denizcilik acts as a subcontractor of the Company for marine business.

With the board resolution dated 12 February 2019, the Company management has decided to establish a joint stock company called Mersin Pilotaj ve Denizcilik Faaliyetleri Anonim Şirketi (“Mersin Pilotaj”) with TL 1,000,000 paid-in capital. Mersin Pilotaj acts as a subcontractor of the Company for pilotage services. As of 31 December 2025, detail of the subsidiaries is as below:

Name of Subsidiary	Principal Activity	Place of operation	Ownership interest %	Voting power held %
Mersin Denizcilik	Marine business	Turkey	49.998	100.00
Mersin Pilotaj	Pilotage business	Turkey	49.998	100.00

The number of employees of the Group as at 31 December 2025 is 2,140 (31 December 2024: 2,157).

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements

As at and for the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars ("USD") unless otherwise stated.)

2. Basis of accounting

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis.

The methods used to measure fair values are discussed further in Note 5.

Reclassification of comparative amounts

The Group's consolidated financial statements for the current period are prepared in comparison with the previous periods in order to be able to determine the financial position and performance trends. The comparative information is reclassified when necessary with the aim of ensuring consistency with the presentation of the current period's consolidated financial statements and significant differences are disclosed. In the current period, the Group has made some reclassifications in the prior period consolidated financial statements. The nature, reason and amounts of the reclassifications are explained below:

- In 2024, the Group presented debt interest accrual amounting to USD 6,188 under "Debt securities (non current)" in the consolidated statement of financial position. In the current year, the Group management has reclassified this amount under "Debt securities (current)".

The reclassifications have no effect on the consolidated statement of profit or loss.

(c) Functional and presentation currency

The Group maintain its books of account and prepare its statutory financial statements in Turkish Lira ("TL") in accordance with the accounting principles in the Turkish Commercial Code and tax legislation. The accompanying consolidated financial statements are presented in US Dollar ("USD"), is the Group's functional and presentation currency. All financial information presented in USD has been rounded to the nearest thousands, except when otherwise indicated. Although the currency of the country in which the Group operates is TL, the Group's functional currency is USD since USD is used to a significant extent in or has a significant impact on the operations of the Group and reflects the economic substance of the underlying events and circumstances relevant to the Group.

(d) Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual consolidated financial statements.

(i) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements is included in the following notes:

Notes 4 - 11 - 12 and 13 – useful lives of property and equipment, intangible assets and right of use assets

Note 20 - provisions

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 December 2025 is included in the following notes:

Note 22 – measurement of reserve for employee severance indemnity.

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements

As at and for the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars ("USD") unless otherwise stated.)

3. New and Revised International Financial Reporting Standards

a) Amendments that are mandatorily effective from 2025

Amendments to IAS 21 *Lack of Exchangeability*

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

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

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

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

IFRS 18	<i>Presentation and Disclosures in Financial Statements</i>
IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments</i>
Amendments to IFRS 9 and IFRS 7	<i>Regarding power purchase arrangements</i>
Annual Improvements	<i>Annual Improvements to IFRS Accounting Standards - Volume 11</i>
Amendments to IFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to IAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i>
Amendments to IFRS S2	<i>Greenhouse Gas Emissions Disclosures</i>

IFRS 18 *Presentation and Disclosures in Financial Statements*

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

IFRS 19 *Subsidiaries without Public Accountability: Disclosure*

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

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements

As at and for the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars (“USD”) unless otherwise stated.)

3 New and Revised International Financial Reporting Standards (*continued*)

b) New and revised IFRSs in issue but not yet effective (*continued*)

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

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

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

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

Annual Improvements to IFRS Accounting Standards – Volume 11

The pronouncement comprises the following amendments:

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

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

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

The amendments cover new or amended IFRS Accounting Standards issued between 28 February 2021 and 1 May 2024 that were not considered when IFRS 19 was first issued. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

Amendments to IAS 21 *Translation to a Hyperinflationary Presentation Currency*

The amendments clarify how companies should translate financial statements from a non-hyperinflationary currency into a hyperinflationary one. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

Amendments to IFRS S2 *Greenhouse Gas Emissions Disclosures*

The amendments to IFRS S2 aim at supporting entities applying IFRS S2 by reducing the complexity, risk of potential duplication of reporting and related costs of applying specific requirements in IFRS S2. Amendments are effective from annual reporting periods beginning on or after 1 January 2027.

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

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements
As at and for the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars ("USD") unless otherwise stated.)

4. Significant accounting policies

Certain comparative amounts in the statement of financial position and profit or loss and other comprehensive income have been reclassified or represented, either as a result of correction of errors or change in classification to conform current year presentation.

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

(a) *Basis of consolidation*

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

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

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

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

(i) *Subsidiaries*

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) *Loss of control*

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iii) *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated.

(b) *Foreign currency transactions*

The consolidated financial statements of the Group are presented in the currency of the primary economic environment in which the Group operates (its functional currency). For the purpose of the financial statements, the results and financial position of the Group are expressed in USD, which is the functional and presentation currency of the Group.

In preparing the consolidated financial statements of the Group, transactions in foreign currencies other than USD (foreign currencies) are translated to USD at average monthly exchange rates. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are recognized in profit or loss.

Mersin Uluslararası Liman İşletmeciliği Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements

As at and for the Year Ended 31 December 2025

(All amounts are expressed in thousands of US Dollars (“USD”) unless otherwise stated.)

4 Significant accounting policies (continued)

(c) Financial instruments

(i) Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

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

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI – equity investment, or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group’s management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

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4. Significant accounting policies (continued)

(c) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and ,The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group’s continuing recognition of the assets.

Financial assets that are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortised cost	Financial assets at amortised cost are comprised of cash and cash equivalents, trade receivables and other receivables. These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

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4 Significant accounting policies (continued)

(c) Financial instruments (continued)

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d) Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares net of any tax effects are recognized as a deduction from equity.

(e) Impairment

(i) Non-derivative financial assets

Financial instruments and contract assets

The Group recognizes loss allowances for ECLs on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI; and
- Contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

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4 Significant accounting policies (continued)

(e) Impairment (continued)

(i) Non-derivative financial assets (continued)

Financial instruments and contract assets (continued)

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

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

The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 120 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls.

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as a default or being more than 120 days past due;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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4 Significant accounting policies (continued)

(e) Impairment (continued)

(i) Non-derivative financial assets (continued)

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 120 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(f) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss.

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

Leasehold improvement	Shorter of useful life and lease term
Machinery and equipment	3-20 years
Vehicles	4-5 years
Furniture and fixtures	3-6 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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4 Significant accounting policies (continued)

(g) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and impairment losses.

(i) Service concession agreements

Mersin International Port is bound by the terms of the concession Agreements made with TCDD. According to the concession agreement, the Company has received a right to charge users of Mersin International Port. The agreement covers a period of 36 years until May 2043.

The Company recognizes an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. Intangible assets received as consideration for providing construction or upgrade services in a service concession arrangement are measured at fair value upon initial recognition. Subsequent to initial recognition the intangible asset is measured at cost less accumulated amortization and accumulated impairment losses.

Under IFRIC 12 “Service Concession Arrangements” an operator recognizes an intangible asset or financial asset received as consideration for providing construction or upgrade or operation services or other items. The Company recognized an intangible asset amounting to USD 755,000 to the extent that it received the right from TCDD to charge users of Mersin International Port. Additionally cost of improvement of existing infrastructure of TCDD borne by the Company is recognized at its fair value as an intangible asset.

Fair value of the improvement of existing infrastructure of TCDD borne by the Company which is already recognized as an intangible asset also recognized as construction contract revenue and construction contract cost. Fair value of the improving existing infrastructure is assumed to be equal to its cost since this improvement service was given by third parties at fair value.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortization and accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iv) Amortization

The extent that the Company received the right from TCDD, port operation right is amortized on a straight-line basis over the life of concession period. The cost of improvement of existing infrastructure of TCDD are amortized on a straight-line basis over the shorter of the life of concession period and their useful lives.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(h) Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is based on first in first out method, and includes expenditure incurred in acquiring the inventories, and other costs incurred in bringing them to their existing location and condition.

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4 Significant accounting policies (continued)

(i) Employee benefits

Reserve for employee severance indemnity

In accordance with the existing social legislation in Turkey, the Group is required to make certain lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of an agreed formula, are subject to certain upper limits and are recognized in the accompanying financial statements as accrued. The reserve has been calculated by estimating the present value of the future obligation of the Group that may arise from the retirement of the employees.

All actuarial differences are recognized in other comprehensive income in the period which they arise.

Vacation pay liability

In accordance with current labor law, the Group makes payments for unused vacations of employees. The liability is calculated by the remaining vacation days multiplied by one day’s pay.

(j) Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Contingent liabilities are reviewed to determine if there is a possibility that the outflow of economic benefits will be required to settle the obligation. Except for the economic benefit outflow possibility is remote such contingent liabilities are disclosed in the notes to the consolidated financial statements.

(k) Revenue

In accordance with IFRS 15 “Revenue Standard from Customer Contracts”, the Company recognizes revenue in the financial statements in the following five-stage model.

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

(i) Construction contracts

Revenue is recognised over time based on the cost-to-cost method. The related costs are recognised in profit or loss when they are incurred.

Advances received are included in contract liabilities.

(ii) Income from services

The Group’s operating revenue is primarily generated from container handling, marine services, operation of multi-purpose terminals, warehousing and logistics related services.

The Group recognizes operating revenue when it satisfies the performance obligation by transferring the promised service to the customer.

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4 Significant accounting policies (continued)

(l) Leases

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- amounts expected to be paid by the lessee under residual value commitments

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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4 Significant accounting policies (continued)

(m) Finance income and finance costs

The Group's finance income and finance costs include:

- Interest income;
- Interest expense;
- The foreign currency gain or loss on monetary assets and liabilities;
- Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(n) Related parties

A related party is a person or entity that is related to reporting entity, the entity that is preparing its financial statements.

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

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

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

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

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

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4 Significant accounting policies (continued)

(o) Income tax

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

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the period and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

(ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss,
- Temporary differences related to investments in subsidiary to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met. Prepaid corporation taxes and corporation tax liabilities are offset as they relate to income taxes levied by the same tax authority.

(p) Government grants and incentives

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

Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

5 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The Group management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.

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5 Measurement of fair values (continued)

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

6 Operating revenue

For the years ended 31 December, revenue comprised the following:

	1 January- 31 December 2025	1 January- 31 December 2024
Container	440,191	367,861
Conventional cargo	50,260	49,788
Marine services	30,276	27,093
	520,727	444,742

7 Expenses by nature

For the years ended 31 December, cost of operating revenue and general administrative expense comprised the following:

	1 January- 31 December 2025	1 January- 31 December 2024
Cost of operating revenue	246,214	185,336
General administrative expenses	47,821	32,594
	294,035	217,930

	1 January- 31 December 2025	1 January- 31 December 2024
Personnel expenses and contract services	176,188	112,490
Amortisation and depreciation expenses	50,189	49,191
Power, fuel and maintenance expenses	19,243	19,138
Royalty expenses	16,348	13,919
Other direct charges and general administrative expenses	32,067	23,192
	294,035	217,930

Personnel expenses amounting to USD 158,143 and USD 18,045 (31 December 2024: USD 101,523 and USD 10,967) are included in cost of operating revenues and general administrative expenses, respectively, for the year ended 31 December 2025.

Amortization and depreciation expenses amounting to USD 50,188 (31 December 2024: USD 49,191) are included in cost of operating revenues, for the year ended 31 December 2025 (Note: 11-12-13).

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8 Net finance costs

For the years ended 31 December, net finance costs comprised the following:

	1 January- 31 December 2025	1 January- 31 December 2024
Finance income		
Interest income from related parties	6,399	6,744
Interest income on bank deposits	4,978	1,090
Finance income	11,377	7,834
Finance costs		
Interest expense on debt securities	(58,111)	(53,530)
Foreign exchange gain	1,882	2,880
Interest expense on bank borrowings	(1,622)	(84)
IFRS 16 interest expense	(319)	(537)
Finance costs	(58,170)	(51,271)
Net finance costs recognised in profit or loss	(46,793)	(43,437)

9 Analysis of other comprehensive income

For the years ended 31 December, other comprehensive income comprised the following:

	1 January- 31 December 2025	1 January- 31 December 2024
Actuarial gain from defined pension plans		
Opening balance	(8,990)	(4,616)
Actuarial gain from defined pension plans (Note 22)	(2,634)	(5,832)
Deferred tax of actuarial loss from defined pension plans (Note 10)	659	1,458
Closing balance	(10,965)	(8,990)

10 Income tax

The Group is subject to corporate tax applicable in Turkey.

As of 31 December 2025, the rate of Corporate Tax applied in Turkey is 25% (2024: 25%). According to the Law No. 7456 on Amendment of the Law on Collection Procedures of Public Receivables and Other Certain Laws has been promulgated in the Official Gazette dated July 15, 2024, and numbered 32249. The corporate income tax rate will be applied at the rate of 25% for the 2024 fiscal year.

In addition, as a result of the amendment made in the Law on Taxation of Institutions with the same Law No. 7316, 75% exemption granted for the gains derived from the sale of immovable assets of institutions for at least two full years is applied as 50% as from 1 January 2018.

There is also a 15 percent withholding tax on the dividends paid and is accrued only at the time of such dividend payments. The withholding tax rate on the dividend payments other than the ones paid to the non-resident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions.

According to the provisional article added to the Tax Procedure Law (“TPL”) by Law No. 7571, published in the Official Gazette on 24 December 2025, even if the conditions are met, inflation adjustments based on the Producer Price Index (“PPI”) will not be applied to the 2025, 2026, and 2027 accounting periods. Therefore, inflation adjustments will not be applied to the TPL financial statements that will serve as the basis for corporate tax returns for these periods. The Group is evaluating the impact of these changes on its consolidated financial statements.

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10 Income tax (continued)

The transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via transfer pricing, dated 18 November 2007 sets the implementation procedures of the law. If a tax payer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arms' length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible items for corporate income tax purposes.

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back. Furthermore, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

The 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 the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

With the amendment made to the Corporate Tax Law on 15 July 2024, the 50% real estate sales gain exemption was abolished. However, this exemption will continue to be applied as 25% for the immovable properties purchased before the amendment date.

Tax recognized in profit or loss:

For the years ended 31 December, income tax expense comprised the following items:

	1 January- 31 December 2025	1 January- 31 December 2024
Current tax expense		
Current period	32,235	31,508
	32,235	31,508
Deferred tax benefit		
Originating and reversal of temporary differences	12,317	20,204
	12,317	20,204
Total tax expense	44,552	51,712

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10 Income tax (continued)

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. Advance payments during the year are being deducted from the final tax liability computed over current period operations in accordance with related regulation for prepaid taxes on income. Accordingly, the current tax charge on income computed is not equal to the final tax liability appearing on the consolidated statement of financial position.

As of 31 December 2025, income tax payable (receivable) net comprised the following:

	1 January- 31 December 2025	1 January- 31 December 2024
Taxes on income for the year	32,235	31,508
Utilization of tax incentive during the year	(20,479)	(24,485)
Income tax paid for the period	(8,066)	(17,858)
Income tax payable/(receivable)	3,690	(10,835)

Reconciliation of effective tax rate

The reported taxation charge for the years ended 31 December is different than the amounts computed by applying statutory tax rate to profit before tax as shown in the following reconciliation:

	1 January- 31 December 2025	1 January- 31 December 2024
Profit for the period	151,118	141,336
Total income tax	% 44,552	% 51,712
Profit before income tax	195,670	193,048
Income tax using the Group's domestic tax rate	(25.00) (48,918)	(25.00) (48,262)
Disallowable expenses	(6,448)	(4,176)
Tax exempt income	1,834	2,168
Effect of statutory inflation accounting	--	1,148
Effect of foreign currency translation	8,980	(2,590)
Total tax income / (expense)	(44,552)	(51,712)

Income tax recognized directly in other comprehensive income:

	1 January- 31 December 2025	1 January- 31 December 2024
Actuarial gain/loss	659	1,458
Total income tax recognised in equity	659	1,458

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11 Property and equipment

Movements in property and equipment during the periods ended 31 December 2025 and 2024 are as follows:

Cost	Machinery and equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Construction in progress	Total
Balance at 1 January 2024	146,054	17,141	21,593	110,311	53,595	348,694
Additions (*)	6,847	1,143	61	2,860	121,038	131,949
Disposals	(824)	(288)	(71)	(8)	--	(1,191)
Transfers	7,155	--	--	2,046	(9,201)	--
Balance at 31 December 2024	159,232	17,996	21,583	115,209	165,432	479,452
Balance at 1 January 2025	159,232	17,996	21,583	115,209	165,432	479,452
Additions (*)	26	--	--	--	207,305	207,331
Disposals	(1,043)	--	--	--	--	(1,043)
Transfers	106,592	1,545	951	6,794	(115,882)	--
Balance at 31 December 2025	264,807	19,541	22,534	122,003	256,855	685,740
Accumulated Depreciation	Machinery and equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Construction in progress	Total
Balance at 1 January 2024	72,705	13,035	19,600	30,585	--	135,925
Depreciation for the period	9,219	1,602	1,560	5,953	--	18,334
Disposals	(824)	(288)	(71)	(8)	--	(1,191)
Balance at 31 December 2024	81,100	14,349	21,089	36,530	--	153,068
Balance at 1 January 2025	81,100	14,349	21,089	36,530	--	153,068
Depreciation for the period	7,607	1,468	507	6,148	--	15,730
Disposals	(1,043)	--	--	--	--	(1,043)
Balance at 31 December 2025	87,664	15,817	21,596	42,678	--	167,755
Carrying amounts	Machinery and equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Construction in progress	Total
At 1 January 2024	73,349	4,106	1,993	79,726	53,595	212,769
At 31 December 2024	78,132	3,647	494	78,679	165,432	326,384
At 1 January 2025	78,132	3,647	494	78,679	165,432	326,384
At 31 December 2025	177,143	3,724	938	79,325	256,855	517,985

(*) Additions related to the improvement and upgrading of existing TCDD infrastructure that are borne by the company mainly arise from the EMH-2 Expansion Project. These investments include various quay, yard and operational system enhancements, and represent improvements made by the company on concession assets. Accordingly, they are recognized as either tangible or intangible assets in line with the applicable requirements of IAS 38 and related standards

There is not any pledge on property and equipment.

As of 31 December 2025, total tangible depreciation expense recognized in cost of operating revenues expenses are amounted to USD 15,730 (31 December 2024: USD 18,334).

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12 Intangible assets

Movements in intangible assets during the years ended 31 December are as follows:

Cost	Rights	Port operation right	Total
Balance at 1 January 2024	5,839	879,649	885,488
Additions	324	11,376	11,700
Balance at 31 December 2024	6,163	891,025	897,188
Balance at 1 January 2025	6,163	891,025	897,188
Additions	6,794	7,703	14,497
Balance at 31 December 2025	12,957	898,728	911,685
Accumulated amortisation	Rights	Port operation right	Total
Balance at 1 January 2024	5,592	421,780	427,372
Amortisation for the period	149	26,652	26,801
Balance at 31 December 2024	5,741	448,432	454,173
Balance at 1 January 2025	5,741	448,432	454,173
Amortisation for the period	680	29,744	30,424
Balance at 31 December 2025	6,421	478,176	484,597
Carrying amounts	Rights	Port operation right	Total
At 1 January 2024	247	457,869	458,116
At 31 December 2024	422	442,593	443,015
At 1 January 2025	422	442,593	443,015
At 31 December 2025	6,536	420,552	427,088

The Group recognized an intangible asset amounting to USD 755,000 to the extent that it received the port operation right from TCDD to charge users of Mersin International Port. Additionally cumulative cost of improvement and upgrading of existing infrastructure of TCDD born by the Company is recognized as an intangible asset amounting to USD 7,703 (31 December 2024: USD 11,376).

As of 31 December 2025, amortization expense recognized in cost of operating revenues are amounted to USD 30,424. (31 December 2024: USD 26,801).

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12 Intangible assets (continued)

Contractual obligations

The Group is subject to any terms and conditions of the Concession Agreement and its appendices entered into by the Group, Privatization Administration ("PA") and TCDD on 11 May 2007 for transfer of operating rights of the TCDD Mersin Port for 36 years. Under the Concession Agreement, the Group is obliged to fulfil the following obligations:

- to operate the port in accordance with the effective codes, legislation, regulations and any international agreements, guidelines and bilateral agreements recognized by Turkey, and to continue its activities in accordance with the instructions of the Maritime Undersecretariat and Mersin Port Directorate and resolution of other public bodies and authorities on port services;
- to supply and maintain any necessary bank guarantees in consideration any liabilities hereunder;
- to observe any reporting obligations;
- to ensure that any agreements signed in time of TCDD remain effective until their expiry date, provided that it is free to renew these agreements;
- to maintain any spaces allocated to public authorities in the body of the port exactly in current conditions, and if such spaces hinder any port activities as a result of investments, to move these spaces to any other place at the Operator's cost upon mutual consent of the parties and by notifying TCDD of this;
- to cover all necessary investments for purposes of keeping the port administration in said standards and to fulfil its obligations toward increase of capacity of the Port within 5 years following the signing date;
- to fulfil any obligations on obtaining any necessary licenses, permissions, etc. to perform any port services and activities;
- to determine any fee tariffs of the port services in a competitive understanding and under the current legislation and to avoid of any excessive pricing;
- to fulfil any obligations timely and completely on all taxes and duties of the Port, SSI Premiums of employees, Incomes, etc.;
- to allow any public inspection under the provisions of the Agreement;
- to observe any restriction on use of the plants;
- to fulfil any insurance obligations;
- to keep and report any accounting accounts and records to TCDD based on the cost separation principle;
- to maintain sustainability of public services and service standards;
- to implement maintenance and repairs of the plants;
- to accept responsibility for any damages, costs and losses incurred by third parties or caused by third parties again the Port; and
- to have any resolution on legal structure of the Company to be approved by TCDD.

The Group fulfilled their obligation on increase in capacity of the above-mentioned port in May 2012, and completed any official notification application for approval by the Administration.

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13 Right of use assets

As of the balance sheet date, the details of the Group's items that are recognized in profit or loss of right of use are as follows:

	31 December 2025	31 December 2024
Amortization of assets subject to operating lease	(4,035)	(4,056)
Interest expenses from lease liabilities (Note 8)	(319)	(537)
	(4,354)	(4,593)

The movement of right of use assets for the reporting period is as follows:

Cost	Machinery and equipment	Land lease	Total
Opening balance as of 1 January 2025	3,119	44,475	47,594
Disposals	-	(3,181)	(3,181)
Closing balance as of 31 December 2025	3,119	41,294	44,413
Accumulated depreciation			
Opening balance as of 1 January 2025	1,156	12,777	13,933
Charge for the period	625	3,410	4,035
Closing balance as of 31 December 2025	1,781	16,187	17,968
Net book value as of 31 December 2025	1,338	25,107	26,445
Cost	Machinery and equipment	Land lease	Total
Opening balance as of 1 January 2024	2,947	42,980	45,927
Additions	172	1,495	1,667
Closing balance as of 31 December 2024	3,119	44,475	47,594
Accumulated depreciation			
Opening balance as of 1 January 2024	517	9,359	9,876
Charge for the period	639	3,418	4,057
Closing balance as of 31 December 2024	1,156	12,777	13,933
Net book value as of 31 December 2024	1,963	31,698	33,661

The Group has external land rental agreements and land usage permit agreements regarding the port areas mainly. Usage land permit periods of the areas that will expire in 2043, 2032 and 2031 regarding to agreements, are measured at their present value by reducing the borrowing rate by 5.3% for USD agreements and 22% for TL agreements.

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13 Right of use assets (continued)

	31 December 2025	31 December 2024
Short - term lease liabilities	1,041	1,769
Long - term lease liabilities	16,111	19,033
	17,152	20,802

As at 31 December 2025, depreciation expense amounting to USD 4,034 is related with right of use assets (31 December 2024: USD 4,056).

Finance costs	1 January 2025	Cash Flow In	Cash Flow Out	Non Cash Flow	31 December 2025
	Lease liabilities	20,802	--	(835)	(2,815)
Total	20,802	--	(835)	(2,815)	17,152

Finance costs	1 January 2024	Cash Flow In	Cash Flow Out	Non Cash Flow	31 December 2024
	Lease liabilities	20,102	--	(794)	1,494
Total	20,102	--	(794)	1,494	20,802

14 Trade and other receivables

Trade and other receivables as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Current:		
Trade receivables	36,404	23,259
VAT receivable	30,265	26,075
Prepaid expenses	19,756	8,295
Income accruals	142	172
Due from related parties (Note 23)	129	79
Allowance for doubtful receivables (-)	(69)	(484)
Other	80	247
	86,707	57,643
Non-current:		
Prepaid expenses(***)	41,086	62,405
Due from related parties (*) (Note 23)	213,421	100,510
VAT receivable (**)	5,343	5,343
Allowance for VAT receivable (**)	(5,343)	(5,343)
	254,507	162,915

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14 Trade and other receivables (continued)

(*) The Group has signed new loan agreements with the Group's shareholders on 17 July 2025 and 3 December 2025 according to designated "Upstream Loan Facility Agreement". The Group has lent USD 150 million loan in total to the Group's shareholders pro rata of their shares, with 7 years maturity. The receivable is measured at amortized cost by effective interest rate method. The difference between nominal amount and amortized cost at inception is recorded under retained earnings net of deferred tax and presented in transactions with owners caption in consolidated statement of changes in equity in 2025.

(**) The Group has applied to the tax court to refund the VAT receivable in 2010. In July 2012, this lawsuit was rejected formally by the State of Council due to procedural reasons. According to opinion of the advisors, the Group applied to the tax office with a decision correction petition which was rejected. The Group appealed to Ministry of Finance and since Ministry of Finance does not reply, the Group applied to tax court which was rejected. After rejection by the tax court, the Group appealed to the Supreme Court. The Supreme Court has also rejected the lawsuit.

(***) The amount consists of advances given by the Group regarding the EMH2 project.

15 Deferred tax assets and liabilities

Recognized deferred tax assets and liabilities

Deferred tax assets and deferred tax liabilities as at 31 December 2025 and 31 December 2024 are attributable to the items detailed in the table below:

31 December 2025	Assets	Liabilities	Net
Property and equipment	--	(24,692)	(24,692)
Intangible assets	--	(91,920)	(91,920)
Loans and borrowings	2,632	--	2,632
Trade and other receivables	--	(11,130)	(11,130)
Trade and other payables	2,409	--	2,409
Others	--	(4,232)	(4,232)
Deferred tax asset / (liability)	5,041	(131,974)	(126,933)

31 December 2024	Assets	Liabilities	Net
Property and equipment	--	(27,625)	(27,625)
Intangible assets	--	(96,208)	(96,208)
Loans and borrowings	1,621	--	1,621
Trade and other receivables	7,485	--	7,485
Trade and other payables	7,455	--	7,455
Others	--	(8,003)	(8,003)
Deferred tax asset / (liability)	16,561	(131,836)	(115,275)

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15 Deferred tax assets and liabilities(continued)

Movements in temporary differences during the periods ended 31 December:

	1 January 2025	Recognised in profit or loss	Recognised in other comprehensive	31 December 2025
Property and equipment	(27,625)	2,933	--	(24,692)
Intangible assets	(96,208)	4,288	--	(91,920)
Loans and borrowings	1,621	1,011	--	2,632
Trade and other receivables	7,485	(18,615)	--	(11,130)
Trade and other payables	7,455	(5,046)	--	2,409
Others	(8,003)	3,112	659	(4,232)
	(115,275)	(12,317)	659	(126,933)

	1 January 2024	Recognised in profit or loss	Recognised in other comprehensive	31 December 2024
Property and equipment	(28,215)	590	--	(27,625)
Intangible assets	(101,377)	5,169	--	(96,208)
Loans and borrowings	3,283	(1,662)	--	1,621
Trade and other receivables	13,102	(15,617)	--	7,485
Trade and other payables	6,095	1,360	--	7,455
Others	12,036	(10,044)	1,458	(8,003)
	(95,076)	(20,204)	1,458	(115,275)

16 Cash and cash equivalents

Cash and cash equivalents as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
Cash at banks	70,535	41,515
Time deposits (*)	65,159	36,823
Demand deposits	5,376	4,692
Cash on hand	3	9
	70,538	41,524

(*)As at 31 December 2025, the time deposits are comprised USD bank placements amounting to USD 62,659 (31 December 2024: USD 33,947) having interest rate of between 1 percent and 3.88 percent (31 December 2024: between 0.01 percent and 4.59 percent) with an original maturity up to one month (31 December 2024: up to one month), TL bank placement amounting to USD 2,068 (31 December 2024: USD 2,469) having interest rate between 11 percent and 39.25 percent with an original maturity up to one month (31 December 2024: between 11.00 percent and 24.00 percent) and EUR bank placement amounting to USD 432 (31 December 2024: USD 407) having interest rate around 0.25 percent with an original maturity up to one month (31 December 2024: interest rate around 0.01 percent with an original maturity up to one month).

As at 31 December 2025, there is no restriction on bank deposits.

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17 Capital and reserves

a. Paid in capital

As at 31 December 2025, the authorized share capital of the Company consisted of 1,332,300 (31 December 2024: 1,332,300) registered shares having a nominal value of full TL 100 each.

As at 31 December 2025, the shareholding structure of the Company based on the number of shares is presented below:

	31 December 2025			31 December 2024		
	Paid in capital in TL	Number of shares	%	Paid in capital in TL	Number of shares	%
PSA Turkey Pte. Ltd.	67,947	679,473	51.00	67,947	679,473	51.00
Global InfraCo SP NEUM SL	51,960	519,597	39.00	51,960	519,597	39.00
Akfen Holding A.Ş.	13,323	133,230	10.00	13,323	133,230	10.00
	133,230	1,332,300	100.00	133,230	1,332,300	100.00
Paid in capital USD	100,000			100,000		

b. Legal reserve

The legal reserves consist of first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5 percent, until the total reserve reaches a maximum of 20 percent of the entity's share capital. The second legal reserve is appropriated at the rate of 10 percent of all distributions in excess of 5 percent of the entity's share capital. The first and second legal reserves are not available for distribution unless they exceed 50 percent of the share capital but may be used to absorb losses in the event that the general reserve is exhausted. At 31 December 2025, legal reserves of the Group amount to USD 36,667 (31 December 2024: USD 36,667).

c. Dividends

Dividend payment has not been proceeded in 2025.

18 Debt securities

As at 31 December 2025 and 31 December 2024, debt securities are as follows:

	31 December 2025	31 December 2024
Current:		
Debt securities-interest payable	53,203	53,203
	53,203	53,203
Non-current:		
Debt securities	547,364	543,650
	547,364	543,650

As at 15 November 2023, the Company has issued bonds with maturity date on 15 November 2028 and nominal amount of USD 600,000 (issue price: 98.999 percent) at an interest rate of 8.25 percent to be paid in every six months and is listed on the Irish Stock Exchange. Par value difference of existing bond amounting to USD 3,453 and prepaid transaction costs of USD 4,404 of debt securities is netted from the balance (31 December 2024: USD 4,655 and USD 5,860 respectively).

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18 Debt securities (continued)

Finance costs	1 January 2025	Cash Flow In	Cash Flow Out	Non Cash Flow	31 December 2025
	Debt securities	596,853	--	(54,211)	57,925
Total	596,853	--	(54,211)	57,925	600,567

Finance costs	1 January 2024	Cash Flow In	Cash Flow Out	Non Cash Flow	31 December 2024
	Debt securities	593,031	--	(53,046)	56,868
Total	593,031	--	(53,046)	56,868	596,853

19 Trade and other payables

Trade and other payables as of 31 December 2025 and 31 December 2024 is as follows:

	31 December 2025	31 December 2024
Trade payables	32,096	20,189
Due to related parties (Note 23)	2,814	1,383
Other payables	7,958	13,028
	42,868	34,600

As of 31 December 2025, current trade payables mainly comprised of payables to suppliers for sub-contracting services and operating expenses.

As at 31 December other payables are as follows:

	31 December 2025	31 December 2024
Social security premium	3,036	8,672
Advance received on orders	4,923	4,356
	7,959	13,028

Advances received on orders should be considered with the account receivables to present the net receivable/payable of the Group from/to its customers. The Group collects the consideration of all services that will be rendered with a certain security margin as an advance payment. After the service has been rendered, the Group pays that security margin back to the customer.

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20 Provisions

For the years ended 31 December 2025 and 2024 movements of provision are as below:

	1 January - 31 December 2025				
	Sales				
	Bonus	discounts	Litigations	Others	Total
Balance at 1 January	400	7,546	875	5,499	14,320
Payment during the period	(400)	(7,546)	--	(5,499)	(13,445)
Addition during the period	377	8,002	1,077	27,461	36,917
	377	8,002	1,952	27,461	37,792

	1 January - 31 December 2024				
	Sales				
	Bonus	discounts	Litigations	Others	Total
Balance at 1 January	406	11,222	380	10,682	22,690
Payment during the period	(406)	(11,222)	--	(10,683)	(22,311)
Addition during the period	400	7,546	495	5,500	13,941
	400	7,546	875	5,499	14,320

21 Deferred income

As at 31 December deferred income is as follows:

Current:	31 December 2025	31 December 2024
Tax incentive deferred income (*)	5,606	6,067
	5,606	6,067

Non-current:	31 December 2025	31 December 2024
Tax incentive deferred income (*)	57,307	52,424
	57,307	52,424

(*) The Group has been granted with investment tax credits ("ITC") with respect to the certain investment expenditures. Such ITCs are evaluated within the scope of IAS 20 Government Grants standard by the Group. The government supports these investments with waiver of current tax expenses (corporate income tax) instead of direct cash payment. The incentive certificate has a limit up to TL 15,535 million with a government support of 35% which means TL 5,438 million tax advantage. As of 31 December 2025, the Group has utilized a tax advantage of TL 2,153 million (31 December 2024: TL 1,337 million) by waiving current tax. During the year ended 31 December 2024, the incentive income recognized in profit or loss as other income on a systematic and rational basis over the useful lives of the related assets is USD 16,057 (31 December 2024: USD 12,162). Remaining USD 62,913 portion (USD as short term 5,606, USD 57,307 as long term) is booked as deferred revenue as at 31 December 2025 (31 December 2024: USD 6,067 as short term, USD 52,424 as long term).

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22 Employee benefits

Reserve for Employee Severance Indemnity

Under the Turkish Labor Law, the Company and its subsidiaries are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). Since the legislation was changed on 8 September 1999, there are certain transitional provisions relating to length of service prior to retirement.

Such payments are calculated on the basis of 30 days' pay maximum full TL 64,948 as at 31 December 2025 (equivalent to USD 1,525 as at 31 December 2025) (31 December 2024: full TL 46,655; (equivalent to USD 1,324 as at 31 December 2024); per year of employment at the rate of pay applicable at the date of retirement or termination. Reserve for retirement pay is computed and reflected in the financial statements at present value. The reserve has been calculated by estimating the present value of future probable obligation of the Company and its subsidiaries arising from the retirement of the employees. The calculation was based upon the retirement pay ceiling announced by the government.

The provision has been calculated by estimating the present value of the future probable obligation of the Company and its subsidiaries registered in Turkey arising from the retirement of employees. IFRSs require actuarial valuation methods to be developed to estimate the enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

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. Consequently, in the accompanying consolidated financial statements as at 31 December 2025, the provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. The provision at 31 December 2025, has been calculated assuming an annual inflation rate of 6.80 percent and a discount rate of 13.00 percent resulting in a real discount rate of approximately 5.81 percent (31 December 2024: annual inflation rate of 6.80 percent and a discount rate of 13.00 percent resulting in a real discount rate of approximately 5.81 percent). It is planned that retirement rights will be paid to employees at the end of the concession period. Accordingly, present value of the future probable obligation has been calculated based on the concession periods.

For the years ended 31 December movements of reserve for severance indemnity are as below:

	<u>2025</u>	<u>2024</u>
Balance at 1 January	10,650	5,607
Interest cost	1,153	562
Service cost	1,867	967
Termination cost	9	10
Payments made during the period	(5,012)	(968)
Effects of changes in foreign exchange rate	(1,994)	(1,360)
Actuarial difference (Note 9)	2,634	5,832
Balance at period end	<u>9,307</u>	<u>10,650</u>

23 Related parties

For the purpose of the consolidated financial statements, the shareholders, key management personnel and the Board members, and in each case, together with their families and companies controlled by them; are considered and referred to as the related parties. A number of transactions are entered into with the related parties in the normal course of business.

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23 Related parties (continued)

23.1 Transactions with key management personnel

Key management costs included in general administrative expenses for the year ended 31 December 2025 amounts to USD 1,557 (31 December 2024: USD 1,307).

23.2 Related party balances

As at 31 December 2025 and 31 December 2024, due from related parties comprised the following:

Due from related parties - current	31 December 2025	31 December 2024
PSA Antwerp NV	113	46
PSA Panama Pte. Ltd.	16	--
PSA Portugal Pte. Ltd.	--	33
	129	79
Due from related parties - non current	31 December 2025	31 December 2024
PSA Europe Pte. Ltd. (Note 14)	111,731	52,724
Global Infraco S.A.R.L. (Note 14)	84,322	39,747
Akfen International B.V. (Note 14)	17,368	8,039
	213,421	100,510

As at 31 December 2025 and 31 December 2024, due to related parties comprised the following:

Due to related parties	31 December 2025	31 December 2024
PSA International Pte Ltd	2,814	1,272
PSA Antwerp NV	--	111
	2,814	1,383

23.3 Related party transactions

For the years ended 31 December 2025 and 31 December 2024 transactions with related parties are summarized below:

Administrative expenses	1 January- 31 December 2025	1 January- 31 December 2024
PSA International Pte Ltd	16,348	13,919
PSA Antwerp NV	--	539
Meander Mersin Services.S.L.U.	94	94
Kestros Mersin Services.S.L.U.	75	75
Sarus Mersin Services.S.L.U.	75	75
Akfen Enerji Gaz Santrali Yat. ve Tic. A.Ş.	97	97
PSA Invest E PTE. Ltd	75	75
PSA Invest T PTE. Ltd	75	75
PSA Invest K PTE. Ltd	75	75
PSA Invest R PTE. Ltd	75	75
PSA Invest U PTE. Ltd	75	80
PSA Turkey Pte. Ltd.	--	56
PSA Portugal Pte. Ltd.	--	35
	17,064	15,270

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24 Financial instruments

Financial risk management

Overview

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

24.1 Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Impairment losses / reversals on financial assets recognised in profit or loss are as follows:

	2025	2024
Impairment gain / (loss) on trade receivables arising from customers	(140)	(4)

The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer. However, the management also considers the demographic of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. During the year ended 31 December 2025, approximately 49 percent (31 December 2024: 46 percent) of the Group's revenue was attributable to sales transaction with top five customer. However, geographically there is no concentration of credit risk.

The Group has a credit policy in place which establishes credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. Cash and fixed deposits are placed with banks and financial institutions which are regulated. Investments and transactions involving derivative financial instruments are allowed only with counter parties that are of certain credit standing.

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24 Financial instruments (continued)

Financial risk management (continued)

24.1 Credit Risk (continued)

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is as follows:

The Group's most significant five customer, accounts for USD 15,622 thousand of the trade and other receivables as at 31 December 2024 (31 December 2024: USD 9,139).

Comparative information under IFRS 9

An analysis of the credit quality of trade receivables that were neither past due nor impaired and the ageing of trade receivables that were past due but not impaired as at 31 December 2025 is as follows.

	Note	31 December 2025	31 December 2024
Cash and cash equivalents (*)	16	70,538	41,524
Trade receivables (net)	14	36,335	22,775
Due from related parties-current	23	129	79
Due from related parties-noncurrent	23	213,421	100,510
		320,423	164,888

(*) Cash on hand is excluded from cash and cash equivalents.

Expected credit loss assessment for individual customers as at 1 January and 31 December 2025.

The Group uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, age of customer relationship and type of product purchased.

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24 Financial instruments (continued)

Financial risk management (continued)

24.1 Credit Risk (continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables from individual customers as at 31 December 2025.

	31 December 2025	31 December 2024
Neither past due nor impaired	31,797	22,306
Past due 1-30 days	2,948	428
Past due 31-90 days	881	97
Past due 91-365 days	838	23
	36,464	22,854

Loss rates are based on actual credit loss experience over the past three years.

Movements in the allowance for impairment in respect of trade receivables

The movement in the allowance for impairment in respect of trade receivables and contract assets during the year was as follows. Comparative amounts for 2025 and 2024 represent the allowance account for impairment losses under IFRS 9.

	31 December 2025	31 December 2024
Balance at 1 January	492	488
Impairment gain reversed	140	4
	632	492

The Company management has provided a provision amounting to USD 5,343 (31 December 2024: USD 5,343) (Note 14) for the non-recoverable amount of VAT receivable.

For the years ended 31 December the movement in the allowance for VAT is as follows:

	31 December 2025	31 December 2024
Balance at 1 January	5,343	5,343
	5,343	5,343

24.2 Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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24 Financial instruments (continued)

Financial risk management (continued)

24.2 Liquidity Risk (continued)

Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for an acceptable period, including the servicing of financial obligations, this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following tables provide an analysis of financial liabilities of the Group into relevant maturity groupings based on the remaining periods to repayment:

	31 December 2025						
	Carrying amount	Contractual cash flow	Up to 6 months	6 to 12 months	1-2 years	2-5 years	More than 5 years
Debt securities	600,567	754,688	27,844	27,844	49,500	649,500	--
Trade and other payables	42,868	42,868	42,868	--	--	--	--
Bank loans	151,622	179,594	19,007	21,882	41,812	76,006	20,887
Lease liabilities	17,152	30,718	--	1,673	1,589	2,944	24,512
Non-derivative financial liabilities	812,209	1,007,868	89,719	51,399	92,901	728,450	45,399

	31 December 2024						
	Carrying amount	Contractual cash flow	Up to 6 months	6 to 12 months	1-2 years	2-5 years	More than 5 years
Debt securities	596,853	798,000	24,750	24,750	49,500	699,000	--
Trade and other payables	34,600	34,600	34,600	--	--	--	--
Lease liabilities	20,802	21,108	--	651	651	6,989	12,817
Non-derivative financial liabilities	652,255	853,708	59,350	25,401	50,151	705,989	12,817

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24 Financial instruments (continued)

Financial risk management (continued)

24.3 Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

24.3.1 Currency Risk

The Group is exposed to currency risk on financials given denominated in a currency other than USD. The currencies giving rise to this risk is primarily Turkish Lira ("TL").

The Group is exposed to foreign currency risk on purchases and borrowings that are denominated in a currency other than USD. The currencies giving rise to this risk are primarily TL and Euro. At 31 December, the currency risk exposure of the Group in USD equivalents is as follows:

	31 December 2025			
	TL	EUR	Other	Total
Cash and cash equivalents	2,871	80	13	2,964
Trade and other receivable	2,332	168	--	2,500
Total foreign currency financial assets	5,203	248	13	5,464
Trade and other payables	3,067	292	0	3,359
Total foreign currency financial liabilities	3,067	292	0	3,359
Net exposure	8,270	540	13	8,823

	31 December 2024			
	TL	EUR	Other	Total
Cash and cash equivalents	27	139	--	166
Trade and other receivable	74	17	245	336
Total foreign currency financial assets	101	156	245	502
Trade and other payables	48	303	371	722
Total foreign currency financial liabilities	48	303	371	722
Net exposure	149	459	616	1,224

Sensitivity analysis

In managing currency risks the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the longer-term, however, permanent changes in foreign exchange rates will have an impact on profit.

A 10 percent weakening of USD against the following currencies at 31 December 2025 and 2024 would have increased / (decreased) profit or loss by the amount shown below. This analysis assumes that all other variables in particular interest rates, remain constant.

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24 Financial instruments (continued)

Financial risk management (continued)

24.3 Market Risk (continued)

24.3.1 Currency Risk (continued)

	31 December 2025	31 December 2024
TL	827	15
Eur	54	46
Other	1	62
	882	123

A 10 percent strengthening of USD against the above currencies at 31 December 2025 and 2024 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

24.3.2 Interest Rate Risk

The Group's exposure to changes in interest rates relates primarily to the Group's interest-earning financial assets and interest-bearing financial liabilities. The Group's objective is to maintain a balance of fixed and floating rate exposures as well as a balanced maturity period.

Fixed rate instruments	31 December 2025	31 December 2024
Financial assets	65,159	36,823
Financial liabilities	(752,189)	(596,853)

The tables below summarize average effective interest rates by major currencies for monetary financial instruments as at 31 December:

	31 December 2025	31 December 2024
Debt securities	8.25%	8.25%
Bank loans	7.49%	-

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate of the reporting date would not affect profit or loss.

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24 Financial instruments (continued)

Financial risk management (continued)

24.4 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence; to sustain future development of the business and to maintain an optimal capital structure to reduce the cost of capital.

For the years ended 31 December, EBITDA margin of the Group is as below:

	<u>31 December 2025</u>	<u>31 December 2024</u>
Adjusted EBITDA (*)	243,040	276,003
Operating revenue	520,727	444,742
Adjusted EBITDA margin (%)	46.67	62.06

(*) Operating revenue - (Cost of operating revenues + General administrative expenses (including royalty paid to PSA)), all other expense/income figures are excluded from EBITDA calculation.

24.5 Fair values

Fair value is the amount at which a financial instrument 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.

The estimated fair values of financial instruments have been determined using available market information by the Group, and where it exists, using appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to determine the estimated fair value. Turkey has shown signs of an emerging market and has experienced from time to time a significant decline in the volume of activity in its financial market. While the management of the Group has used available market information in estimating the fair values of financial instruments, the market information may not be fully reflective of the value that could be realized in the current circumstances.

The methods used in determining the fair values of financial instruments are discussed in Note 4.

The fair values of financial assets and liabilities, together with the carrying amounts shown in the consolidated statement of financial position, are as follows:

	<u>31 December 2025</u>	
	<u>Carrying amount</u>	<u>Fair value</u>
Cash and cash equivalents	70,538	70,538
Trade and other receivables	280,372	280,372
Debt securities non-current	(547,364)	(580,387)
Debt securities current	(53,203)	(55,338)
Bank loans	(151,622)	(183,821)
Trade and other payables	(42,868)	(42,868)
Lease liabilities	(17,152)	(17,152)
	(461,299)	(528,656)

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24 Financial instruments (continued)

Financial risk management (continued)

24.5 Fair values (continued)

	31 December 2024	
	Carrying amount	Fair value
Cash and cash equivalents	41,524	41,524
Trade and other receivables	149,858	149,858
Debt securities non-current	(549,838)	(579,947)
Debt securities current	(47,015)	(49,590)
Trade and other payables	(34,600)	(34,600)
Lease liabilities	(20,803)	(20,803)
	(460,874)	(493,558)

25 Commitments and contingencies

The details of commitments and contingent liabilities arising in the ordinary course of business for the Group as at 31 December, is as follows:

Letters of guarantees given	31 December 2025	31 December 2024
Given to TCDD	22,881	22,881
Others	7,164	2,180
	30,045	25,061

Letters of bank guarantees ("LoG") obtained	31 December 2025	31 December 2024
LoG received from sub-contractors	63,164	36,382
LoG received from customers	17,453	16,356
LoG received from suppliers	104,855	67,190
	185,472	119,928

26 Bank Loans

	31 December 2025	31 December 2024
Short Term Bank Borrowings	30,000	-
Current Portion of Long Term Borrowings	1,622	-
Total Short Term Borrowings	31,622	-
Long Term Bank Borrowings	120,000	-
Total Borrowings	151,622	-

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26 Bank Loans (continued)

The borrowings are repayable as follows:

	31 December 2025	31 December 2024
To be paid within 1 year	31,623	-
To be paid between 1-2 years	33,333	-
To be paid between 2-3 years	33,333	-
To be paid between 3-4 years	33,333	-
To be paid between 4-5 years	20,000	-
	<u>151,622</u>	<u>-</u>

Currency Type	Weighted Average Effective Interest Rate	Original Currency Amount	31 December 2025	
			Current	Non-current
USD	7.49%	151,622	31,622	120,000
			<u>31,622</u>	<u>120,000</u>

The movement of the Company's bank loans as of 31 December 2025 and 2024 are as follows:

	1 January 31 December 2025	1 January 31 December 2024
Opening balance	-	-
Proceeds from bank loans	150,000	-
Interest accrual	1,622	-
	<u>151,622</u>	<u>-</u>

27 Subsequent events

None.