PRESIDENCY OF THE TURKISH ESPORTS FEDERATION

01.01.2025 – 31.12.2025

AUDIT BOARD REPORT

1 – INTRODUCTION

The Audit Board of the Turkish Esports Federation prepared this Audit Board Report for the period 01.01.2025 – 31.12.2025 at meetings held at the Federation's headquarters on 04.02.2026.

This report consists of the audit of the accounts and activities of the Turkish Esports Federation for the period 01.01.2025 – 31.12.2025, carried out — administratively, financially and legally — in accordance with Law No. 7405, the Independent Sports Federations Accounting and Budget Implementation Directive (Annex A), and the relevant legislation in force, as well as accounting principles and standards.

2 – GENERAL FINANCIAL INFORMATION

Period Expenses and Payables (TRY) / Income and Receivables (TRY)

EXPENSES		INCOME	
Expenses	**20,940,385.94**	**Income**	**22,957,577.27**
Operating Expenses	12,560,532.09	SHGM (Gen. Dir. of Sports Services) Grant	10,000,000.00
General Expenses	4,341,729.89	Sports Toto (Advertising Income)	7,000,000.00
Personnel Expenses	3,918,495.03	Other Income	5,957,577.27
Other Expenses	119,728.93		

PAYABLES		RECEIVABLES	
Payables	**1,788,965.08**	**Receivables**	**4,312.00**
Vendors	0.00	Customers	4,312.00
Other Payables	1,788,965.08	Other Receivables	0.00
GRAND TOTAL	**22,729,351.02**	**GRAND TOTAL**	**22,961,889.27**

When the tables attached to the report are examined, the income and expenses for the period 01.01.2025 – 31.12.2025 offset one another, and a surplus of income of TRY 2,017,191.33 was generated. It was determined that the incoming and outgoing figures did not exceed the prior-year level by more than 10%, that the necessary diligence was exercised, that no excess of more than 10% was incurred, and that, in keeping with the report date, the entity met its current payables and generated a surplus of income.

3 – MATTERS EXAMINED IN THE AUDIT

The Audit Board was prepared on the basis of Law No. 7405 on Sports Clubs and Sports Federations, published in the Official Gazette No. 31821 dated 26.04.2022, and Article 33 of the Sports Federations Statute published in the Official Gazette No. 32017 dated 18.11.2022.

The accounts and activities of the Federation between 01.01.2025 and 31.12.2025 were examined and determined as set out below, and have been disclosed accordingly. No transactions requiring examination by the Federation's officials or other persons, institutions or organizations for the relevant period were encountered.

3-1) Account Examinations

3-1.1) Bank Account Balances

The bank account balances are as follows:

BANK ACCOUNT NAME	TOTAL (TRY)
Ziraat Bankası accounts	895,907.03
Ziraat Bankası 97666824-5001 Budget Account	484,560.59
Ziraat Bankası 97666824-5002 Sports Toto Account	92,735.92
Ziraat Bankası 97666824-5003 Special Income Account	282,864.04
Ziraat Bankası 97666824-5004 USD Account	0.00
Ziraat Bankası 97666824-5005 EURO Account	0.00
Ziraat Bankası 97666824-5021 Time-Deposit TRY Account	35,746.48
Türk Ekonomi Bankası accounts	6,007,100.21
TEB 145035090 NoLu Sports Toto Account	5,992,265.37
TEB 145038561 NoLu Special Income Account	14,834.84
GRAND TOTAL	**6,903,007.24**

The above balances of the Turkish Esports Federation were checked against the bank statements and found to be consistent with the daily and monthly account statements. The said statements are kept on file in single copies at the Federation's headquarters.

3-1.2) Expense Accounts

Total expenses and disbursements of the Turkish Esports Federation during the period under review amounted to TRY 20,940,385.94. The breakdown of the said expenses is as follows:

EXPENSES	AMOUNT (TRY)
Domestic Activity Expenses	4,954,112.60
International Activity Expenses	910,939.80
Education Expenses	832,019.51
Sports Equipment Expenses	128,600.00
Fixed-Asset Purchase Expenses	1,755,852.11
Personnel Expenses	3,918,495.03
Meeting Expenses	405,876.15

EXPENSES	AMOUNT (TRY)
Other Organization and Activity Expenses	898,711.36
Award Expenses	2,674,320.56
General Administrative Expenses	4,341,729.89
International Federation Membership Dues	17,881.50
Consumable Materials Expenses for Competitions	34,400.00
Course Participation Fee (Allowances)	6,500.00
Foreign-Exchange Loss	705.28
Reconciliation of Accounts	224.83
Other Sundry Expenses	604.14
Prior-Period Expenses	59,413.18
TOTAL EXPENSES	**20,940,385.94**

3-1.3) Income Accounts

Total income of the Turkish Esports Federation during the period under review amounted to TRY 22,957,577.27. The breakdown of the said income is as follows:

INCOME	AMOUNT (TRY)
SHGM (General Directorate of Sports Services) Grant	10,000,000.00
Sports Toto (Advertising Income)	7,000,000.00
Athlete–Coach–Referee License/Visa Income	65,000.00
Publication Income	14,834.84
Education Income	591,000.00
Proficiency Certificate Income	578,000.00
Award Income	2,924,351.50
Tournament Organization Fee	368,750.00
SGK (Social Security) Incentive Deduction	113,046.69
Interest Income	1,281,802.35
Foreign-Exchange Gain	5,538.88
Prior-Period Income	4,345.05
Reconciliation of Accounts	275.22
Purchase Discounts	5,532.67
Refunds of Guarantee Amounts	1,180.07
Accommodation (Invoice Refund)	3,920.00
TOTAL INCOME	**22,957,577.27**

In the income statement of the Turkish Esports Federation for the period 01.01.2025 – 31.12.2025, the relationship between income and expenses was favorable, and a surplus of income of TRY 2,017,191.33 was generated.

3-1.4) Receivable and Payable Accounts

• Inventory: There are materials such as flags and banners worth TRY 39,865.83 used at competitions. As the cost of inventory is expensed at the time of disbursement, it was observed that the accounting transactions were duly recorded with the relevant period entries.

• It was observed that there is a VAT amount of TRY 763,182.44 to be carried forward to the subsequent period, deductible from the VAT paid on the goods and services purchased.

• It was observed that the Federation's accounting records include fixed assets of TRY 1,451,220.45, on which depreciation is reserved at the appropriate amount.

• It was observed that the cost of the Federation's accounting program is TRY 46,915.00, and that office expenses amount to TRY 425,000.00, totaling TRY 471,915.00.

• Other Sundry Payables: it was observed that there is a payable of TRY 1,500,000.00 representing the central expenses corresponding to the activities carried out.

• As of the report date, in summary, there is a VAT payable of TRY 145,807.74, an SGK premium payable of TRY 143,157.31, totaling TRY 288,965.05, representing taxes and social-security premiums not yet due.

3-1.5) Books and Records

The accounting system of the Turkish Esports Federation has an adequate organization, is maintained electronically on a computer basis, and the relevant records are shown in the table below. Pursuant to the General Communiqué on Tax Procedure Law No. 509, it was determined that the books are kept and certified electronically, and that they are filed within the statutory period through the Revenue Administration Presidency's e-Defter portal.

TYPE OF BOOK	PERIOD	NOTARY NAME	DATE / No.
Board of Directors Resolution Book	2025	Ankara 54th Notary	08.05.2023 / 15719
Audit Board Resolution Book	2025	Ankara 25th Notary	09.10.2023 / 14775
Inventory Balance Sheet	2025	Ankara 25th Notary	26.12.2024 / 17147

3-1.6) Compliance of the Sports Federation's Budget and Spending with Principles

In accordance with Article 33 of Law No. 7405:

It was determined that the Federation carried out its obligations within the statutory period in due fashion, that expenses were realized in proportion to income, that the borrowing ratio did not exceed the prior-year income level by more than 10%, that the necessary diligence was exercised, that, where amounts were paid to banks in a timely manner in accordance with the values reflected in the books, the entity met its payment capacity by borrowing in an appropriate manner, and that — as resolved by the Board of Directors — borrowing was conducted in the manner determined by the Ministry.

It was determined that, during the reporting period, the Turkish Esports Federation maintained equity balance within its budget, that public funds were safeguarded, that no debt arising from prior periods was carried to insurance or other public-law sources, and that the financial position was sound.

4 – PERSONNEL AND SOCIAL-SECURITY EXAMINATIONS

The personnel wage and SGK (Social Security) information of the Turkish Esports Federation for the period 01.01.2025 – 31.12.2025 was found to be as follows:

YEAR / MONTH	EMPLOYEES – WORK DAYS	GROSS WAGE	SGK BASE	BOOK ENTRY DATE
2025 / 01	3 persons – 90 days	158,706.34	158,706.34	31.01.2025 / 089
2025 / 02	3 persons – 90 days	158,706.34	158,706.34	28.02.2025 / 322
2025 / 03	3 persons – 90 days	158,706.34	158,706.34	31.03.2025 / 469
2025 / 04	3 persons – 90 days	165,259.06	165,259.06	30.04.2025 / 662
2025 / 05	3 persons – 90 days	208,704.10	208,704.10	31.05.2025 / 918
2025 / 06	3 persons – 90 days	212,968.25	212,968.25	30.06.2025 / 1095
2025 / 07	4 persons – 88 days	304,509.63	304,509.63	31.07.2025 / 1202
2025 / 08	4 persons – 90 days	223,868.32	223,868.32	31.08.2025 / 1280
2025 / 09	4 persons – 120 days	347,055.68	347,055.68	30.09.2025 / 1538
2025 / 10	4 persons – 120 days	358,431.89	358,431.89	31.10.2025 / 1844
2025 / 11	4 persons – 97 days	321,407.86	321,407.86	30.11.2025 / 1996
2025 / 12	4 persons – 118 days	379,224.58	379,224.58	31.12.2025 / 2086

1 – Pursuant to Article 75 of Labor Law No. 4857 and Article 9 of the Independent Sports Federations Accounting and Budget Implementation Directive (Annex A), it was observed that the personnel files of the workers required to be kept were maintained properly and in accordance with the procedure.

2 – It was observed that the documents specified in Article 30 of the Directive do not bear personnel signatures.

3 – It was observed that no difference existed between the gross wages set out in the table and the social-security premium base.

4 – Pursuant to Article 102 of Social Security and General Health Insurance Law No. 5510, it was observed that the deductions made from personnel wages were duly transferred to the Social Security Institution within the statutory period and were carried in accordance with the procedure and method specified in Law No. 5510.

5 – Pursuant to Article 4 of Income Tax Law No. 193, it was observed that the taxes withheld from the wages of personnel employed in accordance with the said provision were declared to the Ankara Çankaya Tax Office on time via the Concise (Withholding) Declaration.

5 – MATTERS WITHIN THE SCOPE OF THE TRANSITION OF INDEPENDENT SPORTS FEDERATIONS TO ACCOUNTING AND APPLICATION UNDER THE DIRECTIVE —

ACCOUNTING ENTRY PROCEDURES, METHODS AND PRINCIPLES (DIRECTIVE ANNEX A)

1 – It was observed that, in the manner specified in Article 11 of the Directive, the Federation actively performs its permanent accounting service through the Accounting Information Processing System (Muhasebe Bilişim Sistemi), that the Accounting Information Center (Muhasebe İşleme Merkezi) is informed, and that the records are communicated to or affiliated with the Accounting Information Center.

2 – Pursuant to Article 9, paragraph 1 of the Directive, it was determined under the heading "Contracted Personnel and Fees Payable" that the gross fees payable to personnel hired on a contractual basis are determined by Board of Directors resolution and recorded in the personnel files.

3 – Pursuant to Articles 2 and 3, paragraph 4 of the Directive, it was determined that the fees payable to personnel were duly paid via bank, in compliance with the rules applicable to other persons.

4 – It was determined that no practice contrary to the provisions of Article 4 of the Directive concerning travel and assignment fees was encountered.

5 – Pursuant to Article 13, paragraph (ç) of the Directive under the heading "Payment Transactions," it was determined that, in respect of collective expenditures for items such as cocktails or balloons, the various amounts incurred — light bills, supplies, festival-event organization of fixtures, kitchen costs, gas, mud baths, masonry, mortar, pay for the worker — were carried in accordance with the procedure and method specified in the Directive while spending.

6 – Pursuant to Article 13, paragraph 1 of the Directive under the heading "Payment Transactions," it was determined that the Turkish Esports Federation procured consultancy services in the qualified consultancy field in the manner specified in the Directive while incurring such expenditures.

7 – It was determined that, within the framework of Article 17, paragraph 1, paragraph (a) of the Directive under the heading "Other Books and Records Required to be Kept," the Audit Board resolution book began to be maintained.

EQUITY ACCOUNT

ASSETS	AMOUNT (TRY)
Banks	6,903,007.24
Customers	4,312.00
Inventory (Stocks)	39,865.83
VAT to be Carried Forward	763,182.44
Fixtures and Fittings	1,451,220.45
Rights	46,915.00
Special Costs	425,000.00
Severance-Pay Provision	160,188.50
TOTAL	**9,793,691.46**

LIABILITIES	AMOUNT (TRY)
Other Sundry Payables	1,500,000.00
Deferred VAT Payable	145,807.74

LIABILITIES	AMOUNT (TRY)
Deferred SGK Premium Payable	143,157.31
Accumulated Depreciation	1,923,135.45
Severance-Pay Provision	160,188.50
TOTAL	**3,872,289.00**
EQUITY	**5,921,402.46**

6 – CONCLUSION

In the audit conducted with respect to the records and transactions of the Turkish Esports Federation for the period 01.01.2025 – 31.12.2025, it was observed that the entity was managed professionally; that the general acceptable accounting framework was maintained; and that the matters were handled in accordance with the standards of the Independent Sports Federations Accounting and Application Directive (Annex A).

Examinations were carried out as follows:

1 – It was observed that the records of the Turkish Esports Federation were arranged in due fashion in accordance with Law No. 7405 and other relevant legislation in force; that they were organized in line with their supporting documents; and that the general accounting framework was implemented within the framework determined by the relevant communiqués and accounting standards.

2 – As detailed in the account-examination section of the report, it was determined that the total income of the Turkish Esports Federation for the period under review was TRY 22,957,577.27.

3 – It was determined that the total expenses and disbursements of the Turkish Esports Federation for the period under review were TRY 20,940,385.94.

In the income statement of the Turkish Esports Federation for the period 01.01.2025 – 31.12.2025, the relationship between income and expenses was favorable; a surplus of income of TRY 2,017,191.33 was generated; and it was determined that, with a surplus of income exceeding the 2024 figure of TRY 3,904,211.13, a surplus of income of TRY 5,921,402.46 was generated.

We respectfully submit the matters identified in our examination for the information and discretion of the General Assembly.

Remzi Selim ÖrnüşAudit BoardChairman	Audit BoardDeputy Chairman	Audit BoardRapporteur
Esra DemirAudit BoardMember	Audit BoardMember	

ANNEXES:

Annex-1: Balance Sheet dated 31.12.2025 (one page)

Annex-2: Income Statement for the period 01.01.2025 – 31.12.2025 (one page)

TURKISH ESPORTS FEDERATION
DETAILED BALANCE SHEET AS AT 31/12/2025 (TRY)

ASSETS

ASSETS	TRY
I – CURRENT ASSETS	
A – Liquid Assets	6,903,007.24
B – Banks	6,903,007.24
C – Trade Receivables	4,312.00
1 – Customers	4,312.00
D – Inventory (Stocks)	39,865.83
4 – Other Inventory	39,865.83
H – Other Current Assets	763,182.44
1 – VAT to be Carried Forward	763,182.44
TOTAL CURRENT ASSETS	**7,710,367.51**
II – NON-CURRENT ASSETS	
D – Tangible Fixed Assets	1,451,220.45
6 – Fixtures and Fittings	1,451,220.45
8 – Accumulated Depreciation (–)	-1,451,220.45
E – Intangible Fixed Assets	
1 – Rights	46,915.00
5 – Special Costs	425,000.00
8 – Accumulated Depreciation (–)	-471,915.00
TOTAL NON-CURRENT ASSETS	**0.00**
TOTAL ASSETS	**7,710,367.51**
GRAND TOTAL	**7,710,367.51**

LIABILITIES (RESOURCES)

LIABILITIES (RESOURCES)	TRY
III – SHORT-TERM EXTERNAL LIABILITIES	
C – Other Payables	1,500,000.00
5 – Other Sundry Payables	1,500,000.00
F – Taxes Payable and Other Obligations	288,965.05
1 – Taxes and Funds Payable	145,807.74
2 – Social-Security Deductions Payable	143,157.31
G – Provisions for Liabilities and Expenses	160,188.50
1 – Severance-Pay Provision	160,188.50

LIABILITIES (RESOURCES)	TRY
TOTAL SHORT-TERM EXTERNAL LIABILITIES	**1,949,153.55**
IV – LONG-TERM EXTERNAL LIABILITIES	
E – Provisions for Liabilities and Expenses	-160,188.50
1 – Severance-Pay Provision	-160,188.50
TOTAL LONG-TERM EXTERNAL LIABILITIES	**-160,188.50**
V – EQUITY	
D – Prior-Years' Profits	3,904,211.13
1 – Prior-Years' Profits	3,904,211.13
F – Net Profit (Loss) for the Period	2,017,191.33
1 – Net Profit for the Period	2,017,191.33
TOTAL EQUITY	**5,921,402.46**
TOTAL LIABILITIES (RESOURCES)	**7,710,367.51**
GRAND TOTAL	**7,710,367.51**

TURKISH ESPORTS FEDERATION
INCOME STATEMENT — 01.01.2025 / 31.12.2025

EXPENSES	TRY	INCOME	TRY
Domestic Activity Expenses	4,954,112.60	SHGM Grant	10,000,000.00
International Activity Expenses	910,939.80	Sports Toto (Advertising Income)	7,000,000.00
Education Expenses	832,019.51	Athlete–Coach–Referee License/Visa Income	65,000.00
Sports Equipment Expenses	128,600.00	Publication Income	14,834.84
Fixed-Asset Purchase Expenses	1,755,852.11	Education Income	591,000.00
Personnel Expenses	3,918,495.03	Proficiency Certificate Income	578,000.00
Meeting Expenses	405,876.15	Award Income	2,924,351.50
Other Organization and Activity Expenses	898,711.36	Tournament Organization Fee	368,750.00
Award Expenses	2,674,320.56	SGK Incentive Deduction	113,046.69
General Administrative Expenses	4,341,729.89	Interest Income	1,281,802.35
International Federation Membership Dues	17,881.50	Foreign-Exchange Gain	5,538.88
Consumable Materials Expenses for Competitions	34,400.00	Prior-Period Income	4,345.05
Course Participation Fee (Allowances)	6,500.00	Reconciliation of Accounts	275.22
Foreign-Exchange Loss	705.28	Purchase Discounts	5,532.67
Reconciliation of Accounts	224.83	Refunds of Guarantee Amounts	1,180.07
Other Sundry Expenses	604.14	Accommodation (Invoice Refund)	3,920.00
Prior-Period Expenses	59,413.18		
TOTAL	**20,940,385.94**	**TOTAL**	**22,957,577.27**
SURPLUS OF INCOME	**2,017,191.33**	**EXCESS OF EXPENSE**	**—**
GRAND TOTAL	**22,957,577.27**	**GRAND TOTAL**	**22,957,577.27**