

**VBT YAZILIM A.Ş.**  
**CONSOLIDATED FINANCIAL STATEMENTS AND NOTES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**  
**AND INDEPENDENT AUDITOR'S REPORT**

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**INDEPENDENT AUDITOR'S REPORT****To the General Assembly of VBT Yazılım A.Ş.,****A. Independent Audit of Consolidated Financial Statements****1. Opinion**

**VBT Yazılım A.Ş.** (the Company) and its subsidiaries (the Group) for the fiscal period ending on the same date as the consolidated financial statement dated 31 December 2022; we have audited the financial statements that consist of the footnotes of the financial statements including consolidated profit or loss and other comprehensive income statement, consolidated statement of changes in equity and consolidated cash flow statement and summary of significant accounting policies.

In our opinion, the Group's consolidated financial statements as of December 31, 2022, offer a fair manner with appropriate as all important aspects in accordance with Turkish Financial Reporting Standards(TFRS) of the consolidated financial condition and the same date as the end of the fiscal year of consolidated financial performance and its consolidated cash flows.

**2. The Base of Opinion**

In our independent audit we did the Independent Auditing Standards published by the Capital Markets Board and the standards issued by the Public Oversight, Accounting and Auditing Standards Authority was carried out in accordance with the Independent Auditing Standards which are a part of Turkey Auditing Standards. Our responsibilities under these Standards are explained in detail in the section entitled "Independent Auditor's Responsibilities for Independent Audit of Consolidated Financial Statements". We declare that we are independent from the Community in accordance with the Code of Ethics for Independent Auditors published by the Public Oversight Board (Code of Ethics) and the ethical provisions contained in the relevant legislation with independent auditing of the consolidated financial statements. Ethical Rules and other ethical responsibilities under the legislation have also been fulfilled by us. We believe that the independent audit evidence we obtain during the independent audit is sufficient and appropriate basis for the establishment of our opinion.

**3. Key Audit Topics**

The key audit issues, according to our professional judgment, are those that are most important in the independent audit of the consolidated financial statements in the current period. The key audit issues are discussed in the context of the independent audit of the consolidated financial statements as a whole and in the formation of our view of the consolidated financial statements, and we do not give a separate opinion on these matters.

**Key Audit Matters**

<b>Revenue Recognition</b>	<b>How the matter is addressed in the Audit</b>
The Group's revenues mainly consist of business applications, system integrator and business partner, hardware, data backup and storage hardware, project management, software solutions and consultancy revenues.	<p>In addition to our existing audit procedures, the following audit procedures have been applied for recording of revenue:</p> <ul style="list-style-type: none"><li>- The audit procedures we have implemented consist of understanding the internal controls and process related to the recording of revenues, analytical reviews and detailed tests.</li><li>- While establishing the procedures for our detailed tests, sales were separated on the basis of software project revenues and service groups, and different tests were applied for each group.</li><li>- Within the scope of substantive verification procedures, the management's evaluation</li></ul>

<p>The amount of revenue in the financial statements, the complexity of applications regarding accounting standards in the recognition of revenue from development activities; Due to the fact that the recognition of revenue related to private software project revenues and service transactions has different characteristics in accordance with the "IFRS 15 Revenue from Customer Contracts" standard, timely and accurate recognition and recording of revenue has been considered by us as a key audit subject.</p> <p>Explanations of the Group on accounting policies and revenue amounts are included in Note 2.4.46 and Note 32.</p>	<p>process was examined, the contracts, invoices and payments examined with the selected samples were checked, analytical procedures were applied, and the historical accuracy of the management's estimates was evaluated by comparing the estimates made in the previous periods with the realizations.</p> <ul style="list-style-type: none"> <li>- By examining the selected customer contracts, it was negotiated with the management whether performance obligations should be fulfilled over time or at a certain moment, and it was tested that the revenue was recognized at the right amount in the right reporting period with the supporting documents received.</li> <li>- In order to verify product and software sales revenues, it was checked that the revenue was recognized as revenue in the correct amount, exactly and in the correct period, by testing a sample set of which the book records and supporting documents subject to these records were selected.</li> <li>- Revenues from maintenance support services were also controlled by taking into account the periodicity principle, depending on the contractual principles and predominantly over the service provided.</li> </ul>
<p><b>Testing of Internally generated intangible assets / Capitalized Development Costs</b></p>	<p><b>How the matter is addressed in the Audit</b></p>
<p>The Group capitalizes on the expenditures it has made in the software development phase in scope of development activities for the projects completed technically, ready for use and believed to provide cash flow in the future in accordance with the clarifications in TAS 38 "Intangible Assets". (Footnote 2.4.17)</p> <p>Development costs consist of the fees calculated according to the time when the personnel working directly in the establishment of the asset are employed in the related project and the costs directly related to the creation of the intangible asset.</p> <p>Capitalization calculations and amortization are determined as key issues due to their significant amounts in terms of financial statements and that they include management estimates thereof.</p>	<p>In addition to our existing audit procedures, the following procedures have been applied as to the auditing of capitalized development costs:</p> <ul style="list-style-type: none"> <li>- The study was conducted to differentiate the research expenses and development expenses and the status of writing off the research expenses were checked.</li> </ul> <p>Whether the projects evaluated in scope of development activity meets the criteria of capitalization specified in the TAS 38 "Intangible Assets" or not was discussed at a meeting held with the management,</p> <ul style="list-style-type: none"> <li>- In this context, the estimations and projected redemption periods of the future economic benefits of the projects were evaluated with the management.</li> <li>- Personnel costs related to projects have been tested by means of taking down the balances of Project-based expenditure types related to capitalized costs.</li> <li>- The contents of other expenses directly related to the capitalized development costs other than personnel costs were queried and the allocation keys were controlled by recalculation method.</li> </ul>

#### **4. Responsibilities of the Administrative and Supervisory Officers on Consolidated Financial Statements**

The group management; is responsible for the internal control it deems necessary to prepare it so that it does not contain significant error caused by error or fraud, the preparation of consolidated financial statements in accordance with Turkey Accounting Standards and from its presentation in a reasonable way.

Management when preparing consolidated financial statements is in the responsibility of the Group to use the continuity principle as long as there is no obligation, from the assessment of the ability of the Group to maintain its continuity, for clarifying the points of continuity if necessary, for liquidation of the community or for intention to terminate commercial activity.

Those responsible for top management are responsible for overseeing the Group's financial reporting process.

#### **5.Independent Auditor's Responsibilities for Independent Audit of Consolidated Financial Statements**

In an independent audit, the responsibilities of independent auditors like ours are:

Our aim is to obtain reasonable assurance as to whether the financial statements as a whole contain significant errors caused by errors or fraud, and to prepare an independent auditor's report that includes our observations. Reasonable assurance as a result of an independent audit carried out in accordance with the Independent Auditing Standards (IAS); is a high level of assurance, but does not always guarantee that an important mistake that exists will always be detected. Errors can be due to errors or tricks. These inaccuracies are considered significant if the mistakes are reasonably expected to affect the economic decisions that financial statement users will receive in the context of a table, alone or collectively.

By force of an independent audit carried out in accordance with the Independent Auditing Standards(IAS) published by the Capital Markets Board, we use our professional judgment during the independent audit and we continue our professional skepticism.

We also:

Risks of "major mistakes" originating from errors or fraud in the consolidated financial statements are identified and evaluated; audit procedures that respond to these risks are designed and implemented, and sufficient and appropriate audit evidence is obtained to provide a basis for the audit.(Since trick has fraud, intentional negligence, untrue declaration or internal control violation, the risk of not detecting an important fallacy of falsity is higher than the risk of not detecting an important mistake.)

-Internal control is not evaluated with the aim to give an opinion on the effectiveness of the Group's internal control, but it is evaluated on the audit to design appropriate audit procedures.

- It is evaluated whether the accounting estimates made by the appropriateness of the accounting policies used by the management and the related disclosures are reasonable or not.

-Based on the audit evidence obtained, it is concluded that there is a significant uncertainty regarding the event or circumstances that could cause serious doubt as to the ability of the Group to maintain its continuity and the appropriateness of the management using the continuity of the management. If we reach a conclusion that there is a significant ambiguity, we should draw attention to the relevant disclosures in the Consolidated Financial Statements, or we should give any opinion other than a positive opinion if these disclosures are inadequate. The results we have are based on the audit evidence obtained until the date of the independent auditor's report. However, future events or circumstances may end the continuity of the Group.

-The Consolidated Financial Statements reflect the general presentation, structure and content of the financial statements, including the disclosures, and whether these statements reflect the underlying transactions and events in a manner that will provide a sound presentation.

-Adequate and appropriate audit evidence is obtained about the financial information about the entities in the community or business segments in order to give an opinion on the consolidated financial statements. We are responsible in the guidance, observation and execution of the Group audit. We are responsible alone by the audit opinion mentioned.

- Among other things, we report to the top management the planned coverage and timing of the independent audit, as well as any significant audit findings, including any significant internal control deficiencies we identified during the audit.

We have informed top management that we have complied with the ethical provisions regarding independence. We have informed top management all relations and other matters that may be considered to have an effect on independence and, if any, relevant measures.

Among the issues that are reported to top management, we have identified key issues that are most important in the independent audit of the consolidated financial statements. Where the legislation does not allow public disclosure of the matter, or in exceptional circumstances where it is reasonably expected that the negative consequences of public disclosure will exceed public interest, we may decide that the relevant matter should not be mentioned in our independent audit report.

#### **B. Other liabilities arising from the legislation**

1. The report dated March 7, 2023, which we prepared in accordance with the fourth paragraph of article 398 of the Turkish Commercial Code, on the early detection system of the Group's risk appetite and its applications, was presented to the Board of Directors of the Company.

2. In accordance with the fourth paragraph of Article 402 of the Turkish Commercial Code, No significant issue was found in the accounting period of the Group for the period between 1 January 2022 and 31 December 2022 as to the bookkeeping method and the fact that the financial statements do not conform to the provisions of the law and the financial statements of the main contract.

3. In accordance with the fourth paragraph of Article 402 of the Turkish Commercial Code, The Board of Directors has made the required explanations within the scope of the audit and given the documents we requested.

AYŞE KARAUSTA is the auditor responsible for carrying out this independent audit.

**Istanbul, 7 March 2023**

**AYŞE KARAUSTA**  
**Responsible auditor**

**KAVRAM BAĞIMSIZ DENETİM VE DANIŞMANLIK A.Ş.**  
**Member Crowe Global**

**VBT YAZILIM A.Ş.****AUDITED CONSOLIDATED FINANCIAL STATEMENT AS OF DECEMBER 31, 2022 AND DECEMBER 31, 2021  
(BALANCE SHEET)**

(All amounts are expressed in Turkish Lira ("TL"))

	Footnote Ref.	CURRENT PERIOD December 31,2022	PREVIOUS PERIOD December 31,2021
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Cash and Cash Equivalents</b>	7	<b>236.681.036</b>	<b>224.819.836</b>
<b>Financial Investments</b>	8	<b>294.519</b>	-
-- Financial Assets Classified as Fair Value Through Profit/Loss	5	294.519	-
<b>Trade Receivables</b>	10	<b>104.788.021</b>	<b>18.735.970</b>
-Trade Receivables from Related Parties	6-10	-	-
-Trade Receivables from Unrelated Parties	10	104.788.021	18.735.970
<b>Other Receivables</b>	13	<b>1.428.957</b>	<b>21.777</b>
-Other Receivables from Related Parties	6-13	-	-
-Other Receivables from Unrelated Parties	13	1.428.957	21.777
<b>Receivables From Customer Contracts</b>	11	-	<b>1.871.988</b>
- Contract Assets Arising from Sales of Goods and Services	11	-	1.871.988
<b>Inventories</b>	16	<b>4.728.591</b>	<b>16.330.251</b>
<b>Prepaid Expense</b>	18	<b>448.605.504</b>	<b>30.052.014</b>
-Prepaid Expenses to Related Parties	6-18	347.100	233.634
- Prepaid Expenses to Unrelated Parties	18	448.258.404	29.818.380
<b>Other Current Assets</b>	22	<b>47.066</b>	<b>5.819</b>
-Other Current Assets from Unrelated Parties	22	47.066	5.819
<b>Total Current Assets</b>		<b>796.573.694</b>	<b>291.837.655</b>
<b>Non-Current Assets</b>			
<b>Investments in Affiliates, Joint Ventures and Subsidiaries</b>		-	<b>509.673</b>
<b>Other Receivables</b>	13	<b>468.805</b>	<b>2.027.592</b>
-Other Receivables From Related Parties		466.305	2.025.092
-Other Receivables From Non-Related Parties	13	2.500	2.500
<b>Investments Valued by Equity Method</b>	25	<b>17.407.911</b>	<b>8.371.052</b>
<b>Tangible Fixed Assets</b>	27	<b>21.863.533</b>	<b>17.350.351</b>
- Buildings		5.427.286	4.449.300
-Vehicles		4.277.191	1.225.382
- Plants, Machinery and Equipment		6.244.692	7.909.943
-Furniture and fixtures		3.680.984	1.704.950
-Special Cost		2.233.380	2.060.776
<b>Right of Use Assets</b>	29	<b>2.779.096</b>	<b>279.082</b>
<b>Intangible Assets</b>	28	<b>19.015.102</b>	<b>19.274.756</b>
-Licenses		3.909	6.865
-Capitalized Development Costs		19.011.193	19.267.891
<b>Prepaid Expenses</b>	18	<b>26.861.577</b>	<b>2.932.267</b>
- Prepaid Expenses to Related Parties	6-18	-	-
- Prepaid Expenses to Unrelated Parties	18	26.861.577	2.932.267
<b>Total Non-Current Assets</b>		<b>88.396.024</b>	<b>50.744.773</b>
<b>TOTAL ASSETS</b>		<b>884.969.718</b>	<b>342.582.428</b>

Enclosed footnotes are integral parts of these statements.

**VBT YAZILIM A.Ş.**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENT AS OF DECEMBER 31, 2022 AND DECEMBER 31, 2021**  
**(BALANCE SHEET)**  
(All amounts are expressed in Turkish Lira ("TL"))

	Footnote Ref.	CURRENT PERIOD December 31,2022	PREVIOUS PERIOD December 31,2021
<b>LIABILITIES</b>			
<b>Short-Term Liabilities</b>			
<b>Short-term Portion of Long-term Borrowings</b>	9	<b>2.474.896</b>	<b>2.461.120</b>
<b>Short-term Portion of Long-term Borrow. from Unrelated Parties</b>		<b>2.474.896</b>	<b>2.461.120</b>
--Banks credits		1.703.114	2.416.236
-- Debts from Leasing Transactions		771.782	44.884
<b>Other Financial Liabilities</b>	9	<b>908.926</b>	<b>139.987</b>
-Other Miscellaneous Financial Liabilities		908.926	139.987
<b>Trade Payables</b>	10	<b>124.653.957</b>	<b>126.911.606</b>
-Trade Payables to Related Parties	6-10	2.231.220	-
-Trade Payables to Unrelated Parties	10	122.422.737	126.911.606
<b>Payables in Scope of Employee Benefits</b>	14	<b>4.934.158</b>	<b>1.531.108</b>
<b>Other Payables</b>	13	<b>30.150.925</b>	<b>6.898.375</b>
Other Payables to Related Parties	6-13	3.903.787	146.805
Other Payables to Unrelated Parties	13	26.247.138	6.751.570
<b>Liabilities from Customer Contracts</b>	11	<b>455.229.168</b>	<b>44.857.011</b>
-Contractual Liabilities From Sales Goods and Services	11	455.229.168	44.857.011
<b>Government Incentives and Grants</b>	19	<b>44.148</b>	<b>44.148</b>
<b>Current Period Profit Tax Liability</b>	20	<b>5.949.093</b>	<b>3.917.565</b>
<b>Short-Term Provisions</b>	30	<b>3.324.047</b>	<b>9.138.748</b>
-Short-Term Provisions for Employee Benefits	30	970.940	1.545.843
-Other Short-Term Provisions	30	2.353.107	7.592.905
<b>Other Short-Term Liabilities</b>	23	<b>116.530</b>	<b>-</b>
-Other Short-Term Liabilities to Unrelated Parties	23	116.530	-
<b>Total Short-Term Liabilities</b>		<b>627.785.848</b>	<b>195.899.668</b>
<b>Long-Term Liabilities</b>			
<b>Long-Term Borrowings</b>	9	<b>3.094.402</b>	<b>2.351.276</b>
<b>- Long-Term Borrowings from Unrelated Parties</b>		<b>3.094.402</b>	<b>2.351.276</b>
--Banks credits		618.542	2.007.963
-- Debts from Leasing Transactions		2.475.860	343.313
<b>Liabilities from Customer Contracts</b>	11	<b>22.790.447</b>	<b>387.276</b>
- Contractual Liabilities From Sales Goods and Services		22.790.447	387.276
<b>Government Incentives and Grants</b>	19	<b>110.370</b>	<b>154.518</b>
<b>Long-Term Provisions</b>	30	<b>6.002.209</b>	<b>3.274.259</b>
-Long-Term Provisions For Employee Benefits	30	6.002.209	3.274.259
<b>Deferred Tax Liability</b>		<b>19.735</b>	<b>1.132.680</b>
<b>Total Long-Term Liabilities</b>		<b>32.017.163</b>	<b>7.300.009</b>
<b>TOTAL LIABILITIES</b>		<b>659.803.011</b>	<b>203.199.677</b>
<b>EQUITY</b>			
<b>Equity Attributable To Parent Company</b>	31	<b>225.478.184</b>	<b>139.382.751</b>
- Paid-in Capital		<b>26.000.000</b>	<b>26.000.000</b>
- Repurchased Shares (-)		<b>14.111.566</b>	<b>(9.955.039)</b>
-Share Premium (Discount)	31	<b>65.190.632</b>	<b>65.190.632</b>
- Accum. Other comprehensive income/(expense) not to be reclassified in Profit/Loss	31	<b>(2.723.583)</b>	<b>(297.659)</b>
-- Revaluation measurement gains/losses		<b>(2.723.583)</b>	<b>(297.659)</b>
---Actuarial Gain/Loss Fund from defined benefit plan)		(2.723.583)	(297.659)
Accum. Other comprehensive income/(expense) to be reclassified in Profit/Loss		<b>1.256.515</b>	<b>286.829</b>
-- Foreign Currency Conversion Adjustments		1.256.515	286.829
- Restrained Reserves From Profit	31	<b>4.965.332</b>	<b>11.729.891</b>
--Legal Reserves		4.676.001	1.774.852
--Reserves for Repurchased Shares		-	9.955.039
-- Venture Capital fund		289.331	-
- Profit (Loss) for Previous Period	31	<b>40.351.102</b>	<b>12.281.894</b>
- Net Profit (Loss) For The Period	43	<b>76.326.620</b>	<b>34.146.203</b>
<b>Non-Controlling Shares</b>		<b>(311.477)</b>	<b>-</b>
<b>Total Equity</b>		<b>225.166.707</b>	<b>139.382.751</b>
<b>TOTAL LIABILITIES</b>		<b>884.969.718</b>	<b>342.582.428</b>

Enclosed footnotes are integral parts of these statements.



**VBT YAZILIM A.Ş.**

**AUDITED PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENT (CONSOLIDATED)  
FOR THE PERIOD JANUARY 1, 2022 -DECEMBER 31, 2022 AND JANUARY 1, 2021 -DECEMBER 31, 2021  
(All amounts are expressed in Turkish Lira ("TL"))**

	Footnote Ref.	Current Period January 01,2022- December 31,2022	Previous Period January 01,2021- December 31,2021
Sales Revenue	32	613.374.580	198.506.402
Cost of Sales (-)	32	(495.241.313)	(159.906.602)
<b>GROSS PROFIT (LOSS)</b>		<b>118.133.267</b>	<b>38.599.800</b>
General Administrative Expenses	33	(18.710.106)	(6.446.924)
Marketing Expenses	33	(1.145.163)	(919.734)
Research and Development Expenses	33	(33.773.314)	(15.178.834)
Other Operating Income	35	13.809.952	16.649.346
Other Operating Expenses	35	(19.838.039)	(11.139.073)
<b>MAIN OPERATION PROFIT/LOSS</b>		<b>58.476.597</b>	<b>21.564.581</b>
Income from Investment Activities	36	4.873.785	-
Shares of Profits (Losses) of Invest. Valued by Equity Method	25	(214.248)	300.266
<b>CONTINUING OPER.PROFIT OR LOSS BEFORE FINANCIAL INCOME(EXP.)</b>		<b>63.136.134</b>	<b>21.864.847</b>
Financial Income	38	26.892.927	23.076.213
Financial Expenses	39	(2.954.010)	(5.717.741)
<b>CONTINUING OPER.PROFIT OR LOSS BEFORE TAX</b>		<b>87.075.051</b>	<b>39.223.319</b>
Continuing Operations Tax Income / Loss		<b>(11.817.459)</b>	<b>(5.077.116)</b>
-Period Tax Profit / Loss	42	(12.397.884)	(5.123.752)
-Deferred Tax Profit / Loss	42	580.425	46.636
<b>CONTINUING OPER.PERIOD PROFIT OR LOSS</b>		<b>75.257.592</b>	<b>34.146.203</b>
<b>PERIOD PROFIT OR LOSS</b>		<b>75.257.592</b>	<b>34.146.203</b>
Allocation Of Period Profit/Loss		<b>75.257.592</b>	<b>34.146.203</b>
-Non-Controlling Shares		(1.069.028)	-
- Share of Main Partnership		76.326.620	34.146.203
<b>-Earnings per share(loss)</b>			
-- Earnings per share from continuing oper.	43	<b>2,94</b>	<b>1,31</b>
<b>Other Comprehensive Income:</b>			
<b>Items not to be reclassified as profit or loss</b>		<b>(2.425.924)</b>	<b>15.533</b>
--Revaluation gains(loss) in defined benefit plans , Post Tax	41	(2.425.924)	15.533
<b>Items to be reclassified as profit or loss</b>		<b>1.310.978</b>	<b>286.829</b>
Earnings (Losses) on Foreign Currency Translation Differences, After Tax		1.310.978	286.829
<b>OTHER COMPREHENSIVE INCOME (EXPENSE)</b>		<b>(1.114.946)</b>	<b>302.362</b>
<b>TOTAL COMPREHENSIVE INCOME (EXPENSE)</b>		<b>74.142.646</b>	<b>34.448.565</b>
<b>Allocation of Total Comprehensive Income</b>		<b>74.142.646</b>	<b>34.448.565</b>
- Non-Controlling Shares		(727.737)	-
-Share of Main Partnership		74.870.383	34.448.565

Enclosed footnotes are integral parts of these statements.

**VBT YAZILIM A.Ş.**  
**AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF DECEMBER 31, 2022 AND DECEMBER 31,2022**  
(All amounts are expressed in Turkish Lira ("TL"))

	Note Ref.	Paid-in Capital	Repurchased Shares	Issuance of Share Premiums / Discounts	Revaluation measurement gains/losses	Accum. Other compreh. income/(ex pens) to be reclassified in Profit/Loss	Restricted Reserves	Retained Earnings		Equity Attributable to Parent Company	Non-Controlling Shares	EQUITY
					Remeasurement Gains/ Losses Due to Defined Benefit Plan	Foreign Currency Conversion Adjust.		Previous Years Profit/Loss	Profit/Loss for the period			
<b>PREVIOUS PERIOD</b>												
Balance as of January 1,2021	25	20.000.000	-	-	(313.192)	-	1.774.852	6.595.302	15.080.346	43.137.308	-	43.137.308
Transfers		-	-	-	-	-	9.955.039	5.125.307	(15.080.346)	-	-	-
Total comprehen. income (Expense)		-	-	-	15.533	286.829	-	-	34.146.203	34.448.565	-	34.448.565
- Profit/(Loss) of the Period		-	-	-	-	-	-	-	34.146.203	34.146.203	-	34.146.203
-Other Comprehensive Income(Loss)		-	-	-	15.533	286.829	-	-	-	302.362	-	302.362
Capital Increase		6.000.000	-	-	-	-	-	-	-	6.000.000	-	6.000.000
Increase/(Decrease) Due to Stock Buyback Transactions		-	(9.955.039)	-	-	-	-	-	-	(9.955.039)	-	(9.955.039)
Increase(Decrease) Due to Share-Based transactions		-	-	65.190.632	-	-	-	-	-	65.190.632	-	65.190.632
Subsidiary Acquisition or Disposal		-	-	-	-	-	-	561.285	-	561.285	-	561.285
Balance as of December 31,2021	25	26.000.000	(9.955.039)	65.190.632	(297.659)	286.829	11.729.891	12.281.894	34.146.203	139.382.751	-	139.382.751
<b>CURRENT PERIOD</b>												
Balance as of January 01,2022	25	26.000.000	(9.955.039)	65.190.632	(297.659)	286.829	11.729.891	12.281.894	34.146.203	139.382.751	-	139.382.751
Transfers		-	-	-	-	-	2.974.868	31.171.335	(34.146.203)	-	-	-
Total comprehen. income (Expense)		-	-	-	(2.425.924)	969.686	-	-	76.326.620	74.870.382	(727.736)	74.142.646
- Profit/(Loss) of the Period		-	-	-	-	-	-	-	76.326.620	76.326.620	(1.069.028)	75.257.592
- Other Comprehensive Income(Loss)		-	-	-	(2.425.924)	969.686	-	-	-	(1.456.238)	341.292	(1.114.946)
Dividends		-	-	-	-	-	-	(13.000.000)	-	(13.000.000)	-	(13.000.000)
Increase/(Decrease) Due to Stock Buyback Transactions		-	24.066.605	-	-	-	(9.955.039)	9.955.039	-	24.066.605	-	24.066.605
Transactions with Non-Controlling Shareholders		-	-	-	-	-	-	-	-	-	416.259	416.259
Increase/(Decrease) Due to Other Changes		-	-	-	-	-	215.612	(57.166)	-	158.446	-	158.446
Balance as of December 31,2022	25	26.000.000	14.111.566	65.190.632	(2.723.583)	1.256.515	4.965.332	40.351.102	76.326.620	225.478.184	(311.477)	225.166.707

Enclosed footnotes are integral parts of these statements.

**VBT YAZILIM A.Ş.****AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD JANUARY 1, 2022 -DECEMBER 31, 2022  
AND JANUARY 1, 2021-DECEMBER 31, 2021**

(All amounts are expressed in Turkish Lira ("TL"))

	Note Ref.	Current Period January 01,2022 December 31,2022	Previous Period January 01,2021 December 31,2021
<b>A) Cash Flow from Operating Activities</b>		<b>8.010.878</b>	<b>120.373.710</b>
<b>Profit / (Loss) of the Period</b>		<b>75.257.592</b>	<b>34.146.203</b>
Profit/ (Loss) of the period Continued Operations		75.257.592	34.146.203
<b>Adjustments Related to Net Profit/Loss Recoinciliation</b>		<b>2.952.310</b>	<b>4.656.506</b>
<b>Adjustments related to Depreciation and Amortisation Expense</b>	<b>27-28</b>	<b>7.138.390</b>	<b>3.535.224</b>
<b>Adjustments Related to Impairment/Reversal of impairment</b>	<b>10-28-35-36</b>	-	<b>90.658</b>
-Adjustments Related to Impairment of Receivables/Reversal of impairment	10	-	90.658
<b>Adjustments related to Provisions</b>	<b>30</b>	<b>(805.397)</b>	<b>1.473.545</b>
- Adjustments Related to Employee Benefits Provisions(Cancellations)	30	(805.397)	1.473.545
<b>Adjustments for Interest (Income) and Expenses</b>	<b>35-38-39</b>	<b>(3.304.559)</b>	<b>(2.879.280)</b>
- Adjustments for Interest Income	38	(5.696.332)	(4.630.425)
- Adjustments for Interest Expenses	39	2.391.773	1.751.145
<b>Adjustments for Undist. Profits of Invest. Valued by Equity Method</b>	<b>25</b>	<b>(214.248)</b>	<b>(300.266)</b>
- Adjustments for Undistributed Profits of Affiliates	25	(214.248)	(300.266)
<b>Adjustments for Tax (Income) Expense</b>	<b>30</b>	<b>2.564.048</b>	<b>2.721.092</b>
<b>Other Adjustments Regarding Non-Cash Items</b>		<b>(2.425.924)</b>	<b>15.533</b>
<b>Changes in Working Capital</b>		<b>(57.199.024)</b>	<b>81.571.001</b>
<b>Decrease(Increase) in Financial Investments</b>		<b>(294.519)</b>	
<b>Adjustments for Decrease (Increase) in Trade Receivables</b>	<b>6-10</b>	<b>(87.254.824)</b>	<b>(11.594.125)</b>
Decrease (Increase) in Trade Receivables from UnRelated Parties	10	(87.254.824)	(11.594.125)
<b>Adjust. Related to increase/(dec.) in Oth. Receiv.related with oper.</b>	<b>6-13</b>	<b>151.607</b>	<b>(957.658)</b>
- Incr. (Decr.) in Other Receiv. Related to Act. from Related Parties	6	1.558.787	(1.456.069)
- Incr. (Decr.) in Other Receiv. Related to Act. from Unrelated Parties	13	(1.407.180)	498.411
<b>Adjust.Related to incr./ (Dec.) in Assets from Customer Contracts</b>	<b>11</b>	<b>1.871.988</b>	<b>2.932.200</b>
-Incr. (Decr.) in Contractual Assets Arising from Sales of Goods and Services	11	1.871.988	2.932.200
<b>Adjustments for Decrease (Increase) in Inventories</b>	<b>16</b>	<b>11.601.660</b>	<b>(11.982.592)</b>
<b>Decrease (Increase) in Prepaid Expenses</b>	<b>18</b>	<b>(442.482.800)</b>	<b>(20.708.236)</b>
<b>Adjustments for Increase (Decrease) in Trade Payables</b>	<b>6-10</b>	<b>2.257.649</b>	<b>79.624.975</b>
-Decrease (Increase) in Trade Receivables to related Party	6	(2.231.220)	-
- Decrease (Increase) in Trade Receivables to unrelated Party	10	4.488.869	79.624.975
<b>Increase (Decrease) in Debts within the Scope of Employee Benefits</b>	<b>14</b>	<b>3.403.050</b>	<b>538.868</b>
<b>Adjust. for Increase (Decrease) in Liab. Arising from Customer Contracts</b>	<b>11</b>	<b>432.775.328</b>	<b>30.908.840</b>
-Incr. (Decr.) in Contractual Oblig. Arising from Sales of Goods and Services	11	432.775.328	30.908.840
<b>Adjustments for Inc. (Dec.) in Other Liab. Related to Operations</b>	<b>6-13</b>	<b>23.252.550</b>	<b>3.881.536</b>
-Increase (Decrease) in Other Related Party Payables Related to Activities	6	3.756.982	71.095
-Increase (Decrease) in Other Unrelated Party Payables Relat. to Activities	13	19.495.568	3.810.441
<b>Increase (Decrease) in Government Incentives and Grants</b>	<b>19</b>	<b>(44.148)</b>	<b>(44.148)</b>
<b>Adjustments Related to Other Incr. (Decrease) in Oper. Capital</b>	<b>22-23</b>	<b>(2.436.565)</b>	<b>8.971.341</b>
- Decrease (Increase) in Other Assets Related to Operations	22	(41.247)	617.403
-Increase (Decrease) in Other Liabilities Related to Operations	23	(2.395.318)	8.353.938
<b>Cash Flows From Activities</b>		<b>21.010.878</b>	<b>120.373.710</b>
<b>Dividens Paid</b>		<b>(13.000.000)</b>	<b>-</b>

Enclosed footnotes are integral parts of these statements.

**VBT YAZILIM A.Ş.****AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD JANUARY 1, 2022 -DECEMBER 31, 2022  
AND JANUARY 1, 2021-DECEMBER 31, 2021**

(All amounts are expressed in Turkish Lira ("TL"))

	Note Ref.	Current Period January 01,2022 December 31,2022	Previous Period January 01,2021 December 31,2021
<b>B)Cash Flows From Investing Activities</b>		<b>(18.156.685)</b>	<b>(30.425.402)</b>
Cash outflows related to purchases to gain control of subsidiaries		(7.993.982)	(519.628)
Cash Outflows Due to Subsidiaries and/or Joint Ventures Share Purchase or Capital Increase		-	(8.000.000)
Cash Inflows from the Sale of Tangible and Intangible Fixed Assets		472.500	-
-Cash Inflows from the Sale of Tangible Fixed Assets	27	472.500	-
Cash Outflows from the Purchase of Tan. and Intan. Fixed Assets	27-28	(10.635.203)	(21.905.774)
-Cash Outflows from Purchase of Fixed Assets	27	(8.723.742)	(16.974.124)
-Cash Outflows from Purchase of Intangible Fixed Assets	28	(1.911.461)	(4.931.650)
<b>C) Cash Flows From Financing Activities</b>		<b>22.007.007</b>	<b>59.131.716</b>
Cash Inflows from the Issuance of Equity and Other Equity-Based Inst.		-	71.190.632
-Cash Inflows from Share Issuance		-	71.190.632
Cash Inflows from Selling of Own Shares and Other Equity Instruments of the Entity		24.066.605	
Cash Outflows Related to Acquisition of Own Shares and Other Equity Instruments of the Entity		-	(9.955.039)
- Cash Outflows Related to Stock Buyback		-	(9.955.039)
- Cash Inflows from Sale of Repurchased Shares		24.066.605	
Cash Inflows From Borrowing	9	250.000	25.398.039
Cash Inflows from Credits	9	250.000	25.398.039
Cash Outflows Related to Debt Payments	9	(2.352.543)	(29.928.134)
-Cash Outflows Related to Credit Repayments	9	(2.352.543)	(29.928.134)
Cash Outflows Related to Loan Payments Arising from Lease Agreements		(1.332.442)	(435.731)
Interest Paid	39	(2.391.773)	(1.751.145)
Interest Received	38	5.696.332	4.630.425
Other Cash Inflows (Outflows)		(1.929.172)	(17.331)
Net Increase / Decrease in Cash and Cash Equivalents Before Foreign Currency Translation Differences (A+B+C)		11.861.200	149.080.024
<b>D) THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS (A+B+C)</b>			
Net Increase / Decrease in Cash and Equivalents (A + B + C + D)		11.861.200	149.080.024
<b>E- CASH AND CASH EQUIV. AT THE BEGINNING OF THE PERIOD</b>		<b>224.819.836</b>	<b>75.739.812</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A + B + C + D + E)</b>		<b>236.681.036</b>	<b>224.819.836</b>

Enclosed footnotes are integral parts of these statements.

## **VBT YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

#### **NOTE 1 - ORGANIZATION AND SUBJECT OF ACTIVITY**

VBT Yazılım A.Ş. was established on June 24, 1993 under the name of "Vizyon Bilgi İşlem ve Danışmanlık Limited Şirketi ". The company made a change in its title and type with the general assembly decision dated 04.08.2014 and numbered 13292, and its new title was changed to VBT Bilgi Teknolojileri Anonim Şirketi. The relevant amendment was registered and announced in the Turkish Trade Registry Gazette dated 11.08.2014 and numbered 8628. The company later changed its title to VBT Yazılım A.Ş. with the decision taken at the general assembly dated 20.11.2020 and registered and announced it in the Turkish Trade Registry Gazette dated 15.12.2020 and numbered 10224.

The Company is registered with the Istanbul Trade Registry Office under trade registry no. 6120-8.

The company provides services in areas such as business applications, system integrator and business partner, hardware, data backup and storage hardware, project management, software solutions and consultancy.

The head office address of the VBT Yazılım A.Ş. is İçerenköy Mah. Umut St. Quick Tower Sitesi Blok N10-12 Interior door N:57 Ataşehir/ İstanbul.

The Company's branch address information is as follows;

**-Ankara Center Office:** Mahall İş Merkezi B Blok No:127 Çankaya - Ankara, Türkiye

**-Adana Branch Office:** Central Plaza İş Merkezi Hurmalı Mah. Kurtuluş St. No: 39 Flights Up: 8 D.85 Seyhan - Adana,Türkiye

**-İstanbul Branch:** Üsküdar İçerenköy Yolu Bodur İş Merkezi No:8 Flights Up:1 and Flights Up:3 D: 11 İçerenköy/İstanbul

The average number of employees working at the Group as of 31.12.2022 is 324. (as of 31 December 2021: 259)

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Administrative Personnel	31	30
Technical Personnel	205	163
R&D Personnel	88	66
<b>Total</b>	<b>324</b>	<b>259</b>

#### **1.2 Information on the Subsidiaries and Participations of the Company**

##### **a. VBT Akademi Eğitim A.Ş.**

VBT Akademi Eğitim A.Ş. was established on April 17, 2018 under the name of "Cambridge Eğitim Servisleri A.Ş. ". The company made a change in its title and type with the general assembly decision dated 0.12.2019 and numbered 475574, and its new title was changed to VBT Akademi Eğitim A.Ş. The relevant amendment was registered and announced in the Turkish Trade Registry Gazette dated 09.01.2020 and numbered 9990.

The address and the main activity center of the Company is İçerenköy Road. Bodur İş Merkezi No: 8/11 Ataşehir - İstanbul.

VBT Yazılım A.Ş. has 100 % share of VBT Akademi A.Ş.. The mentioned subsidiary has been included in the scope of consolidation as of 31 December 2019 and is consolidated according to the full consolidation method.

Subsidiaries and Participations of VBT Akademi Eğitim A.Ş.

In Liquidation Sothis Yazılım Danışmanlık ve Ticaret Ltd. Şti.

Sothis Yazılım Danışmanlık ve Ticaret Ltd. Şti was established on August 27, 1997 under the name of "Köprü Bilgisayar Ticaret Ltd.". The company made a change in its title dated 14.02.2006 and its new title was changed as Sothis Yazılım Danışmanlık ve Ticaret Ltd.

The address and the main activity center of the Company is İçerenköy Road. Bodur İş Merkezi No: 8/11 Ataşehir - İstanbul.

## **VBT YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

The capital of the company is 50.000 TL and VBT Akademi Eğitim A.Ş. has 100% share of Sothis Yazılım Danışmanlık ve Ticaret Ltd. Şti. As of 31.12.2021, the mentioned subsidiary is consolidated by using the full consolidation method with VBT Akademi Eğitim A.Ş.

In the Ordinary General Assembly Meeting of Sothis Yazılım Danışmanlık ve Ticaret Ltd.Şti, which was included in the full consolidation by the Group, it was decided to liquidate the company at the Ordinary General Assembly Meeting held on 20.09.2021, and this liquidation decision was registered and announced as of 05.10.2021.

## **Stoneity Yazılım A.Ş.**

Stoneity Yazılım A.Ş. was established on April 05, 2021, and the establishment was registered and announced in the Turkish Trade Registry Gazette dated April 05, 2021 and numbered 10302.

The address and the main activity center of the Company is içerenköy Road. Bodur İş Merkezi No: 8/11 Ataşehir – İstanbul.

The capital of the company is 200.000 TL and VBT Akademi Eğitim A.Ş. has 20% share of Stoneity Yazılım A.Ş. The mentioned subsidiary is consolidated by using equity method with VBT Akademi Eğitim A.Ş.

## **b. VBT Europe AG**

The company was established under the name of "VBT Europe AG" and the establishment procedures were completed as of 07.10.2021.

The main activity of the company is to develop software and projects.

The address and the main activity center of the Company is Franklinstrasse 9 8050 Zürich.

The capital of the company is 100.000 CHF and VBT Yazılım A.Ş. has 51% share of Stoneity Yazılım A.Ş. The mentioned subsidiary is consolidated according to the full consolidation method as of December 31,2022.

## **c. VBT Albania Sh.P.K**

c. VBT Albania Sh.P.K

The company was established under the name of "VBT Albania Sh.P.K" and the establishment procedures were completed as of 26.11.2021.

The main field of activity of the Company is IT services.

The address and the main activity center of the Company is Tirane Kashar KASHAR Rruga "Egantia", Zona Kadastrale 2105, Nr pasurie 1249/6, Kashar.

The capital of the company is 6.000.000 LEK and VBT Yazılım A.Ş. has 100% share of VBT Albania Sh.P.K The mentioned subsidiary is newly established and as of 31.12.2021, no capital commitment payment has been made yet.

## **d. VBT Software UK Limited**

The company was established under the name of "VBT Software UK Limited" and the establishment procedures were completed as of 24.9.2021.

The main field of activity of the Company is to develop business and domestic software, to carry out information technology consultancy activities, and to data processing and storage activities.

The address and the main activity center of the Company is 205 Pentax House South Hill Avenue, Harrow, United Kingdom.

The capital of the company is 50.000 GBP(590.955 TL) and VBT Yazılım A.Ş. has 100% share of VBT Software UK Limited. The mentioned subsidiary was included in the scope of consolidation for the first time as of 31.12.2021 and are consolidated according to the full consolidation method with VBT Yazılım A.Ş.

## **VBT YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

#### **e. Phexum Yazılım A.Ş.**

The company was established under the name of "Phexum Yazılım Limited Şirketi". With the General Assembly Decision dated October 4, 2021, the title of the company was changed to Phexum Yazılım A.Ş. The relevant amendment was announced and registered in the Turkish Trade Registry Gazette on 1 December 2021. The company is registered with the Istanbul Trade Registry Office with the registration number 69601-5.

The company is active in developing, buying, selling and giving franchises of all kinds of computer software and technologies, primarily to carry out software activities and to provide consultancy on these software. In addition, it provides services on issues such as collecting order organizations of all products related to its subject, leasing, distributorship and import and export marketing, registered electronic service provider, time stamp, electronic and certificate service provider.

The address and the main activity center of the Company is İçerenköy Road. Bodur İş Merkezi No: 8/11 Ataşehir – İstanbul.

The capital of the company was increased from 10.000 TL to 50.000 TL with the General Assembly Decision dated October 4, 2021 and the relevant change was announced and registered in the Turkish Trade Registry Gazette on December 1, 2021. Phexum Yazılım A.Ş 's capital is divided into 50,000 shares, each worth TL 1, with a total value of TL 50,000.

As of December 31, 2021, VBT Yazılım A.Ş. participates in Phexum Yazılım A.Ş. for an amount of 15.000 TL with 15.000 shares, each of which is 1 TL.

VBT Yazılım A.Ş. has 30% share of Phexum Yazılım A.Ş. and has been consolidated using the equity method.

#### **f. Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş.**

The company was established on February 3, 2009 as "Buz İletişim Hizmetleri Sanayi ve Ticaret Ltd.Şti." With the General Assembly Decision dated 29 November 2019, the title of the company was changed to Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. The relevant amendment was registered in the Turkish Trade Registry Gazette on 30 December 2019. The company is registered with Bursa Trade Registry Office with registry number 80281.

The main field of activity of the company is to carry out engineering research, development, repair, installation, assembly, testing and consultancy activities related to domestic and international telecommunication networks.

The address and the main activity center of the Company is Alaaddin Bey Mah.642 st. No:2/1 Nilüfer Bursa.

The capital of the company was increased from 16.000.000 TL to 20.000.000 TL with the General Assembly Decision dated 16 June 2022 and the related change was registered in the Turkish Trade Registry Gazette on 23 June 2022. The capital of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş is divided into 20.000.000 shares, each of which is worth 1 TL, and its total value is 20.000.000 TL. As of December 31, 2022, VBT Yazılım A.Ş. participates in Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş for an amount of 10.000.000 TL with 10.000.000 shares, each of which is 1 TL.

VBT Yazılım A.Ş. has 50% share of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş and has been consolidated using the equity method as of 31 December 2022.

#### **g. VBT Software DE GMBH**

The company was established on March 10, 2022 as "VBT Software DE GmbH".

The main field of activity of the Company is to develop business and domestic software, to carry out information technology consultancy activities, and to data processing and storage activities.

The address and the main activity center of the Company is Grafenberger Allee 293, 40237 Düsseldorf.

The capital of the company is 100.000 Euro(1.605.230 TL) and VBT Yazılım A.Ş. has 100% share of VBT Software DE GMBH. The mentioned subsidiary was included in the scope of consolidation for the first time as of September 30, 2022 and has been consolidated with VBT Yazılım A.Ş. using the full consolidation method.

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****h. English Guru LLC**

The company was established in the USA on 28.01.2021 under the name of "English Guru LLC". The head office of the company is Woodport RD STE A 336 SPARTA NJ 07871-2611-999. The company operates in the Online Language Sector, registered with the registration number 32-0646571.

The company was established with "0" capital in accordance with the relevant legislation. VBT Yazılım A.Ş. in accordance with the partnership agreement became a 20% shareholder of the Company in return for 100.000 USD. The mentioned subsidiary was included in the scope of consolidation for the first time as of 31.12.2022 and was consolidated using the equity method.

**i. KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.**

The company was established on 26.07.2018 under the name of "KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.". The Company is registered with the Istanbul Trade Registry Office under trade registry no. 149295-5.

The company's main field of activity includes satellite and local telecommunication services, internet service provider services, satellite platform and mobile platform operation, and other services to be authorized by the Information Technologies and Communication Authority. The company also continues its activities as the private integrator of Ödeme ve Elektronik Para Kuruluşu A.Ş., which was granted operating license with the decision of the supervisory board dated April 27, 2016 and numbered 6684.

The address and main activity center of the Company is Rüzgarlıbahçe Mahallesi Cumhuriyet Caddesi N83 Floor:4 Beykoz/Istanbul.

The capital of the Company is 214.286 TL, and VBT Yazılım A.Ş. has become a 30% shareholder in KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş., which has a total capital of 214.286 TL, each of which consists of 214.286 shares with a nominal value of 1 TL, in the current period.

VBT Yazılım A.Ş. has 30% share of KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. and has been consolidated using the equity method.

**1.3 Capital Structure;**

The Company's issued capital structure as of 31 December 2022 and 31 December 2021 is as follows:

Shareholders	December 31, 2022		December 31, 2021	
	Share Ratio %	Share Amount	Share Ratio %	Share Amount
Birol Başaran	46,91%	12.200.000	46,91%	12.200.000
İpek Canan Başaran	7,69%	2.000.000	7,69%	2.000.000
Tayfun Yurdagül	3,08%	800.000	3,08%	800.000
Osman Çaylı	2,31%	600.000	2,31%	600.000
Mümin Sürer	2,31%	600.000	2,31%	600.000
Zahide Koçyiğit	2,31%	600.000	2,31%	600.000
Ünal Kırıkçı	1,54%	400.000	1,54%	400.000
Metin Faruk Tufan	1,54%	400.000	1,54%	400.000
Abdülkadir Aydoğan	1,54%	400.000	1,54%	400.000
Shares Under Public Offerin	30,77%	8.000.000	30,77%	8.000.000
<b>Paid in Capital</b>	<b>100%</b>	<b>26.000.000</b>	<b>100%</b>	<b>26.000.000</b>



## **VB T YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

#### **NOTE 2-GUIDELINES ON SUBMISSION OF FINANCIAL STATEMENTS**

##### **2.1. Basic Guidelines on Submission of Financial Statements and Declaration of Conformity to the Turkish Accounting Standard**

The Company keeps and prepares its statutory books and financial statements in accordance with the Turkish Trade Law and Uniform Account Plan and principles issued by Ministry of Finance of Turkey.

The accompanying financial statements are prepared in accordance with the Taxonomy of TAS in 2016 and the provision "Notice on Guidelines for Financial Reporting In Capital Market" ("Notice"), Seri II, No.14.1 of the Capital Market Board ("CMB") as published in the copy dated 13.06.2013 and numbered 28676 of the Official Gazette and based on the Turkish Accounting Standards / Turkish Financial Reporting Standards ("TAS"/IFRS), which are put into force by the Public Oversight Accounting and Auditing Standards Authority ("POA") pursuant to article 5 of the Notice, and its relevant appendices and comments.

The financial statements and notes of the Group are presented in accordance with the formats announced by the CMB with the announcement dated June 7, 2013 and by including the required information.

The financial statements of the Group are presented in accordance with the TAS taxonomy published by the POA with the decision number 30 on June 2, 2016 and subsequently announced to the public on April 15, 2019 together with the changes in IFRS-15 Revenue from Customer Contracts and IFRS-16 Leasing standards.

The Group's financial statements prepared in accordance with the TAS/IFRS accepted by the Public Oversight Agency were approved by the Board of Directors on March 7, 2023. The General Assembly has the power to change the financial statements after the publication.

##### **Reporting Currency**

The financial statements of the Group are presented in the currency (functional currency) that is valid in the basic economic environment in which its. The financial position of the Group and the results of its operations are expressed in TL, which is the functional currency of the Group and the presentation currency for the financial statements.

##### **Adjustment of Financial Statements in High Inflation Periods**

According to TAS 29 Financial Reporting Standard in Hyperinflationary Economies, enterprises whose functional currency is the currency of a hyperinflationary economy report their consolidated financial statements according to the purchasing power of money at the end of the reporting period. TAS 29 identifies features that may indicate an economy is a hyperinflationary economy, and it is recommended that businesses start implementing the Standard at the same time. In the statement made by the Public Oversight Accounting and Standards Authority (KGK) on January 20, 2022, it was stated that there is no need for enterprises to make any adjustments in their consolidated financial statements for 2022 within the scope of TAS 29. However, in the consolidated financial statements for the accounting period ending on 31 December 2022, no explanation has been made whether or not to make adjustments to the financial statements within the scope of TAS 29. In this context, since there is no consensus on the implementation of inflation accounting across the country and the POA is expected to postpone the application of TAS 29, no inflation adjustment was made according to TAS 29 while preparing the consolidated financial statements as of December 31, 2022, in order to ensure comparability.

##### **Comparative Information**

In order to make financial condition and performance trends eligible to determine, the financial statements of the company are prepared comparatively with the previous period. Comparative information are reclassified, if deemed necessary, in order to ensure compliance with the presentation of financial statements of current period.

##### **Transactions in Foreign Currency**

The Group considers the relevant exchange rates valid at the transaction date, while it converts any transactions conducted in foreign currency, and their balances to Turkish Lira. Monetary assets and liabilities in foreign currency are assessed in exchange rate announced by the Turkish Central Bank at the balance sheet date. Any exchange difference incomes and expenses arisen from conversion of any transactions in foreign currency to Turkish Lira or expression of monetary items are reflected to the income/ (expense) statement in the respective period.

##### **Offsetting – Deduction**

The financial assets and liabilities are shown as net values, where any necessary legal rights are available, and it is intended to assess such assets and liabilities as net values, or the assets and liabilities are obtained and fulfilled simultaneously.

##### **Assumption on Going Concern**

The financial statements are prepared on the going concern basis by assuming that the Group shall get benefit from assets and perform its obligations within next year and in the ordinary course of its business activities.

## **VB T YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

#### **2.2. Changes in Accounting Policies**

Accounting policy changes resulting from the first application of a new standard are applied retrospectively or prospectively in accordance with the transition provisions, if any. Changes without any transition requirement, optional significant changes in accounting policies or detected accounting errors are applied retrospectively and the financial statements of the previous period are restated. The accounting policies applied in the comparative financial statements of the Group are the same.

In order to comply with the presentation of the current period condensed consolidated financial statements, comparative information is reclassified when necessary and significant differences are disclosed.

#### **2.3. Changes and Errors in Accounting Estimates**

Accounting estimates are based on reliable information and reasonable estimation methods. However, estimates are revised in case of changes in circumstances of estimation, obtaining new information or additional developments. If the impact of the change in accounting estimate is related to only one period, it is reflected in the financial statements in the current period in which the change is made, if it is related to the future periods, it is reflected prospectively in the financial statements both in the period in which the change is made in consideration of determining the period profit or loss.

Detected significant accounting errors are applied retrospectively and previous period financial statements are restated. An error is corrected by restating the comparative amounts for prior periods when it occurs, or by restating the retained earnings account for the period in question prior to the next reporting period. If the reorganization of the information causes an excessive cost, the comparative information of the previous periods is not reorganised and the accumulated profit account of the following period is rearranged by the cumulative effect of the error before the beginning of the period in question.

#### **2.4. Summary of Significant Accounting Policies**

##### **2.4.1 Consolidation principles**

Consolidated financial statements include the financial statements of VBT Yazılım A.Ş. (Company) and the financial statements of the said Company's subsidiaries. During the preparation of the financial statements of the companies included in the scope of consolidation, necessary adjustments and reclassifications have been made in order to comply with the TAS / TFRS and the accounting policies and presentation formats applied by the Group.

The principles for preparing consolidated financial statements is as follows;

- The consolidated financial statements include the financial statements of the Company and its subsidiaries.
- Subsidiaries represent the entities in which the parent company has more than 50% of the shares, voting rights or the majority of the management or the right to elect the majority of the management through capital and management relations, either directly or through other subsidiaries or participations. The controlling power is defined as the parent company's power to manage the financial and operating policies of its subsidiaries and to provide benefits from the activities.
- Subsidiaries are included in the scope of consolidation as of the date control over their activities is transferred to the Group, and will be excluded from consolidation at the date when control is abolished. Accounting policies applied by the subsidiaries have been aligned with the accounting policies applied by the Group in order to ensure consistency.
- The financial statements of the subsidiaries are consolidated using the full consolidated method. In this context, the carrying value of the subsidiaries and the shareholders' equity is netted off, the carrying amount of the shares held by the Company and the dividends arising from them are netted from related equity and income statement accounts.
- The receivables and payables of each of the subsidiaries within the scope of consolidation and the sales of goods and services to each other and the revenue and expense items arising from transactions with each other are mutually offset.
- Amounts corresponding to minority interests excluding the interests of parent company and subsidiaries are deducted from all equity accounts group items, including the paid-in capital/issued capital, of the subsidiaries within the scope of consolidation, and shown under the name "Non-controlling interests" in the equity account group of financial statement.

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
(All amounts are expressed in Turkish Lira ("TL"))**Subsidiaries and Participations**

The partnership ratios of subsidiaries and participations are as follows:

December 31, 2022					
	Equity of Subs.	Subsidiary Rate (%)	Total Voting rights (%)	Number of Subsidiary Shares	Amount of Subs.
<b>VBT Akademi Eğitim A.Ş.(*)</b>	50.000 TL	100%	100%	50.000	50.000 TL
<b>VBT Europe AG</b>	100.000 CHF	51%	51%	51.000	51.000 CHF
<b>VBT Albania Sh.P.K</b>	6.000.000 LEK	100%	100%	6.000.000	6.000.000 LEK
<b>VBT Software UK Limited</b>	50.000 GBP	100%	100%	100	50.000 GBP
	Equity of Particip.	Particip. Rate (%)	Total Voting rights (%)	Number of Participation Shares	Amount of Particip.
<b>Phexum Yazılım A.Ş.</b>	50.000 TL	30%	30%	15.000	15.000 TL
<b>Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş</b>	20.000.000 TL	50%	50%	10.000.000	10.000.000 TL
<b>VBT Software DE GmbH</b>	100.000 EURO	100%	100%	100.000	100.000 EURO
<b>English Guru LLC</b>	-	20%	20%	20.000	20.000 USD
<b>KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.(**)</b>	214.286 TL	%30	%30	64.285	64.285

December 31, 2021					
	Equity of Subs.	Subsidiary Rate (%)	Total Voting rights (%)	Number of Subsidiary Shares	Amount of Subs.
<b>VBT Akademi Eğitim A.Ş.(*)</b>	50.000 TL	100%	100%	50.000	50.000 TL
<b>VBT Europe AG</b>	100.000 CHF	51%	51%	51.000	51.000 CHF
<b>VBT Albania Sh.P.K</b>	6.000.000 LEK	100%	100%	6.000.000	6.000.000 LEK
<b>VBT Software UK Limited</b>	50.000 GBP	100%	100%	100	50.000 GBP
	Equity of Particip.	Particip. Rate (%)	Total Voting rights (%)	Number of Participation Shares	Amount of Particip.
<b>Phexum Yazılım A.Ş.</b>	50.000 TL	30%	30%	15.000	15.000 TL
<b>Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş</b>	16.000.000 TL	50%	50%	8.000.000	8.000.000 TL

VBT Yazılım A.Ş. has 100% (31 December 2021-100%) share of VBT Akademi Eğitim A.Ş. The mentioned subsidiary was included in the scope of consolidation for the first time as of 31 December 2019 and was consolidated according to the full consolidation method.

(\*)Subsidiaries and Participations of VBT Akademi Eğitim A.Ş.

The capital of the company is 50.000 TL and VBT Akademi Eğitim A.Ş. has 100% share of Sothis Yazılım Danışmanlık ve Ticaret Ltd. Şti. As of 31.12.2021, the mentioned subsidiary is consolidated by using the full consolidation method with VBT Akademi Eğitim A.Ş.

The capital of the company is 200.000 TL and VBT Akademi Eğitim A.Ş. has 20% share of Stoneity Yazılım A.Ş. The mentioned subsidiary is consolidated by using equity method with VBT Akademi Eğitim A.Ş.

VBT Yazılım A.Ş. has 51% share of VBT Europe AG. As of 31.12.2022, the mentioned subsidiary has not been included in the consolidation since it has not yet produced cash, and has been shown in the "Investments in Affiliates, Joint Ventures and Subsidiaries" item in the statement of financial position with its cost value.

VBT Yazılım A.Ş. has 100% share of VBT Albania Sh.P.K. The mentioned subsidiary is newly established and as of 31.12.2021, no capital commitment payment has been made yet.

VBT Yazılım A.Ş. has 100% share of VBT Software UK Limited. The said subsidiary was consolidated according to the full consolidation method.

VBT Yazılım A.Ş. has 30% share of Phexum Yazılım A.Ş. The said subsidiary was consolidated according to the equity method.

VBT Yazılım A.Ş. has 50% share of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. The mentioned subsidiary is consolidated by using equity method.

## **VB T YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

VB T Yazılım A.Ş. has 100% share of VB T Software DE GmbH. The said subsidiary was consolidated according to the full consolidation method.

VB T Yazılım A.Ş. has 20% share of English Guru LLC. The mentioned subsidiary is consolidated by using equity method.

(\*\*) KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.'s capital is 214.285 TL, and VB T Yazılım A.Ş. participates in 30% of the company with 64.285 TL. The amount paid (300.000 USD) for the acquisition of participation in KPAY A.Ş. is 5.527.677 TL.

#### **2.4.2 Cash and Cash Equivalents**

Cash states cash and drawing accounts in the enterprise. Cash equivalents state any assets held for any short-term cash obligations and not used for investment or other purposes. It is essential that its value may be converted certainly to a cash value and the risk to change its value is negligible for any asset to be accepted as a cash equivalent.

Cash and cash equivalents are integral part of the cash management of the enterprise. Any financial instruments to be included in the scope of cash equivalents consist of cheques (current type), liquid funds, short-term bonds and drafts, receivables from reverse-repo transactions, deposit accounts with a term shorter than 3 months (any deposit account longer than 3 months is shown among financial investments), and government bonds and treasury bonds with remaining due date shorter than 3 months on acquisition date, or any other liquid debt instruments, and any receivables from money market.

Cash and cash equivalents in the financial statements of the Group as cash in hand as of the balance sheet date and the demand deposits are reported.

#### **2.4.3. Financial Instruments:**

TAS 32 Financial Instruments: of the financial assets defined in the Submission Standard and TAS 39 (in TFRS 9 for early appliers), any financial assets held for investment purpose, and cash and cash equivalents, any receivables from activities in the finance sector, trade and other receivables, and ones remaining out of investments assessed by the equity method are shown in this item.

Any financial assets classified in the "current assets includes ones held for purposes of evaluating any inactive funds, obtaining direct interests, dividend incomes, trading profits, etc., or protecting against any damage other than performing any obligations.

Of the financial asserts, any ones with remaining due dates shorter than 12 months since the reporting day, and although their due date is longer, ones intended to be sold within 12 months are shown in the item "Financial Investments." Any ones with remaining due date longer than 12 months and any ones intended to be held for a period longer than 12 months are shown in the item "Financial Investments" in the non-current assets.

#### **2.4.4. Derivative Financial Instruments**

Any derivative financial instruments, which are appropriate the definition "financial asset or financial obligation" in TAS 32, are calculated in accordance with the provisions of the TAS 39 (TFRS 9), and submitted furthermore in the financial statement.

The Group does not have any derivative instruments as of the balance sheet date.

#### **2.4.5. Receivables from Financial Sector Activities**

Any receivables other than cash and cash equivalents and resulted from the financial sector are shown here.

As of the balance sheet date, the Group does not have any receivables from finance sector activities.

#### **2.4.6. Trade Receivables / Related Parties**

They are receivables from customers taken to the financial statements for all or part of a revenue.

In accordance with TFRS 15 Revenue from Customer Contracts, commercial receivables arise when the entity's unconditional right to charge the customer is expected to be collected. The right to receive the price is unconditional, but only if the collection of the price depends on a term.

Therefore, in order for a receivable to be a commercial receivable, the invoice must be issued or in a similar manner to be agreed in a binding manner with the customer. In cases where the enterprise has performed its performance by transferring its goods or services to the customer before the right to receive the price unconditionally, no commercial receivable will arise, the related asset is shown in the "Contractual Assets" item. The part of trade receivables from related parties is shown in a separate sub-item. Deposits and guarantees given are shown in other receivables, not under this item.

## **VBT YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

If any, late interests, interests, etc. of the trade receivables are shown not in the provisions for revenue, but in the provisions for interest incomes, exchange differences, etc. in the financial statements, and these amounts are also shown in the trade receivables and the relevant statements are made in the footnotes. Such interest incomes, exchange differences, etc. are also shown in the other real operating income in Profit or Loss and Other Comprehensive Income Statement.

Even if the time elapsed for foreclosure of the trade receivables is longer than 12 months, it is essential that such receivables must be classified in the current assets in the regular course of business of the enterprise.

#### **Related Parties**

The Group's related parties include entities that can directly or indirectly control or significantly affect the counterparty through shareholder, contractual right, family relationship or similar means. In the accompanying financial statements, the shareholders of the Group and the companies owned by such shareholders, their key management personnel and other companies known to be related are identified as related parties.

#### **2.4.7 Contract Assets**

It is used in tracking assets defined as contract assets in TFRS 15. According to TFRS 15, contract assets are the right of the enterprise to receive the price that is subject to another condition (for example, the future performance of the enterprise), except for the expiration of time, in return for the goods or services transferred to the customer. The total amount of contract assets is shown separately in the statement of financial position.

#### **2.4.8 Other Receivables**

Receivables excluding trade receivables and financial investments. Deposits and guarantees given, other receivables from related parties, receivables from public administrations other than assets related to current period tax and other various receivables can be shown as examples. The part of these receivables from related parties is shown in a separate sub-item in accordance with the sample format.

#### **2.4.9. Inventories**

It is an item, in which any assets that are available as substances and materials held to sell, manufactured to sell, and to be used during manufacturing process or service delivery in the regular course of business of the enterprise, are shown. The advances given for purchase orders have not a nature of inventories, and are shown in the "Prepaid Expenses," until the inventory accounting is conducted.

#### **2.4.10. Alive Assets**

If the current assets included in the TAS 41, and any agricultural products collected during harvest relate to the agricultural activities, they are shown in this item. This item is used by the enterprises, which deal with agricultural activities only.

The Group does not have any biological assets as of the date of financial statement.

#### **2.4.11. Prepaid Expenses**

All amounts paid usually to the suppliers and to be transferred to the expense and cost accounts in a subsequent period (or period) are shown in this item. If the item is negligible, such amounts are submitted in the other current/non-current assets.

#### **2.4.12. Assets Related To the Current Period**

Pursuant to the Income Tax Standard TAS 12, any assets such as various taxes and funds related to the current period tax payable over revenue prepaid and possibly subject to discount are shown in this item.

#### **2.4.13. Other Current/Non-Current Assets**

The current/non-current assets such as transferred VAT, VAT discount, other VAT, counting and acceptance points are shown in this item.

#### **2.4.14. Non-current Assets Classified For Sales Purpose**

Pursuant to the Standard on Non-Current Assets and Discounted Operations TFRS 5, any non-current assets classified for sales purpose, because their book value shall be recovered by means of the sales procedure rather than use, and all assets to be sold are shown in this item.

Furthermore, pursuant to the TFRS 5, any non-current assets classified for purpose of distributing them to the shareholders and all other assets to be sold are also shown in this item since it is committed to distribute them to the shareholders. In this case, this item is called so as to state these assets.

The Group does not have any non-current assets classified as held for sale as of the date of financial statement.

## **VB T YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

#### **2.4.15. Investments Assessed By Equity Method**

Pursuant to the Standard on Investments in Subsidiaries and Business Associates TAS 28, any subsidiaries and business associates assessed by equity method are shown in this item.

The Group has no affiliates and business associates assessed by equity method as of the financial statement period.

#### **2.4.16. Investment Property**

Pursuant to the Investment Property Standard TAS 40, any real properties (lands, buildings part of a building) acquired (by their landlord or tenant according to the financial leasing agreements for purposes of obtaining a rental income or capital gains income or both of them) are shown in this item. If the real property is subject to the financial leasing, the details specified in three Standards on Leasing Operations TAS 17 are added.

If it is included in the definition of investment property and the tenant uses the fair value method, it is possible that a right for a real property held by the tenant under the operating lease is shown as an investment property in this item.

The Group does not have any investment property.

#### **2.4.17. Tangible and Intangible Fixed Assets**

##### **Tangible Assets:**

Tangible assets are stated at cost value by deducting accumulated depreciation and accrued depreciation, if any.

The cost value, purchase price, import duties and non-refundable purchase taxes of the tangible assets are the costs incurred to make the tangible asset ready for use. Maintenance and repair costs are recognized in profit or loss in the period in which they are incurred.

Depreciation of tangible fixed assets is determined by using the straight-line method based on the useful lives of the assets. The expected useful life is reviewed annually for the possible effects of the changes in the depreciation method and the estimates and is accounted for prospectively if there is a change in the estimates.

The estimated useful lives of tangible assets are as follows:

	<b><u>Useful Life</u></b>
- Buildings	50 Years
-Vehicles	4-5 Years
- Plant, Machinery and Equipment	5 Year
-Furniture and fixtures	3-4-5-10-15 Years
-Special Cost	5 Years

When a tangible asset is sold, or if no future economic benefits are expected from its use or sale, it is excluded from the statement of financial position. The gain or loss arising on the sale or retirement of a tangible asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

The advances given for the purchases of tangible assets are shown under "Prepaid Expenses" item rather than this item until the relevant asset is capitalized.

##### **-Right of Use Assets**

According to TFRS 16 Leases, the lessee is required to present right-of-use assets separately from other assets in the statement of financial position or in the notes. Businesses that prefer to show their right of use assets separately in the statement of financial position show these assets in this item.

##### **-Intangible Assets:**

###### **a.Intangible assets acquired**

Intangible assets are stated at cost value by deducting accumulated amortization and depletion expenses and depreciations.

Expected useful life, residual value and depreciation method are reviewed every year for the possible effects of the changes in the estimations and they are accounted for prospectively if there is a change in the estimates.

## **VB T YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

#### **b. Internally generated intangible assets-research and development expenses**

i) Research activities expenses are recognized in profit or loss in the period in which they are incurred.

ii) Expenses within the scope of development activities:

- Capitalized Development Costs

Intangible assets that are created internally as a result of the development of a project that is ordered or initiated with a new idea in the company are capitalized and registered only when all the following conditions are met:

- It is technically possible to complete the intangible asset to be ready for use or ready for sale,
- The intention to complete, use or sell the intangible asset,
- The intangible asset can be used or sold,
- It is known that the asset has a kind of possible economic benefit for the future.
- Having appropriate technical, financial and other resources to

complete the development of the intangible asset, use or sell the asset in question, and

- The cost of developing the asset can be measured reliably during the development process.

During the period, the Group management re-examined the existence of possible economic benefits of internally generated intangible assets created internally. The Group management believes that the projects will continue as expected and anticipates that the projects will create economic benefits upon analysis. The management is sure that even if the economic benefit decreases, it is possible to recover the registered values of the assets. This situation is closely monitored by the Group management and management will make adjustments in cases where future market activities require adjustment.

-Special software project expenses:

Special software project expenses, which are specially developed for the customer and cannot be sold to another customer, are recorded as expenses depending on the realization of the revenue as of the date of completion. In special software projects that extend to more than one period; Project expenses, which are determined by matching the revenue amount accrued in connection with the invoice issued within the scope of partial deliveries and the expenses corresponding to the completed part of the project, are recorded as expense in the period of partial delivery. Development expenses related to such special software projects are not capitalized.

The amount of intangible assets created internally is the total amount of expenses incurred from the moment the intangible asset meets the above-mentioned accounting conditions. When intangible assets created internally cannot meet the conditions stated above, development expenditures are recorded as an expense in the period they occur.

After initial recognition, internally created intangible assets are shown over the amount after the accumulated amortization and accumulated impairment losses are deducted from their cost values, just like intangible fixed assets purchased separately.

#### **c. Derecognition of intangible assets**

An intangible asset is derecognised when the intangible asset is sold or if no future economic benefit is expected from its use or sale. Any gain or loss arising from the sale of an intangible asset is calculated as the difference between the net proceeds from sale of assets and the book values, if any. This difference is recognized in profit or loss when the related asset is excluded from the balance sheet.

The company's intangible assets item; It includes the acquired rights and computer programs as well as development costs and other identifiable rights related to computer software and programs created within the enterprise. Development costs consist of the wages of the personnel directly involved in the creation of the asset and the costs directly attributable to the creation of the intangible asset. Government incentives associated with development costs are recorded in parallel to the redemption period of intangible assets.

The rates determined by taking into account the useful lives of Intangible Fixed Assets are as follows:

	<b><u>Useful Life</u></b>
-Licenses	5 Years
-Capitalized Development Costs	7-12 Years

## **VB T YAZILIM A.Ş.**

### **FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022 (All amounts are expressed in Turkish Lira ("TL"))**

#### **2.4.18. Deferred Tax Assets**

The deferred tax assets include any amounts to be recovered in next periods for any taxes collected upon revenue due to any deductible temporary differences, and any non-used financial losses transferred to next periods, and any non-used tax advantages transferred to next periods.

The item "Deferred tax assets" is not used for any (permanent) amounts, which are not impossible to deduct under the tax legislation.

#### **2.4.19. Short-Term / Long-Term Obligations**

The obligations include ones, which shall cause exit of any assets that arise from any events occurred in the past, and if they are paid/executed, shall contain a financial benefit from the enterprise. This definition states basic characteristics of the obligations, and identifies the basic criteria that such obligations must meet to take place in the Financial Statement. Therefore, since the obligation definition meets any criteria to show in financial statements, it also contains any obligations not specified in the Financial Statement.

Pursuant to paragraphs 69-76 of the TAS 1, any obligations having any one of the following characteristics are classified as short-term obligations:

- (a) It is expected that they shall be paid in the regular course of business;
- (b) They are held primarily for commercial purposes;
- (c) They shall be paid within two months following the reporting period (balance sheet date); or
- (d) The enterprise has no unconditional right to defer payment of its obligations for a period of at least two months following the end of the reporting period (balance sheet date). The provisions that the obligation shall be paid by issuing an equity instrument at the counter party's never restrict such obligation.

Entity/establishment classifies all the other liabilities as being long-term.

#### **2.4.20. Borrowings**

Of the financial obligations defined in the TAS 32, any borrowings from financial markets such as amortized bank loans, issued bonds, bills and debentures, which have a nature of borrowing, and in other words, which are calculated by the efficient interest method after first accounting, and capital instalments and interests of their long-term type, debts from financial leasing transactions, etc.

Of the financial borrowings, ones, which have the characteristics listed above for short-term obligations, are classified as short-term obligations, and others are classified as long-term obligations.

Pursuant to the Standards on Financial Instruments and Details TFRS 7, any relevant details are given in footnotes.

#### Leasing Transactions

The leasing transaction, in which the lessee assumes a great portion of risks and acquisitions related the ownership, is classified as financial leasing. Other leases are classified as operating leases.

#### Leasing- leasing company

Rental income from operating leases is recognized on a straight-line basis over the period of the relevant lease. Direct initial costs incurred in the realization of the lease and negotiation are included in the cost of the leased asset and amortized on a straight-line basis over the lease term.

#### Leasing- company as leaseholder

Assets acquired through financial leasing are capitalized using the fair value of the asset on the date of lease, or capitalized using the lower of the present value of the minimum lease payments. The liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are allocated as the finance expense and the principal payment that provides for the decrease in the finance lease obligation and thus the interest rate on the remaining principal amount of the debt at a fixed rate is calculated. Financial expenses are recorded in the profit or loss statement except the capitalized portion of the financial expenses in the scope of the general borrowing policy detailed above. Contingent rents are recognized as an expense in the period in which they are incurred.

Payments made for operating leases (incentives received or to be received in order to be able to perform leasing from the lessor are recorded in the profit or loss statement on a straight-line basis over the period of the lease) are recognized in the statement of profit or loss on a straight-line basis over the period of the lease. Contingent rents under operating leases are recognized as an expense in the period in which they are incurred.



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#### Sales and lease back transactions

A sale and leaseback transaction involve the sale of an asset and the leaseback of the same asset. Lease payments and the sale price are usually interdependent, as they are negotiated as a whole. The accounting method of a sale and leaseback depends on the type of leasing transaction involved. In the event that a sale and leaseback result in a financial lease, the portion of the sales revenue above the carrying amount is not recognized as immediate income by the seller-lessor. Instead, the said income is deferred and amortized over the term of the lease. If the leaseback is a financial leasing, the transaction is a tool that the lessor provides financing to the lessee, provided that the leased asset is the guarantee of the transaction. Therefore, it is not right that sales revenues exceeding the carrying amount of the related asset are considered as income. Such excess amounts are deferred and amortized over the lease term.

#### **2.4.21. Short-Term Parts of Long-Term Obligations**

This item shows short-term parts of the long-term obligations. If short-term parts of the long-term obligations are negligible, they are shown together with "Short-Term Obligations" under the item "Financial Obligations."

#### **2.4.22. Other Financial Obligations**

Of the financial obligations defined in the TAS 32, any obligations, which have not a nature borrowing, and in other words, which arise from the derivative financial instruments not measured from the amortized costs calculated by the efficient interest method after first accounting, and any financial obligations such as financial warranty agreements are shown in this item.

#### **2.4.23. Obligations from Financial Sector Activities**

Any obligations arisen from such activities of any corporations, which enter into consolidation and operate in the financial sector, are shown in this item. In the footnote, details are given a sector basis. Their examples include any obligations from banking activities (deposit accounts, participation accounts, etc.), obligations from insurance activities (obligations from insurances and reassurance activities, deposits, obligation from retirement activities, etc.), obligations from financial leasing activities, etc.

The Group has no Obligations from Financial Sector Activities as of the financial statement period.

#### **2.4.24. Trade Payables**

They are obligations owed to third parties in capacity of suppliers.

It is essential that its invoice must be issued or similarly the supplier (customer) and parties agree upon stringently for a debt (receivable) to become a trade debt (receivable) pursuant to paragraph 11 of the Standard TAS 37 Provisions, Contingent Obligations and Contingent Assets. Any debts (receivables), which meet the criteria to include them to the financial statements as of the reporting date, but not agreed upon so yet, are classified as accruals. However, such accruals are shown in the items "Trade Receivables" and "Trade Debts" in the Financial Statements to ensure compliance to any practices in our company.

The received deposits and guarantees are not expressed under this item but under other payables.

If any, late interests, interests, etc. of the trade receivables are shown not in the provisions for revenue, but in the provisions for interest incomes, exchange differences, etc. in the financial statements, and these amounts are also shown in the trade receivables and the relevant statements are made in the footnotes. Such interest incomes, exchange differences, etc. are also shown in the other real operating income in Profit or Loss and Other Comprehensive Income Statement.

Even if the time elapsed for foreclosure of the trade receivables is longer than 12 months, it is essential that such receivables must be classified in the current assets in the regular course of business of the enterprise.

#### **2.4.25 Obligations for Employee Benefits**

Any amounts such as pays, salaries, social security contributions, etc. borrowed due to benefits provided to the employees within the respective period are shown in this item. It may also be called alternatively as "Pay Accruals of Employees," etc., provided that it shows its contents. If the item is negligible, such amount is shown in the item "Trade Payables."

#### **2.4.26. Other Payables**

They include any obligations, which keep out of the trade payables and arise from any financial activities. Their examples include obligations owed to the related parties, who have not capacity of suppliers or customers, deposits and guarantees received, obligations from public authorities and other miscellaneous obligations.

Any borrowings made from financial instruments for purpose of obtaining finance from the related parties are shown not in this item, but in the short-term or long-term borrowings by their term. If such amounts are negligible, further items are opened for these amounts.

#### **2.4.27 Contractual Obligations**

It is used in monitoring the obligations defined as contractual obligations in TFRS 15. According to TFRS 15, the contractual obligation is the obligation of the enterprise to transfer the goods or services to the customer in return for the amount collected (or entitled to collection) from the customer.

A contractual obligation arises if the customer pays the compensation or the entity has the unconditional right (ie a receivable) before a good or service is transferred to the customer. The total amount of contract liabilities is shown separately in the statement of financial position.

#### **2.4.28. Government Incentives and Grants**

Pursuant to the TAS 20, if any alternative option is selected for submission of incentives related to assets, any amounts shown as deferred revenue are shown in this item.

#### **2.4.29. Deferred Incomes (Excluding Contractual Obligations)**

They are any obligations related to incomes, which are collected completely or partially from customers and other persons or accrued as receivables in that period under the sales agreements and for other reasons, but belong to next periods. If the deferred incomes are negligible, such amount is shown in the other short-term / long-term obligations.

#### **2.4.30. Period Profit Tax Obligation**

Part of any taxes collected on any incomes under the TAS 12 as expected to pay to the tax office is shown in this item. Any prepaid taxes of the period profit are deducted from such amount and shown in the item "Assets for the Current Period Taxes."

##### Tax calculated on basis of the company's earnings

Any tax obligation on profits or losses for the period includes the current period tax and deferred tax.

##### Current period tax

The current period tax obligation includes any tax obligation entries calculated on part of the taxable profit at tax rates, which are valid and legitimated as of the financial statement date, under the current tax legislation.

##### Deferred tax

The deferred tax is calculated upon any temporary differences between values of the assets and liabilities entered in the financial statement. Tax values of the assets and liabilities state any amounts to affect tax assessment of such assets and liabilities in next periods under the tax legislation. The deferred tax is calculated on tax rates as expected to apply in the period, when tax asset shall realize or the obligation shall be executed by considering tax rates that are current of become into force as of the financial statement date.

The deferred tax asset or obligation shall be reflected to the financial statements at increase and reduction rates as estimated to be done on any tax amounts payable in any periods, when such temporary differences shall be eliminated. The deferred tax asset is added to the financial statements, provided that any deductible temporary differences are most likely to be utilized to obtain a taxable profit in the future, while the deferred tax obligation is calculated for all taxable temporary differences. The registered value of the deferred tax asset is reduced to the extent that it is not possible to obtain a financial profit to enable to provide part or all of the deferred tax asset.

Deferred tax assets and deferred tax liabilities are mutually deducted from each other, provided that they are subject to the tax legislation of the same country and there is a legally enforceable right to offset current tax assets from current tax liabilities.

##### Period current and deferred tax

Current tax and deferred tax for the period, other than those associated with items that are directly accounted as receivable or debt in equity (in which case the deferred tax related to the relevant items is also accounted directly in equity) or arising from the initial registration of business combinations, are accounted as expense or income in the income statement.

#### **2.4.31. Provisions**

Provisions include obligations with indefinite time and amount and are calculated according to most realistic estimate made by the company's management. Provisions for the employee benefits under the Employee Benefit Standard TAS 19 include any provisions for financial sector activities, and other provisions showing any provisions allocated under the TAS 37 such as possible compensation, penalties and damages, reconstruction provisions, provisions allocated for financially disadvantageous agreements, etc.

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#### Employee Benefits

The accrued liabilities (or provisions) needed to be shown in the financial statements under the UMS 19 "Employee benefits" are given in this item.

In case of severance pay, pension or dismiss, they are paid in accordance with the legislation in force in Turkey and the provisions of the collective labour agreement. Pursuant to the updated Employee Benefit Standard UMS 19 ("UMS 19"), such payments are defined as the identified pension benefit plans.

Under the legislation in force in Turkey, it is compulsory that a severance pay must be paid to employees, who complete their annual tenure of office and are dismissed without any reasonable reason, and are called for military service, deceased, and complete a tenure of office of 25 years for men or of 20 years for women, or get to the pension age. The severance pays are calculated upon a gross salary of 30 days per office year. The calculation involves real discount rates and the current values of the severance pay payable in the future as of the balance sheet date.

Any amendments made in the TAS 19 change the identified benefit plans and severance pat accounting. Most important amendment involves accounting of the identified benefit obligations and plan assets. If any amendments are made in realistic values of the identified benefit obligations and plan assets, such amendments must be entered and thus this eliminates the "corridor method" allowed in the previous version of the TAS 19, and facilitates entry of the past service costs.

Such amendments require calculating all actual losses and incomes immediately as other comprehensive incomes to show actual value of plan gap or surplus of the net pension asset or liability in the financial statement. Additionally, a 'net interest' amount calculated as a result of the discount rate applied to the identified net benefit liability or asset is used instead of any interest expenses for any estimated returns obtained the plan assets described in the previous version of the TAS 19. The amendments made in the TAS 19 are applied retrospectively.

According to the Group Personnel, actuarial profit / loss in the defined benefit plans is calculated and are presented in the financial statements.

#### Pension plans

The Group has no pension benefit plants.

#### **2.4.32. Liabilities regarding Current Period Tax**

Within the scope of TAS 12, the part of the taxes collected on income and expected to be paid to the tax administration in the periods following the subsequent period are presented under this item.

#### **2.4.33. Deferred Tax Liability**

This kind of tax refers to the income taxes to be paid in the following periods based on taxable temporary differences. "Deferred tax liability" item may not be used for non-taxable (continuous) amounts in terms of tax legislation.

The Group has no deferred tax liability as of the financial statement period.

#### **2.4.34. Other Short-term/Long-term Liabilities**

Short-term/ long-term liabilities, which are not shown under the abovementioned items such as inventory overages, other miscellaneous obligations and liabilities are given under this item.

#### **2.4.35. Liabilities Regarding Group of Assets Held for Sale**

Liabilities regarding the groups to be disposed, which will be recovered by means of selling rather than sustained use of carrying amount, are presented under this item within the scope of TFRS 5.

Besides, liabilities regarding the groups to be disposed, which are classified with intent to distributed to the shareholders as per TFRS, are also presented under this item hereby as of the date distribution to shareholders is committed. In this case, the name of the item may be given in a manner to refer to these obligations.

The Group has no liability for the asset groups held for sale as of the financial statement period.

#### **2.4.36. Equities**

Equities are the shares which are left behind after any and all obligations of the enterprise are deducted from the corporate assets. Contributed capital, share premiums, positive distinction from share capital adjustment, reserves on retained earnings, prior years' profits and losses and profit or loss for the financial year are presented under this item.

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#### **2.4.37. Positive Distinction from Share Capital Adjustment**

As of the financial statement period, there is no positive difference in capital adjustment of the Group.

#### **2.4.38. Repurchased Shares (-)**

Within the scope of the paragraph 33 of the TAS 32, if a company purchases its own shares, purchase price of the said shares are deducted from equity and presented under "Repurchased Share (-)" item. In the case that shares are purchased by other parties under consolidation, purchased shares are still presented under this item but such amounts are presented under "capital adjustments due to cross-ownership" item as per TAS 32. Differences arising as a result of buying and selling of repurchased shares are not presented under profit or loss item.

#### **2.4.39. Capital Adjustments due to Cross-ownership (-)**

This item is used with intent to assure that the paid-in capital of the company is presented by the amount registered in the legal records and for the purpose of adjusting the amount of paid-in capital under an item other than the paid-in capital in the event that the shares of the company are purchased by the parties under consolidation.

The Group does not have any capital adjustments due to cross-ownership as of the financial statement period.

#### **2.4.40. Share premiums /discounts**

In this item, amounts, which arise from capital movements such as share premiums, nullified equity interests, profits of share sales of controlling partners and deemed to be a part of the capital are presented.

Negative differences occurring due to the difference between nominal value of shares issued under nominal value and issue price are presented separately in the disclosures.

#### **2.4.41. Other Accumulated Comprehensive Income and Expenses which cannot be reclassified under Profit or Loss**

This item involves revaluation and measurement gains/losses (increases/decreases in tangible fixed assets revaluation, increases/decreases in intangible fixed assets revaluation, gains/losses on defined benefit plans re-measurement), which are defined as an item of other comprehensive income and reported directly as an item of equity in the period it appears and any circumstances as well as income items such as other gains and losses.

The Group has accumulated other comprehensive income/expenses arising from severance pay actuarial gains and losses not be reclassified to profit or loss.

#### **2.4.42. Other Accumulated Comprehensive Income and Expenses which can be reclassified under profit or Loss**

This item involves foreign currency conversion differences, revaluation and classification gains/losses (revaluation and/or classification gains/losses of available-for-sale financial assets, shares to be classified under profit/loss out of the profit of other comprehensive income of investments valued by equity method), which is defined as an item of other comprehensive income (expenses) and reported directly as an item of equity in the period it appears and can be written-down to profit or loss later, hedging gains and losses (gains and losses for hedging against cash-flow and investment risk regarding companies located abroad), and comprehensive income (expense) items such as other gains/losses.

The Group does not have any other comprehensive income or expenses to be reclassified to profit or loss as of the financial statement period.

#### **2.4.43. Reserves on Retained Earnings (Non-distributable reserves)**

These are the kind of reserves, which are retained due to obligations arising from the law and agreements or for certain purposes other than profit distribution (for example, in order to obtain tax advantage from earnings gained from sale of a subsidiary). These reserves shall be presented based on their amounts as specified in the legal records and differences occurring as a result of valuations conducted under TAS are associated with the profit/losses of the previous years.

#### **2.4.44. Previous years' Profit/Loss**

Profit/loss accumulated except for net profit for the year are offset and presented under this item. Extraordinary reserves, which are accumulated profit/loss by nature, thus not constrained are considered as profit and presented under this item.

#### **2.4.45. Cash Flow Statement**

The Group draws up cash flow statements in order to inform financial statement users about the changes that occur in the assets of the company, its financial structure and its ability to direct the amount and timing of cash flows according to the changing conditions. In a cash flow statement, cash flows related to a period are classified and reported based on operation, investment and financing activities.

Cash flows from operating activities show the cash flows which arise from the core activities of the Group. Cash flows related with investment activities show the cash flows which are used and obtained by the Group in its investment activities (tangible asset investments and financial investments). Cash flows related to financial activities show the resources used by the Group in its financial activities and the repayments related to such resources. Cash and cash equivalents consist of cash and checking account as well as short-term high-liquidity investments with a term of 3 months or less which can be easily cashed in.

#### **2.4.46. Operating Activities**

Operating activities provide core earnings/proceeds for a company. Activities which are defined below and not under the scope of the investment and financial activities are also evaluated as core activities.

##### **Recording of Revenue / Proceeds**

Revenue are reflected in the financial statements over an amount which reflects the cost that the Group expects to qualify for the transfer of the goods or services it commits to its customers within scope "TAS 15 Revenue from Customer Contracts" standards.

For this purpose, a 5-step process is applied in the recognition of revenue in accordance with TFRS 15 provisions.

- Identification of contracts with customers
- Determination of separate performance criteria and obligations in the contract
- Determination of contract price
- Distribution of Sales Price to Liabilities
- Record revenue as contractual obligations are met

When the Group fulfills the performance obligations committed in the customer contracts in accordance with TFRS 15, in other words, when the control of the goods and services is transferred to the customer, the proceeds are taken to the financial statements. The Group records its performance obligations over time or at a certain time.

If the timing of the payments agreed by the parties of the contract provides an important financial benefit, when the transaction cost is determined, the adjustment is made according to the effect of the time value of the money.

In case the Group foresees that the period between the date of the transfer of the goods or services committed to the customer at the beginning of the contract and the date on which the customer pays the price of such goods or services will be one year or less, it doesn't make any adjustment for the effect of a significant financing component by choosing the facilitating practice.

Additional explanations are given below for some important income groups

##### **Revenues from Licence Sales**

The Group can sell licenses by making simultaneous contracts with the license provider and the customer. The Group is not directly responsible for the fulfillment of the license performance obligation in such agreements (for example, updating the license), but it has discretion in determining the license price and bears all the risks related to collection in case the license price is not paid. For this reason, the Group has considered itself as the principal in these agreements. Revenues related to the license performance obligation are recognized in the financial statements "at a certain point in time" and "gross" when the control passes to the customer.

##### **Revenues from Hardware Sales**

Hardware consists of the products that the Group sells by supplying its performance obligation from other manufacturers. Hardware integration can be an integral part of the time-consuming installation or can be sold to the customer alone.

##### **Internally generated Software and Technology Revenues**

The Group's software development services consist of man-hourly services provided by providing human resources to the customer or projected software development services. The control of software development services passes to the customer as the service is provided, and the customer receives and consumes the benefit from this act at the same time.

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The completion stage of the contract is determined based on the time spent and As working hours and direct expenses occur, Income from contracts are recognized on contract fees. Revenues from such services are recorded as income on an accrual basis over the hours of service provided in accordance with the contractual principles, in accordance with the periodicity principle.

For the short-term and one-time services, the Group recognizes the income "at a certain point in time" when the control is passed to the customer.

#### **Special software Project Revenues**

Special software development project revenues are included in the consolidated financial statements as income based on the level of completion of the contractual obligations as of the balance sheet date.

#### **Private Integrator Service Revenues**

The Company, which is a Private Integrator Service provider that has received a special integration permit from the Revenue Administration, provides its customers with e-transformation services such as e-invoice, e-archive, e-waybill, e-ticket, through its own data processing system. Private integrator service is in the form of credit sales, and income is recorded depending on the credit usage.

#### **Maintenance Service Revenues**

The Group sells maintenance and repair services for the products and software it produces. Offered maintenance, repair and service prices are determined separately from the products sold and are considered as a different service promised within the contract. For this reason, the service to be provided within the scope of maintenance and repair is accounted for as a separate performance obligation.

For each performance obligation, the Company determines at the beginning of the contract whether it has fulfilled its performance obligation over time or whether it has fulfilled its performance obligation at a certain point in time. The Group transfers the control of the service in maintenance and repair sales over time and thus fulfills its performance obligations over time and measures the progress towards the full fulfillment of this performance obligation and recognizes the revenue over time.

The Group can sell the license and hardware as well as the maintenance support packages of the party that provides the license. In the said maintenance support packages, the Company has considered itself as the principal in the contracts for which it is responsible for the performance of the performance. The company recognizes the amount paid to the service provider as a cost in its financial statements, and the provision for the maintenance service provided to the customer as income, as it fulfills the obligation in the contracts it is principal.

While determining the stand-alone sales prices of maintenance services sold together with other performance obligations in the contracts, the management estimated the stand-alone sale price of the maintenance service using the cost plus profit margin method, taking into account the past experience and the observable price in similar contracts. In contracts where discount is in question, it is reflected to all performance obligations at the discount rate.

#### **Revenues from sales of outsourcing and support services**

The Group provides staffing, support and consultancy services in line with the expectations of its customers. The control of staffing and some support services passes as the service is provided to the customer, and the customer receives and consumes the benefit obtained from this act at the same time. For this reason, it is included in the financial statements on a "over time" basis.

#### **2.4.47. General Administrative Expenses, Marketing Expenses, Research and Development Expenses**

Administrative expenses, marketing, sales and distribution expenses and research and development expenses, which are directly related with profit or loss within the scope of TAS 38- Intangible Fixed-Assets Standard are presented separately. The said expenses include depreciation and amortization costs as well as employee benefits.

(\*) The Group associates research expenses directly with the statement of profit or loss in the period in which they are incurred. According to the findings of the research, the expenditures made within the scope of a project to produce a new product, software or program are defined as development and the development expenditures are capitalized by moving to the future periods when the future realizable value is assured. In this context, while the other costs and the costs incurred for the personnel who are directly involved in the creation of the Project are capitalized, it is taken into account how much time each staff takes in research and development activities. The cost of personnel related to research activities is recorded as expense when realized.

**2.4.48. Other Main Operating Income/Expenses**

Although not arising from core activities and excluded from income and expenses related to core activities, other real operating income/Expenses are earnings other than proceeds, losses unrelated to cost of sales, income and expenses related to the activities which are evaluated within the scope of core activities as not evaluated under scope of investment and financial activities.

**2.4.49. Investment Activities**

Investment activities are related to acquisition and disposal of other investments, which are not presented under long-term assets and cash equivalents. The activities deemed to be under scope of investment activities are assessed under TAS 7.

Investing activities profit/loss are determined by means of deducting the income and expenses related to the same. Profit shares or loss shares, if any, related to the investments valued by equity method are either added to or deducted from the respective item.

In the case that investments valued by equity method are a part of the reporting entity, such item is reported under "Operating Activities Section".

**2.4.50. Financial Income/ Financial Expenses**

Financing activities change the structure and amount of shareholders' equity and foreign funds. Activities under scope of financing activities are evaluated within framework of TAS 7.

In the event that outstanding interest accrues before acquisition of a security with interest; later- collected interest is classified under periods of pre-acquisition and post-acquisition and only shown in financial statements as income under post-acquisition.

Interests, which are charged to overdraft accounts and short-term and long-term borrowings, in case of foreign currency borrowings, provided these are considered as adjustments to interest costs, currency differences thereof shall be presented under financial expenses item.

**2.4.51. Earnings per Share**

Net earnings per share are calculated by dividing the main shareholder's earnings or loss (numerator) the ordinary shareholders into the weighted average of number of ordinary shares (denominator) of the relevant period. In order to calculate the diluted earnings per share, the group adjusts the main shareholder's earnings or loss of the ordinary shareholders and number of weighted average shares based on the impacts of the dilutive potential ordinary shares

**2.4.52. Effects of Changes in Foreign Exchange Rates**

Foreign exchange transactions are carried out by converting foreign currency into TL based on the foreign currency rate on the date of transaction. Foreign currencies, monetary assets and liabilities are converted into TL at the end of the period based on the currency rate which is valid on balance sheet date. The foreign exchange differences resulting from these types of operations are presented in the income statement/balance sheet.

Exchange rate details used by the group at the end of the period are as follows;

	<b><u>December 31, 2022</u></b>	<b><u>December 31, 2021</u></b>
USD	18.6983	13,3290
Euro	19.9349	15,0867
GBP	22.4892	17,9667

**2.4.53. Post-balance-sheet Events**

Even though the post-balance sheet events emerge after the disclosure of any announcement regarding profit or other disclosure of other selected financial information, it covers all events between the date of the balance sheet and the authorization date for the publishing of the balance sheet. In the event that certain events require correction following the balance sheet date, the Group shall correct the amounts represented in the financial statements in accordance with the then current situation.

**2.5. Important Accounting Evaluation, Estimation and Assumptions**

The preparation of the financial statements requires using the estimates and assumptions which may affect the measurement of assets and liabilities reported as of the statement of financial position, disclosure of contingent assets and liabilities and income and expenses reported during the accounting period. Although these estimates and assumptions are based on the Group management's best knowledge of current events and transactions, actual results may differ from the assumptions.

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#### **2.6 New and Amended Turkish Financial Reporting Standards**

As of December 31, 2022 the accounting policies adopted during the preparation of consolidated financial statements are applied consistently with the previous year's accounting policies except for new and changed Turkish Accounting Standards (TAS)/IFRS and TAS/IFRS Comments valid as of January 1, 2022. The effects of these standards and comments on the Group's financial situation and performance are explained in the related paragraphs.

#### **New standards effective as of December 31, 2022, and changes and comments on existing previous standards:**

##### **IFRS 9, TAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) Benchmark Rate Reform – Phase 2**

Benchmark Interest Rate Reform including amendments to IFRS 9, TAS 39, IFRS 7, IFRS 4 and IFRS 16- The changes in Phase 2 provide a practical solution to the changes required by the reform, determine whether hedge accounting needs to be terminated under the Benchmark Rate Reform with respect to the provisions of hedge accounting, and whether the entity's exposures resulting from financial instruments subject to the Benchmark Rate Reform. It clarifies the nature and extent of the risks and how the entity manages those risks and the progress the entity has made in completing the transition to alternative benchmark interest rates and how the entity is managing this transition. These amendments to IFRS 9, TAS 39, IFRS 7, IFRS 4 and IFRS 16 are applied for annual accounting periods beginning on or after 1 January 2021. Early application is permitted. The Group management has evaluated that these changes do not have any impact on the consolidated financial statements of the Group.

##### **References to IFRS 3 (Amendments) Conceptual Framework**

This amendment updates a reference to the Conceptual Framework for Financial Reporting in IFRS 3 without materially changing the provisions of the standard. These amendments are valid for annual accounting periods beginning on or after 1 January 2022. Early implementation is permitted by applying it in conjunction with other reference updates to the Conceptual Framework so far. The Group management has evaluated that these changes do not have any impact on the consolidated financial statements of the Group.

##### **TAS 16 (Amendments) Property, Plant and Equipment – Intended Earnings Before Use**

These amendments do not allow the revenues from the sale of the items produced to be deducted from the cost of the related asset while the related property, plant and equipment is brought to the required location and condition so that it can operate under the conditions intended by the management, and requires such sales revenues and related costs to be recognized in profit or loss. These changes are applied for annual accounting periods beginning on or after January 1, 2022. Early application is permitted. The Group management has evaluated that these changes do not have any impact on the consolidated financial statements of the Group.

##### **TAS 37 (Amendments) Economically Disadvantaged Contracts – Cost of Fulfillment**

With the amendment made in TAS 37, it is stipulated that the estimated costs of fulfilling the contract in order to determine whether the contract is an economically disadvantageous contract consist of both the variable costs incurred to fulfill the contract and the amounts distributed from other costs directly related to fulfilling the contract. This amendment is applicable for annual accounting periods beginning on or after 1 January 2022. Early application is permitted. The Group management has evaluated that these changes do not have any impact on the consolidated financial statements of the Group.

#### **Standards and amendments published but not yet effective as of 31 December 2022:**

The Group has not yet implemented the following standards, which have not yet entered into force, and the following amendments and interpretations to existing previous standards:

##### **IFRS 17 Insurance Contracts**

IFRS 17 requires insurance liabilities to be measured at a current coverage value and provides a more streamlined measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principles-based accounting for insurance contracts. IFRS 17 will replace IFRS 4 Insurance Contracts as of 1 January 2023.

##### **TAS 1 (Amendments) Classification of Liabilities as Short or Long Term**

The purpose of these amendments is to ensure the consistent application of the requirements of the standard by assisting the decision-making process of companies regarding whether debts and other liabilities that do not have a definite maturity and are included in the consolidated statement of financial position should be classified as short-term (expected to be paid within one year) or long-term.

These amendments made in TAS 1 will be postponed for one year and applied for annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.



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#### **Annual Improvements to TFRSs 2018 – 2020**

Amendment to the First Implementation of TFRS 1 Turkish Financial Reporting Standards

With the amendment made in TFRS 1, the subsidiary that started to apply TFRSs at a later date than its parent in paragraph D16(a) of the standard, included cumulative translation differences in the scope of the exemption for the measurement of its assets and liabilities, and to apply TFRSs for the first time. Implementation costs for startups are reduced.

Amendment to TFRS 9 Financial Instruments

This amendment clarifies the fees considered in the assessment of derecognition of a financial liability. The debtor includes fees paid or received between the debtor and the creditor, including fees paid or received by the debtor or creditor on behalf of others.

Amendment to TAS 41 Agricultural Activities

With this amendment, the provision in paragraph 22 of TAS 41, which requires that cash flows arising from taxation not be included in the calculation in determining the fair value, has been removed. The amendment harmonizes the relevant provisions of the standard with the provisions of TFRS 13.

Amendments to TFRS 1, TFRS 9 and TAS 41 are applied for annual accounting periods beginning on or after 1 January 2022. Early application is permitted.

#### **TFRS 4 (Amendments) Extension of the Temporary Exemption Period for the Application of TFRS 9**

With the postponement of the effective date of TFRS 17 to 1 January 2023, the expiry date of the temporary exemption period for the application of TFRS 9 provided to insurers has also been revised to 1 January 2023.

#### **TFRS 16 (Amendments) Continuing Concessions on Rent Payments Related to COVID-19 After 30 June 2021**

The Public Oversight Accounting and Auditing Standards Authority ("POA"), published in June 2020, extending the exemption for tenants from determining whether certain concessions granted due to COVID-19 in rental payments due to COVID-19 have not been determined by a change in the lease for one more year. Continuing Concessions in Payments After 30 June 2021 - Amendments to TFRS 16.

When the change was first published, the facilitating practice only applied if any reduction in lease payments would affect payments that would normally be due on or before June 30, 2021. As lessors continue to offer rental concessions related to COVID-19 to tenants, and the impact of the COVID-19 pandemic continues and is significant, POA has extended the period of use of the facilitator by one year. This new change will be applied by tenants for annual accounting periods beginning on or after April 1, 2021, but early application is permitted.

#### **TAS 1 (Amendments) Disclosure of Accounting Policies**

This amendment requires businesses to take materiality as a basis in explaining their accounting policies. Although this amendment made in TAS 1 will be applied in annual accounting periods beginning on or after January 1, 2023, early application is allowed.

#### **TAS 8 (Amendments) Definition of Accounting Estimates**

With this amendment, the definition of "accounting estimation" was included instead of the definition of "change in accounting estimates", and sample and explanatory paragraphs regarding the estimates were added, furthermore, the issues of applying the estimates prospectively and correcting the errors retrospectively and the differences between these concepts were clarified. These amendments made in TAS 8 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.

#### **TAS 12 (Amendments) Deferred Tax on Assets and Liabilities Arising from a Single Transaction**

With these amendments, it has been clarified that the exemption regarding the first recognition of an asset or liability in the financial statements does not apply to transactions in which equal amounts of taxable and deductible temporary differences occur when the asset and liability are first recorded. These amendments made in TAS 12 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.

The possible effects of the said standards, amendments and improvements on the consolidated financial position and performance of the Group are being evaluated.

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****NOTE 3 -BUSINESS COMBINATIONS**

The Group does not have any transactions concerning business combinations as of 31 December 2022.(December 31, 2021-None.)

**NOTE 4-SHARES IN OTHER ENTERPRISES AND BUSINESS PARTNERSHIPS**

The Group does not have any business partnerships. (December 31, 2021-None)

**NOTE 5 –FINANCIAL INVESTMENTS**

Details of short and long term financial investments as of 31 December 2022 and 31 December 2021 are presented below:

**a) Short-Term Financial Investments**

	<b>December 31,2022</b>	<b>December 31, 2021</b>
<b>Financial assets at fair value through profit or loss</b>	<b>294.519</b>	-
- Investments Funds	294.519	-

**NOTE 6 – RELATED PARTY EXPLANATIONS****Transactions carried out within the Period with Related Parties****A- Receivables and Payables****Receivables****a- Trade Receivables/Short term**

The Group does not have short and long term trade receivables from related parties. (December 31, 2021-None.)

**b. Other Receivables****-Short Receivables**

The Group does not have short term other receivables from related parties. (December 31, 2021-None.)

**-Long Term**

<b>Name-Surname/Title</b>	<b>Type of Partnership</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Buz İletişim Hizmetleri San.ve Tic.A.Ş.	Participation	-	2.000.000
A Soft Yazılım	Related Company	-	25.092
KPAY Ödeme Tekno. Danışmanlık San.ve Tic. A.Ş.	Participation	466.305	-
<b>Total</b>		<b>466.305</b>	<b>2.025.092</b>

**c. Prepaid Expenses / Short Term**

<b>Name-Surname/Title</b>	<b>Type of Partnership</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Employee Advances	Related Person	347.100	233.634

**d- Prepaid Expenses / Long Term**

The Group has no long-term prepaid expenses to related parties. (December 31, 2021-None.)

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))****Payables****a- Trade Payables/ Short –Long Term**

<b>Name-Surname/Title</b>	<b>Type of Partnership</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Phexum Yazılım A.Ş.	Participation	466.100	-
Buz İletişim Hiz.San.ve Tic. A.Ş.	Participation	1.765.120	-
<b>Total</b>		<b>2.231.220</b>	<b>-</b>

**b- Other Payables****-Short Term**

<b>Name-Surname/Title</b>	<b>Type of Partnership</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Bırol Başaran	Shareholder	164.127	146.805
KPAY Ödeme Tekno. Danışmanlık San.ve Tic. A.Ş.	Participation	3.739.660	-
<b>Total</b>		<b>3.903.787</b>	<b>146.805</b>

**-Long Term**

The Group does not have any long term trade payables from related parties. (December 31, 2021- None.)

**B- Related party purchases and sales****-Service Sales**

<b>Name-Surname/Title</b>	<b>Type of Partnership</b>	<b>January 1, 2022</b> <b>December 31, 2022</b>	<b>January 1, 2021</b> <b>December 31, 2021</b>
Phexum Yaz. A.Ş.	Participation	-	190.000

**-Service Purchases**

<b>Name-Surname/Title</b>	<b>Type of Partnership</b>	<b>January 1, 2022</b> <b>December 31, 2022</b>	<b>January 1, 2021</b> <b>December 31, 2021</b>
Phexum Yaz. A.Ş.	Participation	1.239.545	50.000
Stoneity Yazılım A.Ş.	Participation	933.000	264.000
Buz İletişim A.Ş.	Participation	2.567.288	-
KPAY Ödeme Tekno. Danış. San.ve Tic. A.Ş.	Participation	259.000	-
<b>Total</b>		<b>4.998.833</b>	<b>314.000</b>

**C-Information on Mortgages, Guarantees, Commitments and Guarantees Granted to / Received by Related Persons- Organisations**

There are no mortgages, guarantees, commitments and sureties granted to or received by related persons and organisations. (31 December 2021: None)

**D- Remuneration and Similar Benefits to the Chairman of board, Members of the board, General Manager and Deputy managers**

The Group's senior management team consists of the members of the board of directors and the Chairman of board of Directors, as well as the executives at the level of the General Manager. Benefits provided to senior executives include benefits such as remuneration and premiums. The benefits provided to senior executives during the period are as follows:

	<b>January 1, 2022</b> <b>December 31, 2022</b>	<b>January 1, 2021</b> <b>December 31, 2021</b>
Chairman and Members of the Board of Directors	5.108.462	3.229.349

**E-Collateralized Receivables and Payables from Related Parties and conditions of maturity**

There are no receivables and payables related to mortgages and collaterals from related parties. (December 31, 2021-

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**

(All amounts are expressed in Turkish Lira ("TL"))

None)

**F-Doubtful Provision Amounts reserved Due to Receivables from Related Organisations**

There is no doubtful provision reserved due to receivables from related organisations. (December 31, 2021– None)

**NOTE 7-CASH AND CASH EQUIVALENTS**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Cash	1.434	11.023
Banks	236.679.602	224.808.813
- Term Deposit(*)	63.768.570	114.484.396
- Demand Deposit	172.911.032	110.324.417
<b>Total</b>	<b>236.681.036</b>	<b>224.819.836</b>

\* The breakdown of time deposits with a maturity of less than 3 months is as follows;

<b>December 31, 2022</b>		
<b>Currency</b>	<b>Currency Amount</b>	<b>TL Equivalent</b>
EURO	1.600.862	31.913.024
USD	1.703.660	31.855.546
<b>Total</b>		<b>63.768.570</b>

<b>December 31, 2021</b>		
<b>Currency</b>	<b>Currency Amount</b>	<b>TL Equivalent</b>
TL	107.898.684	107.898.684
USD	494.089	6.585.712
<b>Total</b>		<b>114.484.396</b>

**NOTE 8 – INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND SUBSIDIARIES**

It has no investments in Affiliates, Joint Ventures and Subsidiaries. (31.12.2021-509.673)

**NOTE 9- FINANCIAL LIABILITIES****a) Short-Term Borrowings from Unrelated Parties**

As of 31 December 2022, the Group does not have short-term borrowings from unrelated parties. (December 31, 2021– None)

**b) Short Term Portions of Long Term Borrowings from Unrelated Parties**

	<b>Currency</b>	<b>Interest Rate</b>	<b>TL Amount</b>	<b>Accued Interest</b>	<b>Total</b>
<b>Bank Credits</b>					
December 31, 2022	TL	7,76-34,00	1.628.127	74.987	1.703.114
December 31, 2021	TL	7,5-19,20	2.379.969	36.267	2.416.236

**Lease Payables**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Short Term Lease Obligation From Unrelated Parties	771.782	44.884

**c) Long Term Borrowings from Unrelated Parties**

	<b>Currency</b>	<b>Interest Rate</b>	<b>TL Amount</b>
<b>Bank Credits</b>			
December 31, 2022	TL	7,76-34,00	618.542
December 31, 2021	TL	7,5 - 19,20	2.007.963

**Lease Payables**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Long Term Lease Obligation From Unrelated Parties	2.475.860	343.313

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))**

As of 31 December 2022 and 31 December 2021, the maturity of debts arising from bank credits are as follows:

<b>Bank Credits and Lease Obligations</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
0-3 month	833.189	1.748.011
4-12 month	1.641.707	-
1-5 year	3.094.402	343.312
<b>Total</b>	<b>5.569.298</b>	<b>2.091.323</b>

**d) Other Financial Liabilities**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Credit Card Debts	908.926	139.987

**NOTE 10- TRADE RECEIVABLES AND PAYABLES**

<b>a- Short-term Trade Receivables</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Trade Receivables	106.305.328	19.050.504
<i>Trade Receivables from Unrelated Parties</i>	<i>106.305.328</i>	<i>19.050.504</i>
Doubtful Trade Receivables	197.398	202.034
<i>Doubtful Trade Receivables from Unrelated Parties</i>	<i>197.398</i>	<i>202.034</i>
Provision for Doubtful Trade Receivables(-)	(197.398)	(202.034)
<i>Provision for Doubtful Trade Receivables from Unrelated Parties(-)</i>	<i>(197.398)</i>	<i>(202.034)</i>
Expected Losses (-)	(1.517.307)	(314.534)
<i>Provisions for Expected Losses from Unrelated Parties</i>	<i>(1.517.307)</i>	<i>(314.534)</i>
<b>Total</b>	<b>104.788.021</b>	<b>18.735.970</b>

Transactions regarding the Company's receivables that are overdue and provision for doubtful receivables are as follows:

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Opening Balance	202.034	111.376
Collected Receivables	(4.636)	-
<i>Provision for Current Period</i>	<i>-</i>	<i>90.658</i>
<b>Total</b>	<b>197.398</b>	<b>202.034</b>

**b. Long-term Trade Payables**

The group does not have long-term trade receivables. (December 31, 2021- None)

As of December 31, 2022, TL 96.672.981 (31 December 2021: TL 14.953.682) of the trade receivables is not overdue or impaired. The maturity information of these receivables is as shown in the chart below:

<b>Maturity Periods</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
1-30 day	96.672.981	14.318.304
1-3 month	-	635.378
<b>Total</b>	<b>96.672.981</b>	<b>14.953.682</b>

As of December 31, 2022, TL 8.115.039 (31 December 2021 - TL -3.782.288) of trade receivables is overdue but not impaired. Past maturity information of these receivables is given in footnote 44.

There is no letter of guarantee and mortgage received for trade receivables.

**Trade Payables:**

The Company's detail of trade payables as of the balance sheet date are as follows:

<b>a-Short-Term Trade Payables</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Suppliers	124.653.957	126.911.606
<i>- Trade Payables to Unrelated Parties</i>	<i>122.422.737</i>	<i>126.911.606</i>
<i>- Trade Payables to Related Parties</i>	<i>2.231.220</i>	<i>-</i>
<b>Total</b>	<b>124.653.957</b>	<b>126.911.606</b>

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))**

The average maturity of trade payables is 30-60 days (31 December 2021: 30-60 days).

The maturity information of trade payables is stated in Note: 44.

**b) Long-term Trade Payables**

There are no long-term trade payables from related parties .(31 December 2021 – None.)

**NOTE-11 RECEIVABLES AND LIABILITIES ARISING FROM CUSTOMER CONTRACTS**

<b>a- Short Term Receivables Arising From Customer Contracts</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Contract Assets Arising from Sales of Goods and Services (*)	-	1.871.988

(\*) Contract Assets Arising from Sales of Goods and Services consist of uninvoiced but delivered licenses within the scope of the license sales and maintenance-support contract signed by the Group with its customers.

**b- Long Term Receivables Arising From Customer Contracts**

The Group has no receivables arising from long-term customer contracts as of the balance sheet date. (December 31, 2021 - None.)

<b>c- Short Term Liabilities Arising From Customer Contracts</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Contract Obligations Arising from Sales of Goods and Services (**)	455.229.168	44.857.011

<b>d- Long Term Liabilities Arising From Customer Contracts</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Contract Obligations Arising from Sales of Goods and Services (**)	22.790.447	387.276

(\*\*) Contractual Obligations Arising from the Sale of Goods and Services consist of the income that the Group will earn from the transactions that have been invoiced to the customer within the scope of the customer contracts but the service will take place in the following periods.

**NOTE 12-PAYABLES/RECEIVABLES FROM FINANCIAL SECTOR ACTIVITIES**

The Group has no receivables or payables attributable to finance sector activities. (December 31, 2021 - None.)

**NOTE 13-OTHER RECEIVABLES AND PAYABLES**

<b>a- Short term Other Receivables</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Deposits and Guarantees Given	21.719	6.219
Other Miscellaneous Payables	1.407.238	15.558
<b>Total</b>	<b>1.428.957</b>	<b>21.777</b>

<b>b-Long Term Other Receivables</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Deposits and Guarantees Given	2.500	2.500
Receivables from Related Parties (Note: 6)	466.305	2.025.092
<b>Total</b>	<b>468.805</b>	<b>2.027.592</b>

<b>c- Other Payables (Short Term)</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Receivables from Related Parties (Note: 6)	3.903.787	146.805
Other Miscellaneous Payables	455.989	81.584
Taxes and Funds Payables	25.791.149	6.669.986
<b>Total</b>	<b>30.150.925</b>	<b>6.898.375</b>

**d- Long Term Other Payables**

The Group does not have any long- term liabilities as of the balance sheet date. (31 December 2021- None.)

**NOTE 14-LIABILITIES REGARDING EMPLOYEE BENEFITS**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Payables to Employee	141.276	50.078
Withholding and Stamp taxes payable	727.537	461.040
Social Security Premiums Payable	4.065.345	1.019.990
<b>Total</b>	<b>4.934.158</b>	<b>1.531.108</b>

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****NOTE 15-DERIVATIVE INSTRUMENTS**

The Group has no derivative instrument. (December 31, 2021- None.)

**NOTE 16- INVENTORIES**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Trade Goods (*)	4.728.591	16.404.957
Provision for Inventory Impairment (-)	-	(74.706)
<b>Toplam</b>	<b>4.728.591</b>	<b>16.330.251</b>

(\*) Consists of the license and software costs received for sale to customers.

**NOTE 17-ALIVE ASSETS**

Alive assets are not a part of the Group's main area of activity. (December 31, 2020- None)

**NOTE 18-PREPAID EXPENSES**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Advances Given	221.366	304.297
Expenses for Future Months (*)	448.000.875	29.513.043
Business Advances	36.163	1.040
Personnel Advances	347.100	233.634
<b>Total</b>	<b>448.605.504</b>	<b>30.052.014</b>

(\*) As of 31 December 2022, 448.000.85 TL , reported in the expenses for future months, consists of the costs of the maintenance services received to be given to the customers in the future. (31 December 2021: 29.513.043 TL.)

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Expenses for Future Years (*)	26.861.577	2.932.267

(\*) As of 31 December 2022, 26.861.577 TL, reported in the expenses for future years, consists of the costs of the maintenance services received to be given to the customers in the future. (31 December 2021: 2.932.267 TL.)

**NOTE 19 – GOVERNMENT INCENTIVES AND GRANTS**

<b>Short-Term Government Incentives and Grants</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Government Incentives and Grants	44.148	44.148
<b>Long-Term Government Incentives and Grants</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Government Incentives and Grants	110.370	154.518

The Group receives incentives for its TUBITAK (Scientific and Technological Research Council of Turkey) projects related to R & D activities. The incentive to be received is not recorded as income in the first accounting records and is recorded as income in proportion to the amortisation of the R & D investment. R&D incentives, which will be recorded as income in the following periods, are reported in the short and long term "Government Incentives and Grants" account items in the balance sheet accounts.

The Group benefits from the incentives and exemptions provided within the framework of the Law No. 5746 on Supporting Research, Development and Design Activities.

In this context, the Company has been entitled to corporate tax deduction arising from R&D incentives amounting to TL 42.007.496 as of December 31, 2022 and has used all of it as of December 31, 2022.

(The Company has been entitled to corporate tax deduction arising from R&D incentives amounting to TL 14.466.553 as of December 31, 2021 and has used all of it as of December 31, 2021.)

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))**

The amounts, which are benefitted by the Group, related to the Social Security Institution, income tax in relation to the personnel, stamp tax incentives are demonstrated in the chart, by years.

<b>Social Security Institution (SSI)</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Incentive benefitted as per law no. 5510	2.763.632	1.458.263
Incentive benefitted as per law no. 14857	10.672	6.655
Incentive benefitted as per law no. 6111	566.960	109.701
Incentive benefitted as per law no. 17103	1.901.818	280.955
Incentive benefitted as per law no. 7252	-	2.640
Incentive benefitted as per law no5746	2.070.935	1.109.026
<b>Total</b>	<b>5.412.197</b>	<b>2.967.240</b>

<b>Income Tax Incentives</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Amount of Withholding Made on Wage Payments As Per the Law No. 5746	5.413.508	2.645.734

**NOTE 20 – PERIOD PROFIT TAX LIABILITY**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Current Period Legal Tax Provision	12.397.884	5.123.752
Prepaid Taxes (-)	(6.448.791)	(1.206.187)
<b>Total net tax payable</b>	<b>5.949.093</b>	<b>3.917.565</b>

**NOTE 21-ASSETS RELATED TO CURRENT PERIOD TAX**

As of 31 December 2022, the Group has no assets related to current period tax.(31 December 2021-None.)

**NOTE 22-OTHER CURRENT/NON-CURRENT ASSETS**

As of 31 December 2022, the Group has 47.066 TL Deferred VAT amount reported in other current assets. (31 December 2021-5.819 TL)

As of 31 December 2022, the Group has no other non-current assets. (31 December 2021- None.)

**NOTE 23-OTHER LIABILITIES**

<b>a. Short Term Other Liabilities</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Expense Accruals	116.530	-

**NOTE 24-PROVISIONS, CONTINGENT ASSETS AND LIABILITIES****a.Collaterals, pledges and mortgages acquired by the Group**

For the loans used by the Company, there is a mortgage amounting to 750,000 TL given in favor of the Company by the Company partner, Birol Bařaran. (31 December 2021-750.000 TL)

**b.Collaterals, pledges and mortgages given by the Company**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
A.		
CPM Given On Behalf of Its Own Legal Entity	65.687.632	36.086.307
Letters of Guarantee	65.687.632	36.086.307
Pledge	-	-
Mortgage	-	-
Cash Collaterals	-	-
B.		
Total amount of "CPM" Given to the Benefit of Subsidiaries Included Within the Full Consolidation	-	-
C.		
Total amount of "CPM" Given for the Purpose of Covering the Debt of other 3 <sup>rd</sup> party people in order to Execute Regular Trade Activities	-	-
D.		
Total of Other CPM's	-	-
<b>Total</b>	<b>65.687.632</b>	<b>36.086.307</b>



**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))****NOTE 25-INVESTMENT VALUED BY EQUITY METHOD**

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
<b>Investment Valued By Equity Method</b>	<b>17.407.911</b>	<b>8.371.052</b>
- Phexum Yazılım A.Ş.	207.832	53.887
- Stoneity Yazılım A.Ş.	60.129	23.069
- Buz İletişim Hizmetleri San.ve Tic. A.Ş.	10.006.527	8.294.096
- English Guru LLC	1.646.208	-
- KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.	5.487.215	-

**- Phexum Yazılım A.Ş.**

The Group consolidates its financial statements with its participation Phexum Yazılım A.Ş through equity method. The capital of the said affiliate is 50.000 TL, and the cost of participation in VBT Yazılım A.Ş. is 15.000 TL.

After the valuation using the equity method, the balance sheet value of this participation as of 31 December 2022 is 207.832 TL.

As of 31 December 2022, summary financial information regarding the valuation using the equity method is as follows:

<b>Phexum Yazılım A.Ş.</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Opening Balance	15.000	18.786
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of financial year profit/(losses)	192.832	35.101
<b>Closing Balance as of December 31</b>	<b>207.832</b>	<b>53.887</b>

**- Stoneity Yazılım A.Ş.**

VBT Akademi Eğitim A.Ş. consolidates its financial statements with its participation Stoneity Yazılım A.Ş. through equity method. The capital of the said affiliate is 200.000 TL, and the cost of participation in VBT Akademi Eğitim A.Ş is 40.000 TL.

After the valuation using the equity method, the balance sheet value of this subsidiary as of 31 December 2022 is TL 60.129. (31 December 2021: 23.069.)

As of 31 December 2021, summary financial information regarding the valuation using the equity method is as follows:

<b>Stonity Yazılım A.Ş.</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Opening Balance	23.069	-
Cost Value(Acquisition Value)	-	40.000
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of financial year profit/(losses)	37.060	(16.931)
<b>Closing Balance as of December 31</b>	<b>60.129</b>	<b>23.069</b>

**- Buz İletişim Hizmetleri San. Ve Tic. A.Ş.**

VBT Yazılım A.Ş. is consolidated using the equity method with Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş., which has a total capital of TL 20.000.000, each consisting of 20.000.000 shares with a nominal value of TL 1. The capital of the said subsidiary is 20.000.000 TL and the cost in VBT Yazılım A.Ş. is 10.000.000 TL.

After the valuation using the equity method, the balance sheet value of this subsidiary as of 31 December 2022 is TL 10.006.527.

As of 31 December 2022, summary financial information regarding the valuation using the equity method is as follows:

<b>Buz İletişim Hizmetleri San. Ve Tic. A.Ş.</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Opening Balance	8.294.097	-
Cost Value(Acquisition Value)	-	8.000.000
Capital Increase/(Decrease)	2.000.000	-
Impairment	-	-
Share of financial year profit/(losses)	(287.570)	294.097
<b>Closing Balance as of December 31</b>	<b>10.006.527</b>	<b>8.294.097</b>

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****- English Guru LLC**

VB T has become a 20% shareholder of English Guru LLC, which was established with "0" capital in accordance with the US legislation, with a price of 1.723.430 TL (100.000 USD).

After the valuation using the equity method, the balance sheet value of this subsidiary as of 31 December 2022 is TL 1.646.208.

As of 31 December 2022, summary financial information regarding the valuation using the equity method is as follows:

<b>English Guru LLC</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Opening Balance	-	-
Cost Value(Acquisition Value)	1.723.430	-
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of financial year profit/(losses)	(77.222)	-
<b>Closing Balance as of December 31</b>	<b>1.646.208</b>	<b>-</b>

**- KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.**

VB T Yazılım A.Ş. has been consolidated with KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş., which has a total capital of 214.286 TL, each consisting of 214.286 shares with a nominal value of 1 TL. The capital of the said subsidiary is 214.286 TL, and VB T Yazılım A.Ş. became 30% shareholder with a nominal price of 64.285. The acquisition cost in VB T A.Ş. is 5.527.677 TL equivalent to 300.000 USD.

After the valuation using the equity method, the balance sheet value of this subsidiary as of 31 December 2022 is TL 5.487.215.

As of 31 December 2022, summary financial information regarding the valuation using the equity method is as follows:

<b>KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.</b>	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Opening Balance	-	-
Cost Value(Acquisition Value)	5.527.677	-
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of financial year profit/(losses)	(40.462)	-
<b>Closing Balance as of December 31</b>	<b>5.487.215</b>	<b>-</b>

After the valuation with the equity method, the balance sheet value of all these subsidiaries as of 31 December 2022 is TL 17.407.911 (31 December 2021 - 8.371.052).

**NOTE 26-INVESTMENT PROPERTY**

The Group does have investment properties.(December 31, 2021 – None.)

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))****NOTE 27-TANGIBLE FIXED ASSETS**

- As of December 31, 2022 Movements of Tangible Fixed Assets are As Follows:

<b>Cost Value</b>	<b>December 31, 2021</b>	<b>Purchases</b>	<b>Transfers</b>	<b>Sales</b>	<b>December 31, 2022</b>
Buildings	4.496.200	1.342.014	-	-	5.838.214
Vehicles	1.946.555	3.597.717	-	(194.534)	5.349.738
Plant Machinery And Equip.	8.326.256	-	-	-	8.326.256
Furniture And Fixtures	3.927.685	3.078.616	-	-	7.006.301
Special Costs	2.487.166	705.395	-	-	3.192.561
<b>Total</b>	<b>21.183.862</b>	<b>8.723.742</b>	<b>-</b>	<b>(194.534)</b>	<b>29.713.070</b>

<b>Accumulated Depr.Value</b>	<b>December 31, 2021</b>	<b>Period expense</b>	<b>Transfers</b>	<b>Sales</b>	<b>December 31, 2022</b>
Buildings	46.900	364.028	-	-	410.928
Vehicles	721.173	403.250	-	(51.876)	1.072.547
Plant Machinery And Equip.	416.313	1.665.251	-	-	2.081.564
Furniture And Fixtures	2.222.736	1.102.581	-	-	3.325.317
Special Costs	426.389	532.792	-	-	959.181
<b>Total</b>	<b>3.833.511</b>	<b>4.067.902</b>	<b>-</b>	<b>(51.876)</b>	<b>7.849.537</b>

<b>Net Book Value</b>	<b>December 31, 2021</b>	<b>December 31, 2022</b>
Buildings	4.449.300	5.427.286
Vehicles	1.225.382	4.277.191
Plant Machinery And Equip.	7.909.943	6.244.692
Furniture And Fixtures	1.704.950	3.680.984
Special Costs	2.060.776	2.233.380
<b>Total</b>	<b>17.350.351</b>	<b>21.863.533</b>

- As of December 31, 2021 Movements of Tangible Fixed Assets are As Follows:

<b>Cost Value</b>	<b>December 31, 2020</b>	<b>Purchases</b>	<b>Transfers</b>	<b>Sales</b>	<b>December 31, 2021</b>
Buildings	296.200	4.200.000	-	-	4.496.200
Vehicles	1.101.360	845.195	-	-	1.946.555
Plant Machinery And Equip.	-	8.326.256	-	-	8.326.256
Furniture And Fixtures	2.556.455	1.371.231	-	-	3.927.686
Special Costs	249.409	2.237.756	-	-	2.487.165
<b>Total</b>	<b>4.203.424</b>	<b>16.980.438</b>	<b>-</b>	<b>-</b>	<b>21.183.862</b>

<b>Accumulated Depr.Value</b>	<b>December 31, 2020</b>	<b>Period expense</b>	<b>Transfers</b>	<b>Sales</b>	<b>December 31, 2021</b>
Buildings	5.976	40.924	-	-	46.900
Vehicles	458.555	262.618	-	-	721.173
Plant Machinery And Equip.	-	416.313	-	-	416.313
Furniture And Fixtures	1.760.181	462.555	-	-	2.222.736
Special Costs	164.353	262.036	-	-	426.389
<b>Total</b>	<b>2.389.065</b>	<b>1.444.446</b>	<b>-</b>	<b>-</b>	<b>3.833.511</b>

<b>Net Book Value</b>	<b>December 31, 2020</b>	<b>December 31, 2021</b>
Buildings	290.224	4.449.300
Vehicles	642.805	1.225.382
Plant Machinery And Equip.	-	7.909.943
Furniture And Fixtures	796.274	1.704.950
Special Costs	85.056	2.060.776
<b>Total</b>	<b>1.814.359</b>	<b>17.350.351</b>

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****Pledges and Mortgages on Assets**

There are no pledges and mortgages on the tangible assets detailed above. (December 31, 2019: None)

**Depreciation periods for tangible assets are as follows:**

	<b>Useful Life</b>
Buildings	50 Year
Vehicles	4-5 Year
Plant Machinery And Equipment	5 Year
Furniture And Fixtures	3-4-5-10-15 Year
Special Costs	5 Year

December 31, 2022: Of the total depreciation expense of 7.145.180 TL calculated for tangible and intangible assets and right-of-use assets, 3.234.684 TL belongs to the cost of sales, 3.042.317 TL belongs to research and development expenses and 868.179 TL belongs to general administrative expenses. .

As of December 31, 2021, Of the total depreciation expense of 3.535.224 TL calculated for tangible and intangible assets and right-of-use assets, 1.370.403 TL belongs to the cost of sales, 2.045.021 TL belongs to research and development expenses and 119.800 TL belongs to general administrative expenses. .

**NOTE 28 – INTANGIBLE ASSETS**

- As of December 31, 2022 Movements of Intangible Assets are as follows:

<b>Cost Value</b>	<b>December 31,2021</b>	<b>Purchases</b>	<b>Transfer</b>	<b>December 31,2022</b>
Licenses	381.782	-	-	381.782
Capitalized Dev. Costs	22.116.157	1.911.461	-	24.027.618
<i>Completed projects</i>	19.024.407	-	-	19.024.407
<i>Ongoing projects</i>	3.091.750	1.911.461	-	5.003.211
<b>Total</b>	<b>22.497.939</b>	<b>1.911.461</b>	<b>-</b>	<b>24.409.400</b>

<b>Accumulated Depr.Value</b>	<b>December 31,2021</b>	<b>Period expense</b>	<b>Transfers</b>	<b>December 31, 2022</b>
Licenses	374.917	2.956	-	377.873
Capitalized Dev. Costs	2.848.266	2.168.159	-	5.016.425
<i>Completed projects</i>	2.848.266	2.168.159	-	5.016.425
<b>Total</b>	<b>3.223.183</b>	<b>2.171.115</b>	<b>-</b>	<b>5.394.298</b>

<b>Net Book Value</b>	<b>December 31,2021</b>	<b>December 31,2022</b>
Licenses	6.865	3.909
Capitalized Dev. Costs	19.267.891	19.011.193
<i>Completed projects</i>	16.176.141	14.007.982
<i>Ongoing projects</i>	3.091.750	5.003.211
<b>Total</b>	<b>19.274.756</b>	<b>19.015.102</b>

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))**

As of December 31, 2021 Movements of Intangible Assets are as follows:

<b>Cost Value</b>	<b>December 31, 2020</b>	<b>Purchases</b>	<b>Transfers</b>	<b>December 31, 2021</b>
Licenses	381.782	-	-	381.782
Capitalized Dev. Costs	17.184.507	4.931.650	-	22.116.157
<i>Completed projects</i>	14.202.821	-	4.821.586	19.024.407
<i>Ongoing projects</i>	2.981.686	4.931.650	(4.821.586)	3.091.750
<b>Total</b>	<b>17.566.289</b>	<b>4.931.650</b>	<b>-</b>	<b>22.497.939</b>

<b>Accumulated Depr.Value</b>	<b>December 31, 2020</b>	<b>Period expense</b>	<b>Transfers</b>	<b>December 31, 2021</b>
Licenses	371.960	2.957	-	374.917
Capitalized Dev. Costs	1.077.277	1.770.989	-	2.848.266
<i>Completed projects</i>	1.077.277	1.770.989	-	2.848.266
<b>Total</b>	<b>1.449.237</b>	<b>1.773.946</b>	<b>-</b>	<b>3.223.183</b>

<b>Net Book Value</b>	<b>December 31, 2020</b>	<b>December 31, 2021</b>
Licenses	9.822	6.865
Capitalized Dev. Costs	16.107.230	19.267.891
<i>Completed projects</i>	13.125.544	16.176.141
<i>Ongoing projects</i>	2.981.686	3.091.750
<b>Total</b>	<b>16.117.052</b>	<b>19.274.756</b>

Useful lives related to intangible fixed assets are as follows:

	<b>Useful Life</b>
Licenses	5 Year
Capitalized Dev. Costs	7-12 Year

**NOTE 29 – RIGHT-OF-USE ASSETS**

The balance of the right of use assets as of December 31, 2022 and December 31, 2021 the depreciation and amortization expenses for the relevant period are as follows;

<b>Net Value</b>	<b>January 1, 2022</b>	<b>Corrections(*)</b>	<b>Purchases</b>	<b>Depreciation(-)</b>	<b>December 31, 2022</b>
Building Rent	279.082	-	3.406.177	(906.163)	2.779.096

<b>Net Value</b>	<b>January 1, 2021</b>	<b>Corrections(*)</b>	<b>Purchases</b>	<b>Depreciation(-)</b>	<b>December 31, 2021</b>
Building Rent	587.732	8.182	-	(316.832)	279.082

\* It arises from changes in Right of Use Assets.

**NOTE 30-SHORT/LONG-TERM PROVISIONS**

	<b>December 31,2022</b>	<b>December 31,2021</b>
<b>Short-Term Provisions for Employee Benefits(*)</b>	<b>970.940</b>	<b>1.545.843</b>
- Provisions for unused leave	970.940	1.545.843
<b>Other Short Term Provisions (**)</b>	<b>2.353.107</b>	<b>7.592.905</b>
- Provision for cost expense	2.353.107	7.592.905
<b>Provision as of 31 December</b>	<b>3.324.047</b>	<b>9.138.748</b>

(\*)As of December 31, 2022, the Group has allocated TL 970.940 as a result of unused leave. (December 31, 2021:1.545.843 TL)

(\*\*)It is related to the license costs that have been sold but not invoiced as of the balance sheet date.

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))**

The movements of unused leave fees are as follows:

	<b>December 31,2022</b>	<b>December 31,2021</b>
Opening Balance January 1	1.545.843	865.854
Increase in Current Year(+)	-	679.989
Decrease in Current Year(-)	(574.903)	-
<b>Provision as of 31 December</b>	<b>970.940</b>	<b>1.545.843</b>

**Seniority Incentive Bonus**

As of 31 December 2022, there is no liability amount related to seniority incentive bonus. (31 December 2021- None)

**Other**

The Company does not have any provision for social aid raise payments and tax risks (December 31, 2021 - None).

**B- Long- term provisions (Long-term Provisions Regarding Employee Benefits)****-Provision for Severance Pay**

As per the rules of the Labour Law in effect, it is obliged to pay the legally deserved severance payments to the employees whose labor contracts have expired provided that they have become entitled to acquire severance payment. In addition, according to the current Social Security Law's No.506/dated March 6, 1981, No.2422/dated August 25, 1999, No.4447, as well as its amended Article No.60, the legal severance payments have to be paid to the employees who became entitled to acquire severance payment in case they leave.

Severance payments are calculated based on one month salary per annum. As of the date of the balance sheet, severance payment to be paid is subjected to a ceiling amount of 19.983 TL (December 31, 2021-10.849TL).

Severance payment liability is calculated based on the estimation for the present value of the future potential obligations of the Company arising from the retirements of its employees. IAS 19 "Employee Benefits" (amended) sets forth actuarial valuation methods for the calculation of company's liabilities within the scope of defined benefit plans. Accordingly, actuarial assumptions used in the calculation of total liabilities are indicated below.

Main assumption is an increase in maximum liability for each service year in parallel to inflation rate. Therefore, the discount rate being applied implies the anticipated real interest rate after the adjustment of inflation effects in future.

The provisions at the balance sheet date have been calculated assuming an annual inflation rate of 16,91 %(December 31, 2021 - %12,95) and interest rate of 19,36 %(December 31, 2021 - %15,75), resulting in a real discount rate of approximately 2,10%(31 December, 2021 - %2,80).

In the calculation of provision for severance pay, the significant estimates are inflation, discount rate and the possibility willingly to leave the work.

	<b>December 31,2022</b>	<b>December 31,2021</b>
Provision for severance pay	6.002.209	3.274.259

	<b>December 31,2022</b>	<b>December 31,2021</b>
Opening Balance	3.274.259	2.499.646
Service Costs	1.622.465	537.510
Revaluation gains(losses) in defined benefit plans	2.958.444	(18.944)
Interest Cost	403.801	330.079
Payment (-)	(2.256.760)	(74.032)
<b>End of the Period</b>	<b>6.002.209</b>	<b>3.274.259</b>

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))****NOTE 31- EQUITY****A-Paid-in Capital**

With the permission of CMB, 8.000.000 shares was publicized in July 6-7, 2021, which consists of Birol Başaran's shares with nominal value of 2.000.000 TL and nominal value of issued 6.000.000 TL shares after increment of capital from 20.000.000 TL to 26.000.000 TL. The capital structure of the company after public offering is as follows.

Shareholders	December 31,2022		December 31,2021	
	Share Ratio %	Share Amount	Share Ratio %	Share Amount
Birol Başaran	46,91%	12.200.000	46,91%	12.200.000
İpek Canan Başaran	7,69%	2.000.000	7,69%	2.000.000
Tayfun Yurdagül	3,08%	800.000	3,08%	800.000
Osman Çaylı	2,31%	600.000	2,31%	600.000
Mümin Sürer	2,31%	600.000	2,31%	600.000
Zahide Koçyiğit	2,31%	600.000	2,31%	600.000
Ünal Kırıkçı	1,54%	400.000	1,54%	400.000
Metin Faruk Tufan	1,54%	400.000	1,54%	400.000
Abdülkadir Aydoğan	1,54%	400.000	1,54%	400.000
Shares Under Public Offering	30,77%	8.000.000	30,77%	8.000.000
<b>Paid-in Capital</b>	<b>100%</b>	<b>26.000.000</b>	<b>100%</b>	<b>26.000.000</b>

**b. Gains (Losses) on Remeasurement of Defined Benefit Actuarial Gain (Loss) Fund**

Within this framework, the Group has calculated the actuarial gains/losses in the defined benefit plans regarding its employees and presented them in the financial statements.

	December 31,2022	December 31,2021
Opening Balance	(297.659)	(313.192)
Actuarial Gain/Loss	(2.958.444)	18.943
Deferred Tax Asset	532.520	(3.410)
<b>Net Actuarial Gains / Losses</b>	<b>(2.723.583)</b>	<b>(297.659)</b>

**c-Share Premiums (Discounts)**

	December 31,2022	December 31,2021
Premiums on Shares (Discounts)	65.190.632	65.190.632

**d- Restrained Reserves from Profit**

According to the Turkish Commercial Code, legal reserves are divided into two groups as primary legal reserves and secondary legal reserves. Primary legal reservers are allocated as 5% of the legal net profit untill 20% of the paid capital of company is achieved. As for the secondary legal reserves, they are 10% of the profit distributed which exceeds the 5% of the paid capital. According to the Turkish Commercial Code, if the general legal reserve does not exceed half of the capital or the issued capital, it may be used only to close the losses, to continue the business when the work is not going well or to prevent unemployment and to take measures to mitigate the results. Otherwise it is not possible to use it in any way.

	December 31,2022	December 31,2021
Legal Reserves	4.676.001	1.774.852
Venture Capital Fund (R&D Fund)	289.331	-
Reserves for Repurchased Shares (*)	-	9.955.039
<b>Total</b>	<b>4.965.332</b>	<b>11.729.891</b>

(\*)Reserves for repurchased shares are reserved in accordance with Article 520 of the TCC and the "Communiqué on Repurchased Shares" of the CMB.

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****e-Previous Year Profits / Losses**

Retained earnings other than the net profit for the period and accumulated losses are shown in this item. The extraordinary reserves that are retained by the nature of their accumulated profit and are therefore not restricted, are also recognized as retained earnings.

	<b>December 31,2022</b>	<b>December 31,2021</b>
Previous Years' Profits	40.351.102	12.281.894

**Dividend Distribution**

The companies whose shares are traded in BIST are subject to the dividend requirement brought by the CMB as follows:

According to Article 19 of the Capital Markets Law No. 6362 entered into force on December 30, 2012 and the Communiqué on Dividends numbered II-19.1, which entered into force on 1 February 2014, the publicly-traded companies distribute profits in scope of the profit distribution policies to be determined by their general assembly, and as per the provisions of the relevant legislation. The Board may set different principles on the profit distribution policies of publicly traded companies on the basis of similar partnerships.

Unless reserve is set up as per TCC or the dividend determined for the shareholders under the main contract or under the dividend distribution policy, it is not possible to decide to distribute any other reserve fund, transfer the profit to the following year and distribute the dividend from the profit to the owners of bonus shares, the members of the board of directors, the employees of the partnership and the persons other than the shareholder.

As of the date of dividend distribution, it is distributed equally to all existing shares, regardless of their issuance and acquisition dates.

The distribution method and time of the profit that is decided to be distributed is decided by the general assembly upon the proposal of the board of directors. .. The Company may decide to distribute dividends in accordance with the Turkish Commercial Code and Capital Markets legislation. For this purpose, it may authorize the board of directors with the decision of the general assembly, limited to the relevant accounting period.

**f- Repurchased Shares**

	<b>December 31,2022</b>	<b>December 31,2021</b>
Repurchased Shares (*)	-	(9.955.039)
Profit from Selling Own Repurchased Shares of the Business	14.111.566	-
<b>Total</b>	<b>14.111.566</b>	<b>(9.955.039)</b>

As of 31 December 2022, the Group has sold 485.500 shares, which are all of its repurchased shares, and the resulting profit amount of TL 14.111.566 has been accounted for in the "Profit from the Sale of Own Shares Repurchased" in equity.

As of 31 December 2021, the Group's repurchased shares accounted for in equity is TL 9.955.039. The nominal amount of the shares subject to the transaction is 485.500 TL, and its ratio to the capital is 1,8670%.

**g- Currency Translation Adjustment**

	<b>December 31,2022</b>	<b>December 31,2021</b>
Currency Translation Adjustment	1.256.515	286.829



**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))****NOTE 32-REVENUE AND COST OF SALES**

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
Domestic Sales	612.259.040	198.892.008
Overseas Sales	3.303.507	118.614
Other income	721.087	390.958
Returned Sales (-)	(2.909.054)	(895.178)
<b>Net Sales (*)</b>	<b>613.374.580</b>	<b>198.506.402</b>
Cost of Merchandise Sold(-) (*)	(351.858.664)	(105.182.183)
Cost of Service Sold(-)**	(143.382.649)	(54.724.419)
<b>Cost of Sales (-)</b>	<b>(495.241.313)</b>	<b>(159.906.602)</b>
<b>Gross Profit / (Loss)</b>	<b>118.133.267</b>	<b>38.599.800</b>

(\*)A detailed explanation has been given in Note.2.4.46 about the items that make up the revenue. Information about the revenue is as follows:

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
License Sales	490.874.399	140.024.289
VB T Products License and Maintenance Sales	33.933.192	16.564.129
VB T Products Consulting and Training Sales	81.821.163	37.332.320
VB T Products Other Service Revenues	6.745.825	4.585.664
<b>Revenue Total</b>	<b>613.374.580</b>	<b>198.506.402</b>

(\*\*) It is the cost of licenses sold by the Company to its customers.

(\*\*\*) The details of cost of sold services are given below.

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
<b>Details of Cost of Service Sold</b>		
Staff Wages Expenses	(39.195.683)	(18.792.269)
Consulting Expenses	(63.672.664)	(23.362.686)
Stamp Tax Expenses	(5.178.979)	(1.964.044)
Building and vehicle Rent Expenses	(76.257)	(5.180)
Depreciation Expenses	(3.234.684)	(1.370.403)
License Maintenance and Repair Expenses	(30.427.031)	(8.474.528)
Software and Development Expenses	(560.383)	(181.797)
Other expenses	(1.036.968)	(573.512)
<b>Total</b>	<b>(143.382.649)</b>	<b>(54.724.419)</b>

**NOTE 33-GENERAL ADMINISTRATIVE EXPENSES, MARKETING, SALES and DISTRIBUTION EXPENSES, RESEARCH AND DEVELOPMENT EXPENSES**

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
General administrative expenses (-)	(18.710.106)	(6.446.924)
Marketing,Sales and Distribution Expenses (-)	(1.145.163)	(919.734)
Research and Development Expenses (-)	(33.773.314)	(15.178.834)
<b>Total</b>	<b>(53.628.583)</b>	<b>(22.545.492)</b>

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))**

<b>a- Details of General Management Expenses</b>	<b>January 1,2022 December 31,2022</b>	<b>January 1,2021 December 31,2021</b>
Staff Wages Expenses	(10.343.179)	(3.165.769)
Depreciation Expenses	(868.179)	(119.800)
Taxes, Duties and Charges	(356.122)	(234.140)
Consultancy Expenses	(586.853)	(269.995)
Representation Hospitality Expenses	(448.824)	(49.861)
Attendance Fee	(1.075.030)	(790.363)
Electricity and Water Expenses	(76.072)	(15.238)
Business Expenses	(2.054.529)	(318.897)
Vehicle and Fuel Expenses	(809.053)	(216.992)
Workplace Rental Expenses	(603.611)	(120.307)
Communication Expenses	(214.732)	(49.683)
Other expenses	(1.273.922)	(1.095.879)
<b>Total</b>	<b>(18.710.106)</b>	<b>(6.446.924)</b>

<b>b- Marketing, Sales and Distribution Expenses</b>	<b>January 1,2022 December 31,2022</b>	<b>January 1,2021 December 31,2021</b>
Staff Wages Expenses	(117.272)	(353.893)
Travel Expenses	(108.104)	(19.528)
Advertising and Promotion Expenses	(908.031)	(517.363)
Other expenses	(11.756)	(28.950)
<b>Total</b>	<b>(1.145.163)</b>	<b>(919.734)</b>

<b>c- Details of Research and Development Expenses</b>	<b>January 1,2022 December 31,2022</b>	<b>January 1,2021 December 31,2021</b>
Staff Expenses	(29.578.243)	(12.875.433)
Depreciation Expenses	(3.042.317)	(2.045.021)
Software and Consultancy Expenses for R&D Project	(613.620)	(118.216)
Other expenses	(539.134)	(140.164)
<b>Total</b>	<b>(33.773.314)</b>	<b>(15.178.834)</b>

**NOTE 34-EXPENSES CLASSIFIED ACCORDING TO ASSORTMENT**

<b>a-Depreciation and Amortization Expenses (-)</b>	<b>January 1,2022 December 31,2022</b>	<b>January 1,2021 December 31,2021</b>
Service Costs	(3.234.684)	(1.370.403)
Research and Development Expenses	(3.042.317)	(2.045.021)
General and administrative expenses	(868.179)	(119.800)
<b>Total</b>	<b>(7.145.180)</b>	<b>(3.535.224)</b>

<b>b-Staff Expenses (-)</b>	<b>January 1,2022 December 31,2022</b>	<b>January 1,2021 December 31,2021</b>
Service Cost	(39.195.683)	(18.792.269)
Research and Development Expenses	(29.578.243)	(12.875.433)
Marketing, Sales and Distribution Expenses	(117.272)	(353.893)
General and administrative expenses	(10.343.179)	(3.165.769)
<b>Total</b>	<b>(79.234.377)</b>	<b>(35.187.364)</b>

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))****NOTE 35-OTHER OPERATING INCOME/EXPENSES**

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
<b>a- Other Operating Income</b>		
Exchange Rate Difference Income from Operations	12.271.552	15.826.948
Provisions No Longer Required	469.020	519.505
Other Income and Profits Related to Operations	48.001	20.000
Other Extraordinary Income and Profits	1.021.379	282.893
<b>Total</b>	<b>13.809.952</b>	<b>16.649.346</b>

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
<b>b- Other Operating Expenses</b>		
Exchange Rate Difference Expense from Operations	(17.858.865)	(10.438.291)
Provision Expenses	(1.202.773)	(114.588)
Other Expenses	(776.401)	(586.194)
<b>Total</b>	<b>(19.838.039)</b>	<b>(11.139.073)</b>

**NOTE 36-INCOME FROM INVESTING ACTIVITIES**

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
Fixed Asset Sales Revenue	329.842	-
Stock Sales Profits	1.633.207	-
Currency-linked deposit interest and Foreign Exchange Income	2.906.248	-
Mutual Fund Value Increase	4.488	-
<b>Total</b>	<b>4.873.785</b>	<b>-</b>

**NOTE 37- EXPENSES DUE TO INVESTING ACTIVITIES**

The Group does not have any expenses from investment activities as of the balance sheet date. (31 December 2020-None.)

**NOTE 38-FINANCIAL INCOME**

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
Interest income	5.696.332	4.630.528
Exchange Difference Revenue	21.196.595	18.445.685
<b>Total</b>	<b>26.892.927</b>	<b>23.076.213</b>

**NOTE 39- FINANCIAL EXPENSES**

	<b>January 1,2022</b>	<b>January 1,2021</b>
	<b>December 31,2022</b>	<b>December 31,2021</b>
Exchange Difference Expense	(562.237)	(3.966.596)
Interest Expenses	(2.391.773)	(1.751.145)
<b>Total</b>	<b>(2.954.010)</b>	<b>(5.717.741)</b>

**NOTE 40-ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS**

As of the balance sheet date, the Company does not have any assets held for sale or discontinued operations. (December 31 2021- None.)

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****NOTE41-ANALYSIS OF OTHER COMPREHENSIVE INCOME ITEMS****Revaluation gains(losses) in defined benefit plans**

	<b>December 31,2022</b>	<b>December 31,2021</b>
Opening Balance	(297.659)	(313.192)
Actuarial Gain/Loss	(2.958.444)	18.943
Deferred Tax Asset	532.520	(3.410)
<b>Net Actuarial Gains / Losses</b>	<b>(2.723.583)</b>	<b>(297.659)</b>

**NOTE 42- TAX PROVISIONS AND LIABILITIES (DEFERRED TAX ASSETS AND LIABILITIES INCLUDED)**

	<b>December 31,2022</b>	<b>December 31,2021</b>
Current Period Legal Tax Provision	12.397.884	5.123.752
Prepaid Taxes (-)	(6.448.791)	(1.206.187)
<b>Total Net Tax Payable</b>	<b>5.949.093</b>	<b>3.917.565</b>

	<b>January 1,2022</b>	<b>January 1,2021</b>
<b>Tax Expense in Profit or Loss Statement</b>	<b>December 31,2022</b>	<b>December 31,2021</b>
Current Period Legal Tax Provision (-)	(12.397.884)	(5.123.752)
Deferred Tax Income/(Expense)	580.425	46.636
<b>Total Tax Expense</b>	<b>(11.817.459)</b>	<b>(5.077.116)</b>

**A.Period Income Tax Liability**

The Group is subject to corporation tax applicable in Turkey. Provision is made in the accompanying financial statements for estimated tax liabilities related to the Group 's operating results for the current period.

Corporation tax; It is applied to the tax base to be determined as a result of adding the expenses that are not accepted as deductible in accordance with the tax laws to the commercial income of the corporations, deducting the exceptions (such as the participation earnings exception) and deductions (such as the R&D discount) in the tax laws. Past years' losses deducted from the corporate tax base can be carried forward for a maximum of 5 years, to be deducted from the taxable profit to be generated in the coming years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years. In addition, provisional tax is calculated and accrued at the corporate tax rate on a quarterly basis

According to the Corporate Tax Law No. 5520, the corporate tax and temporary tax rate was applied as 20% until January 1, 2018, and as 22% for the years 2018, 2019 and 2020 as of January 1, 2018. Starting from the declarations that must be submitted as of July 1, 2021, based on the Law on the Collection of Public Claims dated April 15, 2021 and numbered 7316 and Articles 11 and 14 of the Law on Amending Certain Laws, and to be effective as of January 1, 2021, the Corporate Tax rate has been set as 25% for the corporate earnings for the 2021 accounting period and 23% for the 2022 accounting period earnings.

With the 6th paragraph added to the 32nd article of the Corporate Tax Law with the Law No. 7256, the corporations belonging to 5 accounting periods, starting from the accounting period in which the shares of the corporations offered to the public at a rate of at least 20% are offered to the public for the first time, to be traded for the first time in the Borsa Istanbul Equity Market. The corporate tax rate is reduced by 2 points to their earnings.

The rate of 18% was used in the deferred tax calculation after the reduced corporate tax (2 points corporate tax deduction).

**B. Deferred tax Asset and Liability**

The Group accounts for the deferred tax assets and liabilities for the temporary timing discrepancies arising from the differences between the legal financial statements on which the tax is based and the financial tables which have been prepared in accordance with the Turkish Accounting Standards (TAS). The said differences usually originate from the fact that tax base amounts of some income and expense items have been presented in the different periods for the financial statements prepared according to the TAS, and the said differences are stated below.

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))**

Items on which deferred tax and corporate tax are based are shown below:

<b>Deferred Tax - Temporary Differences:</b>	<b>December 31,2022</b>	<b>December 31,2021</b>
a- Prepaid Expenses	(473.645.532)	(29.143.466)
b- Right of Use Assets	2.228.663	1.322.500
c- Provision for severance pay	6.002.209	3.274.259
d- Adjustments Related to Contract Assets from Sales of Goods and Services	-	(1.871.988)
e-Trade Receivables-Payables	1.886.755	516.568
f- Adjustments Related to Tangible and Intangible Fixed Assets	(7.144.632)	(7.799.295)
g- Adjustments Related to Contract Obligations for Goods and Services Sales	477.031.096	26.994.855
h- Payables from Leasing Transactions	(1.760.117)	(1.213.385)
i- Allowances	970.940	1.545.843
j- Adjustments related to expense provisions	(5.714.689)	-
k-Other	84.703	(111.996)
<b>Total</b>	<b>(60.604)</b>	<b>(6.486.105)</b>

	<b>December 31,2022</b>	<b>December 31,2021</b>
<b>Deferred Tax Assets / (Liabilities):</b>		
a- Prepaid Expenses	(85.256.196)	(5.753.652)
b- Right of Use Assets	401.159	238.050
c- Provision for severance pay	1.080.398	589.367
d- Adjustments Related to Contract Assets from Sales of Goods and Services	-	(336.958)
e-Trade Receivables-Payables	339.616	102.418
f- Adjustments Related to Tangible and Intangible Fixed Assets	(1.294.861)	(1.403.873)
g- Adjustments Related to Contract Obligations for Goods and Services Sales	85.865.597	5.385.132
h- Payables from Leasing Transactions	(316.821)	(254.272)
i- Allowances	174.769	324.627
j- Adjustments related to expense provisions	(1.028.644)	-
k-Other	15.248	(23.519)
<b>Total</b>	<b>(19.735)</b>	<b>(1.132.680)</b>

The movement of deferred tax assets / (liabilities) for the year ended 31 December 2022 and 31 December 2021 is as follows:

	<b>December 31,2022</b>	<b>December 31,2021</b>
Opening Balance as of 1 January	(1.132.680)	(1.175.906)
Deferred Tax Income / Expense of the Period	580.425	46.636
Actuarial Gain/Loss Reflected in Comprehensive Income	532.520	(3.410)
<b>Closing Balance</b>	<b>(19.735)</b>	<b>(1.132.680)</b>

**NOTE 43-EARNINGS PER SHARE**

As of the current and previous period, company's number of shares and profit/loss calculations per unit share are as follows.

	<b>December 31,2022</b>	<b>December 31,2021</b>
Net Profit / Loss	76.326.620	34.146.203
Number of shares	26.000.000	26.000.000
<b>Profit / loss per share</b>	<b>2,94</b>	<b>1,31</b>

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****NOTE 44– FEATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS**

Main financial instruments of the group are bank credits, cash and short-term bank deposits. The main reason for using these instruments is to create finance for the activities of the company. The group also possesses the financial instruments such as trade receivables and trade payables arising directly from the activities. Risks associated with the instruments being used are foreign exchange risk, interest risk, credit risk and liquidity risk. The group management handles these risks as follows:

**a) Capital risk management:**

The objectives of the group in the management of the capital are to provide its shareholders with benefit and to maintain the optimum capital structure for the purpose of reducing capital cost and sustaining the activities of the group.

Capital costs of the group, as well as the risks associated with each type of capital are evaluated by the top management. Based on the assessments of the top management, capital structure is aimed to balance through borrowing new loans or payment of existing loans as well as dividend payments, issuance of new shares.

The group monitors equity capital by using the ratio of liability/total equity capital. This ratio is obtained by the dividing of net liability into total equity capital. Net liability is calculated by the deduction of cash and cash equivalents from the total amount of liability (includes credits and trade payables as shown in the balance sheet).

As of the period-ends, the ratios net liability/total capital is as follows:

	<b>December 31,2022</b>	<b>December 31,2021</b>
Total Liabilities	659.803.011	203.199.677
Minus: Cash and Cash Equivalents	236.681.036	224.819.836
Net Liability	423.121.975	-21.620.159
Total equity Capital	225.166.707	139.382.751
<b>Ratio for Net Liability /Total Capital</b>	<b>1,88</b>	<b>(0,16)</b>

**b) Loans and Receivables Risk Management:**

Loan risk is a risk where a customer or other party cannot fulfil the requirements in the contract. Receivables risk, on the other hand, involves the possession of financial assets, the risk where other party is unable to fulfil the requirements of the contract, too. Loans and receivables risk of Partnership basically results from trade receivables. Group management offsets those risks by means of limiting the average risk for the other party (except for associative parties) presented at all agreements and getting guarantee if necessary.

Trade receivables are tackled taking into account the past experiences and current economic situation and, if required, shown as net in the balance sheet after the allocation of an appropriate amount of provision for bad debts by top management.

The Group applied the simplified approach specified in TFRS 9 to calculate the expected credit loss provision for trade receivables. This approach allows for the lifetime expected credit loss provision for all trade receivables. In order to measure expected credit losses, the Group has classified its trade receivables in terms of maturity. The expected credit loss ratio for trade receivables is calculated and the expected credit loss provision has been calculated by multiplying the determined rate and trade receivable sum by using past loan loss experiences.

**VBT YAZILIM A.Ş.**
**FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))**

December 31, 2022	Receivables				Bank Deposits	Cash and Cash Equiv
	Trade Receivables		Other Receivables			
	Related Party	Related Party	Related Party	Other Party		
<b>Maximum Credit Risk Sustained as of Reporting Date (A+B+C+D)</b>	-	<b>104.788.021</b>	<b>466.305</b>	<b>1.431.457</b>	<b>236.679.602</b>	<b>1.434</b>
- Part of the maximum risk secured by means of guarantee, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due or impaired	-	96.672.981	466.305	1.431.457	236.679.602	1.434
B. Net book value of assets overdue but not undergone impairment	-	8.115.039	-	-	-	-
C. Net book value of assets undergone impairment						
- Overdue (Gross Book Value)	-	(197.398)	-	-	-	-
- Impairment (-)	-	(197.398)	-	-	-	-
- Undued (Gross book value)	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-
-Part of the net value secured by means of guarantee, etc.	-	-	-	-	-	-

December 31, 2021	Receivables				Bank Deposits	Cash and Cash Equiv
	Trade Receivables		Other Receivables			
	Related Party	Other Party	Related Party	Other Party		
<b>Maximum Credit Risk Sustained as of Reporting Date (A+B+C+D)</b>	-	<b>18.735.970</b>	<b>2.025.092</b>	<b>24.277</b>	<b>224.808.813</b>	<b>11.023</b>
- Part of the maximum risk secured by means of guarantee, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due or impaired	-	14.953.682	2.025.092	24.277	224.808.813	11.023
B. Net book value of assets overdue but not undergone impairment	-	3.782.288	-	-	-	-
C. Net book value of assets undergone impairment						
- Overdue (Gross Book Value)	-	(202.034)	-	-	-	-
- Impairment (-)	-	(202.034)	-	-	-	-
- Undued (Gross book value)	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-
-Part of the net value secured by means of guarantee, etc.	-	-	-	-	-	-

**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))**

Table regarding maturities of assets which have been overdue but not undergone impairment is as follows:

December 31, 2022	Receivables	
	Trade Receivables	Trade Receivables
Overdue 1-30 days	3.251.596	-
Overdue 1-3 months	4.428.712	-
Overdue 3-12 months	434.731	-
Overdue 1-5 years		-
Overdue more than 5 years		-
<b>Total</b>	<b>8.115.039</b>	-

December 31, 2021	Receivables	
	Trade Receivables	Other Receivables
Overdue 1-30 days	3.204.620	-
Overdue 1-3 months	365.578	-
Overdue 3-12 months	212.090	-
Overdue 1-5 years	-	-
Overdue more than 5 years	-	-
<b>Total</b>	<b>3.782.288</b>	-

**c) Liquidity Risk Management:**

Group is entitled to utilize banks, its sellers and shareholders as funding source. Company continuously assesses liquidity risk determining and following the changes in the conditions of the funding which is required to achieve the targets set according to company strategy

**December 31,2022**

Terms as per contract	Book value	Sum of Cash Output as per contract (=I+II+III)	Shorter than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)
<b>Non-derivative Fin. Liabilities</b>					
Bank credits	2.321.656	2.580.246	772.311	1.186.619	621.316
Payables from Leasing	3.247.642	4.724.395	337.253	1.015.415	3.371.726
Other Financial Liabilities	908.926	908.926	908.926	-	-
Trade Payables	124.653.957	124.653.957	124.653.957	-	-
Other Payables	30.150.925	30.150.925	30.150.925	-	-
Liab. Under Employee Benefits	4.934.158	4.934.158	4.934.158	-	-
<b>Total Liabilities</b>	<b>166.217.264</b>	<b>167.952.607</b>	<b>161.757.531</b>	<b>2.202.034</b>	<b>3.993.042</b>

**December 31,2021**

Terms as per contract	Book value	Sum of Cash Output as per contract (=I+II+III)	Shorter than 3 months (I)	Between 3-12 months (II)	Between 1-5 years (III)
<b>Non-derivative Fin. Liabilities</b>					
Bank credits	4.424.199	4.876.927	755.627	1.949.769	2.171.531
Payables from Leasing	388.197	388.197	10.170	34.714	343.313
Other Financial Liabilities	139.987	139.987	139.987	-	-
Trade Payables	126.911.606	126.911.606	126.911.606	-	-
Other Payables	6.898.375	6.898.375	6.898.375	-	-
Liab. Under Employee Benefits	1.531.108	1.531.108	1.531.108	-	-
<b>Total Liabilities</b>	<b>140.293.472</b>	<b>140.746.200</b>	<b>136.246.873</b>	<b>1.984.484</b>	<b>2.514.844</b>



**VBT YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****d) Management of the Risks Due to Market and Foreign Exchange:**

The Group is not sensitive to foreign exchange risk due to the fact that a significant portion of the Group's sales are not indexed to foreign currency and foreign currency and some portion of its trade payables are foreign currency. The costs are determined in Turkish Lira and represent a foreign currency risk conversely. Therefore, currency risk is minimized.

Required price adjustments are made instantly through tracking price changes in the market and market conditions regularly.

There is no change with respect to the last year regarding the market risk undergone by the group in the current year or the way of dealing with the risks encountered or the way of measuring these risks.

Foreign asset and liability of the group, foreign exchange position sheet in terms of original and TL currencies as of December 31, 2022 and December 31, 2021 are as follows:

<b>FOREIGN EXCHANGE POSITION TABLE</b>			
<b>DECEMBER 31, 2022</b>	<b>TL equivalent (Functional currency)</b>	<b>USD</b>	<b>Euro</b>
1. Trade Receivables	13.436.505	718.595	-
2a Monetary Financial Assets(Cash, including bank accounts)	-	-	-
2b. Non-Monetary Financial Assets	-	-	-
3. Other	1.404.489	25.005	47.000
4. Current Assets(1+2+3)	14.840.994	743.600	47.000
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-Monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Non-Current Assets(5+6+7)	-	-	-
9. Total Assets(4+8)	14.840.994	743.600	47.000
10. Trade Payables	123.300.399	6.485.575	101.890
11. Financial Liabilities	-	-	-
12a. Monetary Other Liabilities	3.739.660	200.000	-
12b. Other Non-Monetary Liabilities	-	-	-
13. Short-term Liabilities(10+11+12)	127.040.059	6.685.575	101.890
14. Trade Payables	-	-	-
15. Financial Liabilities	-	-	-
16 a. Monetary Other Liabilities	-	-	-
16 b. Other Non-Monetary Liabilities	-	-	-
17. Long-term Liabilities(14+15+16)	-	-	-
18. Total Liabilities(13+17)	127.040.059	6.685.575	101.890
19. Off the Balance Sheet Net Asset/(Liability) Position of Derivative Instruments in terms of Foreign Exchange(19a-19b)	-	-	-
19a. Off the Balance Sheet Amount of Active Derivatives in terms of Foreign Exchange	-	-	-
19b. Off the Balance Sheet Amount of Passive Derivatives in terms of Foreign Exchange	-	-	-
20. Net Foreign Asset/ (Liability) Position(9-18+19)	(112.199.065)	(5.941.975)	(54.890)
21. Monetary Items Net Foreign Exchange Asset/ (Liability) Position(TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	(113.603.554)	(5.966.980)	(101.890)
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge	-	-	-
23. Amount of hedged portion of foreign currency assets**	-	-	-
24- Amount of hedged portion of foreign currency liabilities	-	-	-
25.Export			
26.Import	196.701.287	11.080.744	108.490

(\* ) In parallel with the imports of the Group, most of the domestic sales are indexed to foreign currency and these amounts are not included in the export item.

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))**

<b>FOREIGN EXCHANGE POSITION TABLE</b>				
<b>DECEMBER 31, 2021</b>	<b>TL equivalent (Functional currency)</b>	<b>USD</b>	<b>Euro</b>	<b>GBP</b>
1. Trade Receivables	7.233.083	419.381	108.914	-
2a Monetary Financial Assets(Cash, including bank accounts)	114.696.428	8.502.574	89.786	615
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets(1+2+3)	121.929.511	8.921.955	198.700	615
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets(5+6+7)	-	-	-	-
9. Total Assets(4+8)	121.929.511	8.921.955	198.700	615
10. Trade Payables	123.625.533	9.274.936	-	(5)
11. Financial Liabilities	-	-	-	-
12a. Monetary Other Liabilities	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Short-term Liabilities(10+11+12)	123.625.533	9.274.936	-	(5)
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16 a. Monetary Other Liabilities	-	-	-	-
16 b. Other Non-Monetary Liabilities	-	-	-	-
17. Long-term Liabilities(14+15+16)	-	-	-	-
18. Total Liabilities(13+17)	123.625.533	9.274.936	-	(5)
19.Off the Balance Sheet Net Asset/(Liability) Position of Derivative Instruments in terms of Foreign Exchange(19a-19b)	-	-	-	-
19a. Off the Balance Sheet Amount of Active Derivatives in terms of Foreign Exchange	-	-	-	-
19b. Off the Balance Sheet Amount of Passive Derivatives in terms of Foreign Exchange	-	-	-	-
20. Net Foreign Asset/ (Liability) Position(9-18+19)	(1.696.022)	(352.981)	198.700	620
21. Monetary Items Net Foreign Exchange Asset/ (Liability) Position(TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	(1.696.022)	(352.981)	198.700	620
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge	-	-	-	-
23. Amount of hedged portion of foreign currency assets**	-	-	-	-
24- Amount of hedged portion of foreign currency liabilities	-	-	-	-
25.Export	118.614	14.000	-	-
26.Import	47.257.215	4.526.358	-	-

(\*) In parallel with the imports of the Group, most of the domestic sales are indexed to foreign currency and these amounts are not included in the export item.

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022**  
**(All amounts are expressed in Turkish Lira ("TL"))**

According to the balance sheet position as of December 31, 2022 and December 31, 2021, based on the assumption that the Turkish Lira will be valued / devalued 10% against the USD, Euro and other currency units, the gross profit as a result of profit on Exchange difference consisting of assets and liabilities in terms of USD and Euro currencies, would be 11.360.356 TL (December 31, 2021- 169.601 TL) high / low as can be seen in the Exchange rate Sensitivity Analysis Chart given below.

<b>Foreign Exchange Sensitivity Analysis Table</b>		
<b>December 31, 2022</b>	<b>Profit/Loss</b>	
	<b>Increase of Foreign Exchange in Value</b>	<b>Decrease of Foreign Exchange in Value</b>
<b>In case US Dollar changes 10% against TL:</b>		
1- US Dollar net asset/liability	(11.157.239)	11.157.239
2- The part secured against US Dollar risk (-)		
<b>3- US Dollar Net Effect(1+2)</b>	<b>(11.157.239)</b>	<b>11.157.239</b>
<b>In case EURO changes 10% against TL:</b>		
4- EURO net asset/liability	(203.117)	203.117
5- The part secured against EURO risk (-)		
<b>6- Euro Net Effect(4+5)</b>	<b>(203.117)</b>	<b>203.117</b>
<b>TOTAL (3+6)</b>	<b>(11.360.356)</b>	<b>11.360.356</b>

<b>Foreign Exchange Sensitivity Analysis Table</b>		
<b>December 31, 2021</b>	<b>Profit/Loss</b>	
	<b>Increase of Foreign Exchange in Value</b>	<b>Decrease of Foreign Exchange in Value</b>
<b>In case US Dollar changes 10% against TL:</b>		
1- US Dollar net asset/liability	(470.488)	470.488
2- The part secured against US Dollar risk (-)		
<b>3- US Dollar Net Effect(1+2)</b>	<b>(470.488)</b>	<b>470.488</b>
<b>In case EURO changes 10% against TL:</b>		
4- EURO net asset/liability	299.773	(299.773)
5- The part secured against EURO risk (-)		
<b>6- Euro Net Effect(4+5)</b>	<b>299.773</b>	<b>(299.773)</b>
<b>In case GBP changes 10% against TL:</b>		
7- GBP net asset/liability	1.114	(1.114)
8- The part secured against GBP risk (-)		
<b>9- GBP Net Effect (7+8)</b>	<b>1.114</b>	<b>(1.114)</b>
<b>TOTAL (3+6+9)</b>	<b>(169.601)</b>	<b>169.601</b>

**e)Interest Rate Risk Management and Interest Rate Sensitivity**

Due its assets bringing interest or liabilities interest is paid for, the group is vulnerable to interest rate risk arising from interest rate changes. This risk is handled by means of balancing the amount and terms of assets and liabilities being sensitive to interest rate via some techniques within the balance sheet and using derivative instruments, if necessary.

Within this scope, great importance is attached to the fact that not only the maturities of receivables and payables but also interest renewal periods are similar. In order for the financial liabilities to be affected minimally from the interest rate fluctuations in the market, "fixed interest / variable interest", "short-term / long-term "and TL / foreign currency balance of these debts are structured both within itself and within the framework of the asset structure. Since interest rates of corporate loans will remain constant until maturity, no interest rate risk has been calculated in this period.

**VB T YAZILIM A.Ş.****FOOTNOTES REGARDING CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2022  
(All amounts are expressed in Turkish Lira ("TL"))****NOTE 45 - FINANCIAL INSTRUMENTS**

The Group does not have any financial intermediaries other than those explained in NOTE 8-Financial Investments.

**NOTE 46-POST BALANCE SHEET EVENTS**

VB T Yazılım A.Ş. has agreed with a Private Bank residing in Turkey for the renewal and additional services of the "Disaster Recovery Center Mainframe and Data Storage Systems". The work will be completed within 1 year with the services. The total value of the contract is 8.227.000 USD.

In order to increase its activities in the field of Human Resources, VB T Yazılım A.Ş. completed the negotiations to participate in Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları AŞ. (Vizyon Teknik) by purchasing some of Vizyon Teknik's shares. On 23.01.2023, an agreement for the purchase of 50,00% shares of Vizyon Teknik for 5.500.000 TL was signed.

**NOTE 47- FEES FOR SERVICES RENDERED BY INDEPENDENT AUDIT AUTHORITY**

The Group is required to disclose the fees related to the services received from the independent audit firm as of the reporting period, based on the Board Decision published in the Official Gazette of the Public Oversight, Accounting and Auditing Standards Authority. In this context, the independent audit fee for the reporting period is 280.500 TL, excluding VAT, including subsidiaries and affiliates. (31 December 2021: 230.000 TL). There are no services other than the independent audit received from the independent audit firm.

**NOTE 48-OTHER MATTERS****A-Financial Statement Disclosures:**

-As of December 31, 2022, total insurance amount of asset corresponded to 5.188.080 TL. Vehicles are insured with current value.

-As of December 31, 2021, total insurance amount of asset corresponded to 1.581.080 TL. Vehicles are insured with current value.

**b- Classifications Made for Financial Statements of Previous Periods and Their Properties**

Comparative information is re-classified, when needed, for the purpose of conformity with the presentation of financial statements of current period.

**c- Significant Accounting Policies**

Significant accounting policies of the company regarding financial instruments are explained under the note Financial Instruments included in Note 2.