

VBT YAZILIM A.Ş.
AS OF SEPTEMBER 30, 2024
CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)		1-2
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME		3
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY		4
CASH FLOW STATEMENT		5
NOTES TO THE FINANCIAL STATEMENTS		6-45
NOTE 1	ORGANIZATION AND FIELD OF ACTIVITY OF THE COMPANY	
NOTE 2	BASIS OF PRESENTATION OF FINANCIAL STATEMENTS	
NOTE 3	BUSINESS MERGERS	
NOTE 4	INTERESTS IN OTHER ENTITIES AND JOINT VENTURES	
NOTE 5	FINANCIAL INVESTMENTS	
NOTE 6	RELATED PARTY DISCLOSURES	
NOTE 7	CASH AND CASH EQUIVALENTS	
NOTE 8	INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND SUBSIDIARIES	
NOTE 9	FINANCIAL LIABILITIES	
NOTE 10	TRADE RECEIVABLES AND PAYABLES	
NOTE 11	RECEIVABLES AND LIABILITIES ARISING FROM CUSTOMER CONTRACTS	
NOTE 12	RECEIVABLES AND PAYABLES FROM FINANCIAL SECTOR OPERATIONS	
NOTE 13	OTHER RECEIVABLES AND PAYABLES	
NOTE 14	EMPLOYEE BENEFIT OBLIGATIONS	
NOTE 15	DERIVATIVE INSTRUMENTS	
NOTE 16	STOCKS	
NOTE 17	LIVING BEINGS	
NOTE 18	PREPAID EXPENSES AND DEFERRED INCOME	
NOTE 19	GOVERNMENT INCENTIVES AND SUBSIDIES	
NOTE 20	TAX LIABILITY FOR THE PERIOD	
NOTE 21	OTHER CURRENT ASSETS, OTHER NON-CURRENT ASSETS	
NOTE 22	OTHER LIABILITIES	
NOTE 23	PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	
NOTE 24	INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD	
NOTE 25	INVESTMENT PROPERTIES	
NOTE 26	TANGIBLE FIXED ASSETS	
NOTE 27	INTANGIBLE ASSETS	
NOTE 28	RIGHT TO USE ASSETS	
NOTE 29	SHORT/LONG TERM PROVISIONS	
NOTE 30	EQUITY	
NOTE 31	SALES AND COST OF SALES	
NOTE 32	RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SALES AND DISTRIBUTION EXPENSES, GENERAL ADMINISTRATIVE EXPENSES	
NOTE 33	EXPENSES BY NATURE	
NOTE 34	OTHER OPERATING INCOME/EXPENSES	
NOTE 35	INCOME FROM INVESTING ACTIVITIES	
NOTE 36	EXPENSES FROM INVESTING ACTIVITIES	
NOTE 37	FINANCING INCOME	
NOTE 38	FINANCING EXPENSES	
NOTE 39	ASSETS HELD FOR SALE AND NON-CURRENT ASSETS HELD FOR SALE ACTIVITIES.	
NOTE 40	ANALYSIS OF OTHER COMPREHENSIVE INCOME	
NOTE 41	TAX PROVISIONS AND LIABILITIES	
NOTE 42	EARNINGS PER SHARE	
NOTE 43	NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS	
NOTE 44	FINANCIAL INSTRUMENTS	
NOTE 45	EVENTS AFTER THE BALANCE SHEET DATE	

VBT YAZILIM A.Ş.**30 SEPTEMBER 2024 AND 31 DECEMBER 2023 CONSOLIDATED STATEMENTS OF FINANCIAL**

POSITION (BALANCE SHEET) in terms of the purchasing power of the Turkish Lira at September 30, 2024, unless otherwise indicated).

	Notes	Current Period September 30, 2024	Prior Period December 31, 2023
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	213.177.590	222.816.246
Financial Investments	5	63.201.049	82.718.897
Trade Receivables	10	112.193.636	177.473.185
Trade Receivables from Related Parties	6-10	-	34.628
Trade Receivables from Third Parties	10	112.193.636	177.438.557
Other Receivables	13	7.406.919	63.450.498
Other Receivables from Related Parties	6-13	4.293.964	61.585.179
Other Receivables from Third Parties	13	3.112.955	1.865.319
Stocks	16	120.105.622	78.887.849
Prepaid Expenses	18	61.218.451	116.653.141
Prepaid Expenses to Related Parties	6-18	3.670.352	18.911.912
Prepaid Expenses to Third Parties	18	57.548.099	97.741.229
Current Period Tax Related Assets		1.037.895	-
Other Current Assets	22	6.292.536	248.206
Other Current Assets Due from Third Parties	22	6.292.536	248.206
Total Current Assets		584.633.698	742.248.022
Fixed Assets			
Other Receivables	13	887.175	1.103.570
Other Receivables from Related Parties	6-13	735.955	999.871
Other Receivables from Third Parties	13	151.220	103.699
Investments Accounted through Equity Method	25	4.431.081	53.857.683
Tangible Fixed Assets	27	126.597.975	123.769.463
Buildings		70.244.035	62.844.899
Plant, Machinery and Equipment		15.649.845	22.721.863
Vehicles		21.393.642	14.384.097
Furniture and Fixtures		15.031.906	17.253.759
Special Costs		4.278.547	6.564.845
Right of Use Assets	29	17.171.345	14.657.338
Intangible Assets	28	169.824.385	80.188.270
Licenses		-	5.843
Capitalized Development Costs		169.824.385	80.182.427
Prepaid Expenses	18	21.183.094	21.183.097
Prepaid Expenses to Third Parties	18	21.183.094	21.183.097
Total Fixed Assets		340.095.055	294.759.421
TOTAL ASSETS		924.728.753	1.037.007.443

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

VBT YAZILIM A.Ş.**30 SEPTEMBER 2024 AND 31 DECEMBER 2023 CONSOLIDATED STATEMENTS OF FINANCIAL**

POSITION (BALANCE SHEET) in terms of the purchasing power of the Turkish Lira at 30 September 2024, unless otherwise stated).

	Notes	Current Period September 30, 2024	Prior Period December 31, 2023
SOURCES			
Short Term Liabilities			
Short Term Borrowings	9	51.234.698	840.353
Short Term Borrowings from Third Parties	9	51.234.698	840.353
Bank Loans		51.234.698	840.353
Short-term portion of long-term borrowings	9	1.180.852	2.349.559
Short Term Portion of Long Term Borrowings from Third Parties	9	1.180.852	2.349.559
Payables from Leasing Transactions	9	1.180.852	2.349.559
Other Financial Liabilities	9	-	212.477
Other Miscellaneous Financial Liabilities		-	212.477
Trade Payables	10	69.568.927	75.183.217
Trade Payables to Third Parties	10	69.568.927	75.183.217
Employee Benefit Payables	14	15.054.754	12.666.711
Other Payables	13	15.281.639	39.037.030
Other payables to related parties	6-13	246.884	-
Other payables to third parties	13	15.034.755	39.037.030
Obligations Arising from Customer Contracts	11	82.537	186.298.246
Contractual Obligations Arising from Sales of Goods and Services	11	82.537	186.298.246
Government Incentives and Aids	19	208.409	283.145
Deferred Income (Other than Contractual Obligations)	18	5.591.965	-
Current Period Profit Tax Liability	20	-	5.735.889
Short Term Provisions	29	17.263.109	7.822.568
Short Term Provisions for Employee Benefits	29	16.928.605	5.924.209
Other Short Term Provisions	29	334.504	1.898.359
Other Short Term Liabilities	22	-	570.679
Other Short Term Liabilities to Third Parties	22	-	570.679
Total Short Term Liabilities		175.466.890	330.999.874
Long Term Liabilities			
Long Term Borrowings	9	4.998.917	3.510.772
Long Term Borrowings from Third Parties	9	4.998.917	3.510.772
Payables from Leasing Transactions	9	4.998.917	3.510.772
Obligations Arising from Customer Contracts	11	660.303	3.133.302
Contractual Obligations Arising from Sales of Goods and Services	11	660.303	3.133.302
Government Incentives and Aids	19	312.613	424.717
Long Term Provisions	29	8.957.019	12.032.320
Long Term Provisions for Employee Benefits	29	8.957.019	12.032.320
Deferred Tax Liability	42	5.681.186	6.592.137
Total Long Term Liabilities		20.610.038	25.693.248
Total Liabilities		196.076.928	356.693.122
Equity			
Equity attributable to equity holders of the parent			
Paid-in Capital	30	117.000.000	117.000.000
Capital Adjustment Differences	30	184.024.160	184.024.160
Share Premiums/Discounts (+/-)	30	29.125.057	215.629.985
Accumulated Other Comprehensive Income (+/-)		- 15.428.059	- 12.240.393
Items not to be reclassified to profit or loss (+/-)		- 8.541.709	- 7.310.153
Gain (Loss) on Remeasurement of Defined Benefit Plans	30	- 8.541.709	- 7.310.153
Items to be Reclassified to Profit or Loss (+/-)		- 6.886.350	- 4.930.240
Foreign Currency Translation Differences	30	- 6.886.350	- 4.930.240
Restricted Reserves		25.235.045	25.235.045
Legal Reserves	30	23.309.188	23.309.188
Venture Capital Fund	30	1.925.857	1.925.857
Retained Earnings/Losses (+/-)	30	338.651.216	15.596.884
Net Profit/Loss for the Period (+/-)		54.799.209	136.549.408
Non-controlling Interests		- 4.754.803	- 1.480.768
Total Equity		728.651.825	680.314.321
TOTAL RESOURCES		924.728.753	1.037.007.443

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

VBT YAZILIM A.Ş.
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS JANUARY 1, 2024 - SEPTEMBER 30, 2024 AND JANUARY 1, 2023 - SEPTEMBER 30, 2023

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

		Current Period	Prior Period	Current Period	Prior Period
	Notes	01.01- 30.09.2024	01.01- 30.09.2023	01.07- 30.09.2024	01.07- 30.09.2023
PROFIT OR LOSS					
Revenue	31	1.785.070.355	2.232.450.342	585.771.652	149.901.118
Cost of Sales (-)	31	-1.440.041.488	-2.022.437.174	-527.975.961	-73.103.890
GROSS PROFIT (LOSS)		345.028.867	210.013.168	57.795.691	76.797.228
General Administrative Expenses (-)	32	-84.099.938	-44.018.217	-30.645.490	-18.504.844
Marketing, Selling and Distribution Expenses (-)	32	-4.292.484	-5.446.351	-2.083.653	-2.264.214
Research and Development Expenses (-)	32	-123.619.112	-97.606.194	-18.634.736	-33.877.563
Other Operating Income	34	35.378.818	56.802.226	7.619.733	-12.817.435
Other Operating Expenses (-)	34	-29.558.331	-20.686.081	-14.193.459	-7.708.980
OPERATING PROFIT (LOSS)		138.837.820	99.058.551	-141.914	1.624.192
Income from Investing Activities	35	27.186.542	35.516.090	9.521.123	31.094.182
Expenses from Investing Activities (-)	36	-11.797.983	-	-3.485.654	-
Share of Profit (Loss) of Investments Accounted Through Equity Method		-722.542	-23.296.400	-404.975	-11.215.416
OPERATING PROFIT (LOSS) BEFORE FINANCIAL EXPENSES		153.503.837	111.278.241	5.488.580	21.502.958
Financing Revenues	37	41.318.322	67.599.151	13.658.239	1.953.899
Finance Expenses (-)	38	-6.223.164	-4.540.561	4.083.936	479.783
Net monetary position gains (losses) (+/-)	39	-135.498.766	-108.543.601	-12.477.098	-61.631.526
SUSTAINED ACTIVITIES TAX BEFORE WIFE (LOSS)		53.100.229	65.793.230	10.753.657	-37.694.886
Tax (Expense) Income from Continuing Operations		-1.196.917	-35.970.893	-3.380.931	-6.441.061
Current Period Tax (Expense) Income (-)	42	-	-29.247.676	170.872	-2.519.707
Deferred Tax (Expense) Income (-)	42	-1.196.917	-6.723.217	-3.551.803	-3.921.354
NET PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		51.903.312	29.822.337	7.372.726	-44.135.947
NET INCOME (LOSS) FROM DISCONTINUED OPERATIONS		-	-	-	-
NET PROFIT (LOSS) FOR THE PERIOD		51.903.312	29.822.337	7.372.726	-44.135.947
Distribution of Net Profit (Loss) for the Period					
Parent Company Shares (+/-)		54.799.209	30.426.770	9.905.742	-44.048.002
Non-controlling Interests (+/-)		-2.895.897	-604.433	-2.533.018	-87.947
Earnings per Share					
Earnings (Loss) per Common Share					
Earnings/(Loss) per Share from Continuing Operations	43	0,4684	0,2601	0,0847	-0,3765
OTHER COMPREHENSIVE INCOME					
Items not to be reclassified to profit or loss, before tax					
Accumulated Remeasurement Gain (Loss) on Defined Benefit Plans	41	-1.599.429	-776.333	-3.606.437	-825.532
Items to be Reclassified to Profit or Loss, Before Tax		- 1.956.110	7.867.359	29.468	- 1.156.613
Accumulated Other Comprehensive Foreign Currency Translation Differences Income	30	-1.956.110	7.867.359	29.468	-1.156.613
Total Other Comprehensive Income, Before Tax		- 3.555.539	7.091.026	- 3.576.969	- 1.982.145
Total Taxes on Other Comprehensive Income Items		367.873	-	829.485	-
Total Taxes on Other Comprehensive Income not to be Reclassified to Profit or Loss	41	367.873	-	829.485	-
Current Period Tax Expense/Income		-	-	-	-
Deferred Tax Expense / Income	41	367.873	-	829.485	-
OTHER COMPREHENSIVE INCOME (EXPENSE)		- 3.187.666	7.091.026	- 2.747.484	- 1.982.145
TOTAL COMPREHENSIVE INCOME (EXPENSE)		48.715.646	36.913.363	4.625.242	- 46.118.092
Breakdown of Total Comprehensive Income					
Parent Company Shares (+/-)		51.611.543	37.748.797	7.158.258	-46.078.037
Non-controlling Interests (+/-)		-2.895.897	-835.434	-2.533.016	-40.055

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

VBT YAZILIM A.Ş.

30 SEPTEMBER 2024 AND 30 SEPTEMBER 2023 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

	Notes	Paid Capital	Capital Correction Differences	Shares Related Premiums	Accumulated Other Comprehensive Income		Restricted Reserves	Retained Earnings/Losses	Net Profit/Loss for the Period	To the Parent Company Equity	Non-controlling Interest Shares	Total Equity
					Reclassified to Profit or Loss Not to be classified	Reclassified to Profit or Loss To be classified						
					Accumulated Remeasurement of Defined Benefit Plans Gains (Losses)	Accumulated Other Comprehensive Foreign Currency Translation Differences Income						
PAST PERIOD												
Balances as of January 1, 2023		26.000.000	151.391.031	295.468.103	-4.400.299	-625.009	24.834.363	37.032.492	39.147.834	568.848.515	-387.874	568.460.641
Transfers								39.147.834	-39.147.834	-	-	-
Net Profit (Loss) for the Period									30.426.770	30.426.770	-604.432	29.822.338
Total Other Comprehensive Income (+/-)						10.600.416				10.600.416	-	10.600.416
Total Comprehensive Income (+/-)		-	-	-	-	10.600.416	-	-	30.426.770	41.027.186	-604.432	40.422.754
Capital Increase										-	-	-
Dividends								-29.130.081		-29.130.081	-	-29.130.081
Balances as of September 30, 2023	30	26.000.000	151.391.031	295.468.103	-4.400.299	9.975.407	24.834.363	47.050.245	30.426.770	580.745.620	-992.306	579.753.314
CURRENT PERIOD												
Balances as of January 1, 2024	30	117.000.000	184.024.160	215.629.985	-7.310.153	-4.930.240	25.235.045	15.596.884	136.549.404	681.795.085	-1.480.768	680.314.317
Transfers				-186.504.928				323.054.332	-136.549.404	-	-	-
Net Profit (Loss) for the Period									54.799.209	54.799.209	-2.895.897	51.903.312
Total Other Comprehensive Income (+/-)					-1.231.556	-1.956.110				-3.187.666	-	-3.187.666
Total Comprehensive Income (+/-)		-	-	-	-1.231.556	-1.956.110	-	-	54.799.209	51.611.543	-2.895.897	48.715.646
Increase (Decrease) Due to Other Changes										-	-378.138	-378.138
Balances as of September 30, 2024	30	117.000.000	184.024.160	29.125.057	-8.541.709	-6.886.350	25.235.045	338.651.216	54.799.209	733.406.628	-4.754.803	728.651.825

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

VBT YAZILIM A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIODS JANUARY 1, 2024 - SEPTEMBER 30, 2024 AND JANUARY 1, 2023 - SEPTEMBER 30, 2023

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

		Current Period 01.01- 30.09.2024	Prior Period 01.01- 30.09.2023
CASH FLOWS FROM OPERATING ACTIVITIES		14.713.629	- 273.265.868
Profit (Loss) for the Period		51.903.312	29.822.337
Profit (Loss) for the Period from Continuing Operations		51.903.312	29.822.337
Adjustments Related to Reconciliation of Net Profit (Loss) for the Period		29.777.695	46.390.056
Adjustments Related to Depreciation and Amortization Expenses	26-27	25.750.495	25.039.869
Adjustments Related to Impairment (Reversal)	10	- 8.321.852	2.708.412
Adjustments for Impairment (Reversal) of Receivables		- 8.321.852	2.708.412
Adjustments Related to Provisions	29	12.668.722	2.555.714
Adjustments Related to Provision (Reversal) for Employee Benefits		12.668.722	2.555.714
Adjustments for Interest (Income) and Expenses	37-38	- 16.707.457	- 1.071.746
Adjustments Related to Interest Income		- 17.052.379	- 5.666.737
Adjustments Related to Interest Expense		344.922	4.594.991
Adjustments Related to Undistributed Earnings of Investments Accounted Through Equity Method		- 722.542	27.290.785
Adjustments related to undistributed profits of associates		- 722.542	27.290.785
Adjustments related to unrealized foreign currency translation differences		- 1.705.249	-
Adjustments for Fair Value Losses (Gains)		364.768	- 3.341.321
Adjustments Related to Tax (Income) Expense	41	- 910.951	196.364
Other adjustments related to non-cash items		- 3.565.814	921.354
Adjustments Related to Losses (Gains) on Disposal of Non-Current Assets		-	-
Adjustments Related to Losses (Gains) on Disposal of Property, Plant and Equipment		- 1.522.909	-
Adjustments for losses (gains) arising from the disposal of associates, joint ventures and financial investments or from changes in their shareholdings		27.649.144	-
Adjustments for Other Items		-	- 1.250.334
Other Adjustments Related to Profit (Loss) Reconciliation		-	-
Monetary Loss/Gain		- 3.198.660	- 6.659.041
Changes in Working Capital		- 58.629.745	- 354.920.703
Decrease (Increase) in Financial Investments	5	19.517.848	- 79.291.551
Adjustments for Decrease (Increase) in Trade Receivables		66.754.223	124.076.470
Decrease (Increase) in Trade Receivables from Related Parties		34.628	- 7.781
Decrease (Increase) in Trade Receivables from Third Parties		66.719.595	124.084.251
Adjustments for Decrease (Increase) in Other Receivables Related to Operations		60.536.978	- 97.839.784
Decrease (Increase) in Other Receivables from Related Parties		61.832.135	- 62.627.956
Decrease (Increase) in Other Receivables from Third Parties		- 1.295.157	- 35.211.828
Adjustments for Decrease (Increase) in Inventories	16	- 41.217.773	- 42.287.991
Decrease (Increase) in Prepaid Expenses	18	55.434.693	968.123.205
Adjustments related to increase (decrease) in trade payables		- 6.685.952	- 209.702.410
Increase (Decrease) in Trade Payables to Related Parties		-	- 4.287.315
Increase (Decrease) in Trade Payables to Third Parties		- 6.685.952	- 205.415.095
Increase (Decrease) in Employee Benefit Payables	14	2.388.043	5.825.529
Adjustments Related to Decrease (Increase) in Assets Arising from Customer Contracts	11	- 188.688.708	- 970.122.318
Decrease (Increase) in Contract Assets arising from Sales of Goods and Services		- 188.688.708	- 970.122.318
Adjustments Related to Increase (Decrease) in Other Payables Related to Operations		- 25.459.213	- 52.876.266
Increase (Decrease) in Other Payables to Related Parties		246.884	- 8.739.062
Increase (Decrease) in Other Payables to Third Parties		- 25.706.097	- 44.137.204
Increase (Decrease) in Deferred Income	18	5.591.965	-
Increase (Decrease) in government grants and subsidies	19	- 186.840	- 809.643
Adjustments for Other Increase (Decrease) in Working Capital		- 6.615.009	- 15.944
Decrease (Increase) in Other Assets Related to Operations		- 6.044.330	- 15.944
Increase (Decrease) in Other Operating Liabilities		- 570.679	-
Cash Flows from Operating Activities		23.051.262	- 278.708.310
Tax Refunds (Payments)		- 6.773.784	5.442.442
Adjustments for Other Items		- 1.563.849	-
CASH FLOWS FROM INVESTING ACTIVITIES		- 98.367.497	- 12.008.681
Cash Inflows from Sale of Shares or Capital Reduction of Associates and/or Joint Ventures		22.500.000	-
Cash inflows from sale of property, plant and equipment and intangible assets		1.939.642	-
Cash inflows from sale of property, plant and equipment		1.939.642	-
Cash outflows from acquisition of property, plant and equipment and intangible assets	26	- 122.807.139	- 12.008.682
Cash outflows from acquisition of property, plant and equipment	26	- 22.403.373	- 12.008.681
Cash outflows from acquisition of intangible assets		- 100.403.766	-
CASH FLOWS FROM FINANCING ACTIVITIES		64.694.756	- 41.991.708
Cash Inflows from Borrowing		50.181.868	-
Cash inflows from loans		50.181.868	-
Cash Outflows Related to Debt Payments		-	- 10.485.527
Cash outflows related to loan repayments		-	- 10.485.527
Cash outflows related to debt payments arising from lease agreements		- 2.194.569	- 3.447.846
Dividends Paid		-	- 29.130.081
Interest Paid	38	- 344.922	- 4.594.991
Interest Received	37	17.052.379	5.666.737
NET INCREASE (DECREASE) IN C A S H AND C A S H EQUIVALENTS BEFORE THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES		- 18.959.112	- 327.266.257
Effect of foreign currency translation differences on cash and cash equivalents		9.320.456	- 8.098.364
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		- 9.638.656	- 335.364.621
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7	222.816.246	529.836.910
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7	213.177.590	194.472.289

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

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

NOTE 1 - ORGANIZATION AND FIELD OF ACTIVITY OF THE COMPANY

VB T Yazılım A.Ş. was established on June 24, 1993 under the name "Vizyon Bilgi İşlem ve Danışmanlık Limited Şirketi" . With the decision of the General Assembly dated 04.08.2014 and numbered 13292, the Company has changed its title and type and its new title has been changed as VB T Bilgi Teknolojileri Anonim Şirketi. The related change was registered and announced in the Turkish Trade Registry Gazette dated 11.08.2014 and numbered 8628. The Company then changed its title to VB T Yazılım A.Ş. with the decision taken at the general assembly dated 20.11.2020 and registered and announced in the Turkish Trade Registry Gazette dated 15.12.2020 and numbered 10224.

The Company is registered with the Istanbul Trade Registry Office with the registration number 6120-8.

The company is a leading provider of business applications, systems integrator and partner, hardware, data backup and storage hardware, project management, software solutions and consultancy services.

VB T Yazılım A.Ş. headquarters address İçerenköy Mah. Umut Sk. Quick Tower Site Block N10-12 Interior Door N 57 Ataşehir/ Istanbul.

The Company's branch address information is as follows

Ankara Head Office: Mahall Business Center B Blok No:127 Çankaya - Ankara, Turkey

Adana Branch Office: Central Plaza B u s i n e s s Center Hurmalı Mah. Kurtulus Caddesi No: 39 Kat: 8 D.85 Seyhan - Adana,Turkey

Istanbul Branch: Üsküdar İçerenköy Yolu Bodur Business Center No:8 Kat:1 and Kat:3 D: 11 İçerenköy/Istanbul

As of 30.09.2024, the average number of employees working during the year is 333. (December 31, 2023: 320)

	30.09.2024	31.12.2023
Administrative Staff	37	33
Technical Staff	182	193
R&D Personnel	113	94
Total	333	320

1.2 Information on the Company's Subsidiaries and Associates

a. VB T Academy Education Inc.

VB T Akademi Eğitim Anonim Şirketi was established on April 17, 2018 under the name "Cambridge Eğitim Servisleri Anonim Şirketi". With the decision of the General Assembly dated 06.12.2019 and numbered 475574, the Company has changed its title and type and changed its new title to VB T Akademi Eğitim Anonim Şirketi. The relevant change was registered and announced in the Turkish Trade Registry Gazette dated January 9, 2020 and numbered 9990.

The address and principal place of business of the Company is İçerenköy Yolu , Bodur İş Merkezi No: 8/11 İçerenköy - Istanbul.

VB T Yazılım A.Ş. owns 100% of the shares of VB T Akademi Eğitim Anonim Şirketi. The aforementioned subsidiary As of December 31, 2019, it is included in the scope of consolidation and consolidated according to the full consolidation method is being carried out.

Subsidiaries and Affiliates of VB T Akademi Eğitim A.Ş.

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 principal place of business of the Company is İçerenköy Yolu , Bodur İş Merkezi No: 8/11 Ataşehir - Istanbul.

The share capital of the Company is TL 200.000 and VB T Akademi Eğitim A.Ş. owns 20% of the shares of Stoneity Yazılım A.Ş. This subsidiary is included in the scope of consolidation for the first time as of 31.12.2021 and consolidated with VB T Akademi Eğitim A.Ş. according to the equity method. Since VB T Akademi Eğitim A.Ş. has sold its

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

başarısız olarak VBT Yazılım A.Ş. as of September 30, 2024, it is not included in the consolidation according to the equity method in the current period.

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

b. VBT Europe AG

The Company was established under the name "VBT Europe AG" and the establishment procedures were completed as of 07.10.2021. The main activity of the Company is software and project development.

The address and principal place of business of the Company is Franklinstrasse 9 8050 Zürich.

The Company's share capital is CHF 100.000 and VBT Yazılım A.Ş. holds 51% of the shares of VBT Europe AG. The subsidiary is consolidated on a line-by-line basis.

c. VBT Albania Sh.P.K

The Company was established under the name "VBT Albania Sh.P.K" and the establishment procedures were completed as of 26.11.2021. The main activity of the Company is to operate in the field of IT services.

The address and principal place of business of the Company is Tirane Kashar KASHAR Rruga "Egantia", Zona Kadastrale 2105, Nr pasurie 1249/6, Kashar.

The Company was established with a capital of LEK 6.000.000 and VBT Yazılım A.Ş. owns 100% of the shares of VBT Albania Sh.P.K.. The subsidiary in question is newly established and as of 30.09.2024, no capital commitment payment has been made yet.

d. VBT Software UK Limited

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

The main activities of the Company are business and domestic software development, information technology consultancy and data processing and storage activities.

The address and principal place of business of the Company is 205 Pentax House South Hill Avenue, Harrow, United Kingdom.

The share capital of the Company is GBP 50.000 and VBT Yazılım A.Ş. owns 100% of the shares of VBT Software UK Limited. The subsidiary is consolidated for the first time as of 31.12.2021 and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

e. Phexum Software Inc.

The Company was established on February 6, 2017 as "Phexum Yazılım Limited Company". On October 4, 2021, with the General Assembly Decision dated October 4, 2021, the title of the company was changed to Phexum Yazılım A.Ş.. The relevant change was announced and registered in the Turkish Trade Registry Gazette on December 1, 2021. The Company is registered with the Istanbul Trade Registry Office with the registration number 69601-5.

The Company develops, purchases, sells and franchises all kinds of computer software and technologies, primarily to engage in software activities and to provide consultancy services on these software, to collect, lease, distribute, import and export marketing of all products related to its subject, to provide services such as registered electronic service provider, time stamp, electronic and certificate service provider.

The address and principal place of business of the Company is İçerenköy Yolu , Bodur İş Merkezi No: 8/11 Ataşehir - İstanbul.

The capital of the Company was increased from TL 10,000 to TL 50,000 with the General Assembly Decision dated October 4, 2021 and the related change was announced and registered in the Turkish Trade Registry Gazette on December 1, 2021. The share capital of Phexum Yazılım A.Ş. is divided into 50.000 shares with a value of TL 1 each and the total value is TL 50.000. As of December 31, 2021, VBT Yazılım A.Ş. participates in Phexum Yazılım A.Ş. with 15.000 shares of TL 1 each, amounting to TL 15.000.

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

VB T Yazılım A.Ş. has a 30% share in Phexum Yazılım A.Ş. and was consolidated by equity method in prior periods. Since VB T Yazılım A.Ş. has sold its shares in Phexum Yazılım A.Ş. as of September 30, 2024, VB T Yazılım A.Ş. is not included in the consolidation by equity method in the current period.

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

The Company was established on February 3, 2009 under the name "Buz İletişim Hizmetleri Sanayi ve Ticaret Ltd.Şti.". On November 29, 2019, with the General Assembly Decision dated November 29, 2019, the title of the company was changed to Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş.. The related change was registered in the Turkish Trade Registry Gazette on December 30, 2019. The Company is registered with Bursa Trade Registry Office with registration number 80281.

The Company's principal activity is to engage in engineering, research and development, repair, installation, assembly, testing and consultancy activities related to domestic and international telecommunication networks.

The address and principal place of business of the Company is Alaaddin Bey Mah.642 sok. No:2/1 Nilüfer Bursa.

The capital of the Company was increased from TL 16.000.000 to TL 20.000.000 with the General Assembly Decision dated June 16, 2022 and the related change was registered in the Turkish Trade Registry Gazette on June 23, 2022. The share capital of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. is divided into 20.000.000 shares with a value of TL 1 each and the total value of the shares is as follows

TL 20.000.000. As of December 31, 2022, VB T Yazılım A.Ş. participates in Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. with 10.000.000 shares of TL 1 each amounting to TL 10.000.000.

In prior periods, VB T Yazılım A.Ş. held 50% of the shares of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. and is consolidated using the equity method.

As of 26.03.2024, VB T Yazılım A.Ş. has sold all shares of its subsidiary Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş., in which it has 50% shares with a nominal amount of TL 10.000.000 as of 26.03.2024, with a price of TL 13.000.000 and has not been included in the consolidation in the current period since its partnership in the said company has ended.

g. VB T Software DE GMBH

The company was established on 10.03.2022 under the name "VB T Software DE GmbH".

The main activities of the Company are business and domestic software development, information technology consultancy and data processing and storage activities.

The address and principal place of business of the Company is Grafenberger Allee 293, 40237 Düsseldorf.

The Company's share capital is TL equivalent of EUR 500.000 and VB T Yazılım A.Ş. owns 100% of the shares of VB T Software DE GmbH. The subsidiary is consolidated on a line-by-line basis with VB T Yazılım A.Ş.

h. English Guru LLC

The Company was incorporated in the United States of America on 28.01.2021 under the name "English Guru LLC" and its registered office is located at Woodport RD STE A 336 SPARTA NJ 07871-2611-999. The company operates in the Online Language Industry, registered with registration number 32-0646571.

The Company was established with "0" capital in accordance with the relevant legislation. According to the partnership agreement of VB T Yazılım A.Ş.

USD 100.000 and became a 20% shareholder of the Company. The aforementioned subsidiary has been included in the scope of consolidation for the first time as of 31.12.2022 and consolidated by equity method.

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

The Company was established on July 26, 2018 under the name "KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş." on July 26, 2018. The Company is registered with the Istanbul Trade Registry Office with the registration number 149.295-5.

The Company's principal activities include satellite and local telecommunication services, internet service provider services, satellite platform and mobile platform operations and other services to be authorized by the Information and Communication Technologies Authority. The Company also continues its activities as the private integrator of PayTR Ödeme ve Elektronik Para Kuruluşu A.Ş., which was granted an operating license by the BRS A decision dated April 27,

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

~~2016~~ numbered 6684.

The address and principal place of business of the Company is Rüzgarlıbahçe Mahallesi Cumhuriyet Caddesi N83 Kat:4 Beykoz/İstanbul.

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

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

VBT Yazılım A.Ş. owns 30% of KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş., which was consolidated by equity method in prior periods. VBT Yazılım A.Ş. has sold its shares in KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. as of September 30, 2024, VBT Yazılım A.Ş. is not included in the consolidation according to the equity method.

j. Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.

The Company was established on February 5, 2018 under the name "Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.". The Company is registered with the Istanbul Trade Registry Office with the registration number 123235-5.

The main field of activity of the Company is to produce standard and corporate-specific Human Resources management systems software, payroll, accounting, finance, tax incentives, etc. operation software, to develop and test special software, etc. in line with the needs of various sectors in domestic and foreign markets.

The address and principal place of business of the Company is Fethi Mah. Tahralı Sok. No:7 C/11 Ataşehir/Istanbul.

The Company's share capital is TL 50,000 and VBT Yazılım A.Ş. has a total of 500 shares, each with a nominal value of TL 100. In the current period, the Company has become a 50% shareholder in Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş., which has a capital amounting to TL 25.000.

VBT Yazılım A.Ş. holds 50% of the shares of Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş. and is consolidated by equity method.

K. VBT Software INC

The company was incorporated in the United States of America on 02.05.2023 under the name "VBT Software INC".

The main activities of the Company are business and domestic software development, information technology consultancy and data processing and storage activities.

The Company's share capital is USD 400.000 and VBT Yazılım A.Ş. owns 100% of the shares of VBT Software INC. This subsidiary is consolidated for the first time as of 30.06.2023 and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

L. VBT Software Austria GmbH

The Company was incorporated in Vienna, Austria on 24.04.2023 under the name "VBT Software Austria GmbH".

The main activities of the Company are business and domestic software development, information technology consultancy and data processing and storage activities.

The share capital of the Company is EUR 100.000 and VBT Yazılım A.Ş. holds 90% of the shares of VBT Software Austria GmbH. This subsidiary is consolidated for the first time as of 30.06.2023 and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

M. VBT Software SRL Italy

The company is incorporated in Italy under the name "VBT Software SRL Italy".

The main activities of the Company are software development, information technology consultancy and data processing and storage.

The share capital of the Company is EUR 10.000 and VBT Yazılım A.Ş. owns 100% of the shares of VBT Software SRL Italy. This subsidiary is consolidated for the first time as of 31.03.2024 and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

N. VBT MEA Computer Software Tranding LLC

The company was incorporated in the United Arab Emirates under the name "VBT MEA Computer Software Tranding LLC".

The main activities of the Company are software development, information technology consultancy and data processing and storage.

The share capital of the Company is AED 300.000 and VBT Yazılım A.Ş. owns 100% of the shares of VBT MEA Computer Software Tranding LLC. This subsidiary is consolidated for the first time as of 30.09.2024 and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

O. Disnet Technology Inc.

The Company was established on September 27, 2024. The Company's field of activity is the development, purchase and sale of operating systems and application software embedded in all kinds of computer hardware.

The share capital of the Company is TL 1.000.000, of which TL 250.000 has been paid as of the date of the report and VBT Yazılım A.Ş. is the shareholder of the Company.
It owns 100% of it.

1.3 Capital Structure;

Details of the Company's capital structure as of September 30, 2024 and December 31, 2023 are disclosed in Note 30.

VBT Yazılım A.Ş. increased its capital from TL 26.000.000 to TL 117.000.000 in accordance with the Board of Directors' resolutions dated 08.12.2023 and 09.12.2023, and the related capital increase was approved by the CMB on 08.02.2024. Increased

Of the TL 91,000,000 capital, TL 58,764,345 was paid from share premium and TL 32,235,655 was paid from r e t a i n e d earnings. The related capital increase was recognized in 2023 in accordance with the Board of Directors' resolution.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of Presentation and Declaration of Conformity with TAS

The accompanying consolidated financial statements have been prepared in accordance with the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on June 13, 2013 which is published on Official Gazette numbered 28676 and based on the Turkish Accounting Standards/Turkish Financial Reporting Standards and related appendices and interpretations ("TAS/TFRS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") in accordance with Article 5 of the Communiqué.

The consolidated financial statements and notes of the Group are presented in accordance with the formats announced by the CMB on June 7, 2013, including the mandatory disclosures.

The consolidated financial statements are presented in accordance with the formats specified in the "Announcement on TAS Taxonomy" published by POA on October 4, 2022 and "Financial Statement Examples and User Guide" published by CMB.

The Group has prepared its consolidated financial statements for the interim period ended September 30, 2024 in accordance with TAS 34 Interim Financial Reporting.

The interim consolidated financial statements have been prepared by applying accounting policies consistent with those applied in the preparation of the financial statements for the year ended December 31, 2023. The interim consolidated financial statements of the Group do not include all of the disclosures and footnotes required in the year-end financial statements and should therefore be read in conjunction with the Group's annual financial statements for the year ended December 31, 2023.

The consolidated financial statements have been approved by the Board of Directors and authorized for issue on **11 November 2024**. The General Assembly has the authority to amend the consolidated financial statements.

Reporting Currency

The financial statements of the Group are presented in Turkish Lira ("TL"), which is the currency of the primary economic environment in which the Group operates (its functional currency). TL, which is the functional currency of the Group, has been selected as the presentation currency in the presentation of the financial statements and amounts are expressed in TL.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

Comparative Information

In order to enable the determination of the financial position and performance trends, the Group's current period financial statements are prepared comparatively with the prior period. Comparative information is reclassified, where necessary, to conform to the presentation of the current period financial statements.

Foreign Currency Transactions

The Group translates transactions and balances denominated in foreign currencies into Turkish Lira at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange buying rate of the Central Bank of the Republic of Turkey at the balance sheet date. Exchange gains or losses arising from the settlement and translation of foreign currency items are recognized in the statement of income/(expense) in the related period.

Netting - Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

The financial statements have been prepared on a going concern basis, which assumes that the Group will realize the benefits from its assets and settle its liabilities within the next year and in the normal course of business.

2.2. Changes in Accounting Policies

Changes in accounting policies resulting from the first-time adoption of a new standard are applied retrospectively or prospectively in accordance with the transition requirements, if any. Changes that do not include any transitional provisions, significant optional changes in accounting policies or identified accounting errors are applied retrospectively and prior period financial statements are restated. The accounting policies applied in the Group's comparative financial statements are the same. In order to maintain consistency with the presentation of the current period consolidated financial statements, comparative information is reclassified when necessary and significant differences are explained.

Restatement of Consolidated Financial Statements in Hyperinflationary Periods

The Group prepared its consolidated financial statements as at and for the year ended September 30, 2024 by applying TAS 29 "Financial Reporting in Hyperinflationary Economies" in accordance with the announcement made by POA on November 23, 2023 and the "Application Guidance on Financial Reporting in Hyperinflationary Economies". In accordance with this standard, financial statements prepared in the currency of a hyperinflationary economy are stated in terms of the purchasing power of that currency at the balance sheet date and prior period financial statements are expressed in terms of the measuring unit current at the end of the reporting period for comparative purposes.

In this framework, inflation adjustment has been made in accordance with TAS 29 including September 30, 2024 and the periods presented for comparison purposes.

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

TAS 29 applies to the financial statements, including the financial statements, of every entity whose functional currency is the currency of a hyperinflationary economy. When an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period. As at the reporting date, entities operating in Turkey are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after September 30, 2024, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is greater than 100%.

The table below shows the inflation rates for the relevant years calculated based on the Consumer Price Indices published by the Turkish Statistical Institute (TUIK):

History	Index	Correction Coefficient	Three-year cumulative inflation rates
30.09.2024	2.526,16	1,0000	343%
31.12.2023	1.859,38	1,35860	268%
30.09.2023	1.691,04	1,49385	254%

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

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

- The consolidated financial statements for the current period presented in TL are expressed in terms of the purchasing power at the balance sheet date and the amounts for the previous reporting periods are restated in accordance with the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not restated as they are currently expressed in terms of the measuring unit current at the balance sheet date. Where the restated amounts of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 Impairment of Assets and TAS 2 Inventories have been applied, respectively.
- Non-monetary assets, liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date are restated by applying the relevant conversion factors. Amounts included in equity have been restated by applying the general price indices for the periods in which such amounts were contributed to or arose within the Company.
- All items in the statements of income and other comprehensive income, except cost of sales, depreciation expense and gain/loss on sale of assets, have been restated by applying the relevant monthly restatement factors. Cost of sales, depreciation expense and gain/loss on sale of assets have been recalculated based on the adjusted balance sheet items using the adjustment factors
- All items in the income statement, except for the effect of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods in which the income and expense accounts were initially recognized in the financial statements.
- The gain or loss on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

Comparative figures

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

2.3. Changes in Accounting Estimates and Errors

Accounting estimates are made on the basis of reliable information and reasonable estimation methods. However, estimates are revised if there is a change in the circumstances under which the estimate was made, or if new information becomes available, or if additional developments occur. The effect of a change in an accounting estimate is recognized in the consolidated financial statements, if the change affects only one period, in the period in which the change affects the current period, and if the change affects future periods, both in the period in which the change affects the current and future periods, on a prospective basis, in the determination of profit or loss for the period. Significant accounting errors are corrected retrospectively and prior period consolidated financial statements are restated. An error is corrected by restating the comparative amounts for the prior periods in which it occurred or, if it occurred before the next reporting period, by restating the retained earnings account for that period. If restatement would result in an undue cost, comparative figures for prior periods are not restated, but the retained earnings account for the subsequent period is restated for the cumulative effect of the error before the beginning of that period.

2.4. Summary of Significant Accounting Policies

2.4.1 Consolidation principles

The consolidated financial statements include the financial statements of VBT Yazılım A.Ş. (the Company) and its 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 conform to TAS/IFRS and to comply with the accounting policies and presentation formats applied by the Group. The basis of preparation of consolidated financial statements is as follows;

- The consolidated financial statements include the financial statements of the Company and its subsidiary.
- Subsidiaries are companies in which the parent company, directly or through other subsidiaries or associates, has more than 50% of the voting rights, voting rights or the right to elect the majority of the management or the majority of the management within the framework of capital and management relations. Control power is defined by the parent company as the power to govern the financial and operating policies of its subsidiaries and the power to obtain benefits from their activities.
- Subsidiaries are included in the scope of consolidation from the date on which control over their activities is

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

transferred to the Group and will be deconsolidated from the date on which control ceases. The accounting policies applied by the subsidiaries are harmonized with those applied by the Group to ensure consistency.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

- The financial statements of subsidiaries are consolidated on a line-by-line basis. Accordingly, the carrying value of the investment held by the Company and the related dividends arising from the shares held by the Company in its subsidiaries are eliminated from shareholders' equity and income statement accounts, respectively.

- Receivables and payables of subsidiaries within the scope of consolidation, sales of goods and services to each other, income and expense items arising from transactions with each other are offset against each other.

- All equity items, including paid-in/issued capital, of the subsidiaries within the scope of consolidation are deducted from the equity account group items of the subsidiaries within the scope of consolidation, and the amounts corresponding to the shares outside the parent company and subsidiaries are deducted and presented in the equity account group of the consolidated balance sheet as "Non-controlling Interests" account group.

Subsidiaries and Associates

The table below sets out the proportion of ownership interests of subsidiaries and associates by years:

30.09.2024					
	Subsidiary Capital	Subsidiary Ratio (%)	Total Votes rights (%)	Subsidiary Number of Shares	Subsidiary Amount(Nominal)
VBT Academy Education Inc.	50.000 TL	100%	100%	50.000	50.000 TL
VBT Europe AG	CHF 100,000	51%	51%	51.000	CHF 51,000
VBT Albania Sh.P.K	6.000.000 LEK	100%	100%	6.000.000	6.000.000 LEK
VBT Software UK Limited	50,000 GBP	100%	100%	100	50,000 GBP
VBT Software DE GmbH	500.000 EURO	100%	100%	500.000	500.000 EURO
VBT Software Austria GMBH	100.000 EURO	%90	%90	90.000	90.000 EURO
VBT Software INC	400,000 USD	100%	100%	400.000	400,000 USD
VBT Software SRL Italy	10.000 EURO	100%	100%	10.000	10.000 EURO
VBT MEA Computer Software Tranding LLC	300,000 AED	100%	100%	300.000	300,000 AED
Disnet Technology Inc.	1.000.000 TL	100%	100%	1.000.000	1.000.000 TL
	Affiliate Capital	Participation Rate (%)	Total Votes rights (%)	Subsidiary Share Number	Subsidiary Amount
English Guru LLC	-	20%	20%	20.000	20.000 USD
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	50.000 TL	%50	%50	50.000 TL	%50

31.12.2023					
	Subsidiary Capital	Subsidiary Ratio (%)	Total Votes rights (%)	Subsidiary Number of Shares	Subsidiary Amount(Nominal)
VBT Academy Education Inc.	50.000 TL	100%	100%	50.000	50.000 TL
VBT Europe AG	CHF 100,000	51%	51%	51.000	CHF 51,000
VBT Albania Sh.P.K	6.000.000 LEK	100%	100%	6.000.000	6.000.000 LEK
VBT Software UK Limited	50,000 GBP	100%	100%	100	50,000 GBP
VBT Software DE GmbH	100.000 EURO	100%	100%	100.000	100.000 EURO
VBT Software Austria GMBH	100.000 EURO	90%	90%	90.000	90.000 EURO
VBT Software INC	100.000 USD	100%	100%	100.000	100.000 USD
	Affiliate Capital	Participation Rate (%)	Total Votes rights (%)	Subsidiary Share Number	Subsidiary Amount
Phexum Software Inc.	50.000 TL	30%	30%	15.000	15.000 TL
Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş.	20.000.000 TL	50%	50%	10.000.000	10.000.000 TL
English Guru LLC	-	20%	20%	20.000	20.000 USD
KPAY Payment Technologies Consulting San.ve Tic. A.Ş.	214.286 TL	%30	%30	64.285	64.285
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	50.000 TL	%50	%50	-	-

2.4.2 Cash and Cash Equivalents

Cash represents cash on hand and demand deposits. Cash equivalents are assets held to meet short-term cash requirements and are not used for investment or other purposes. For an asset to be considered a cash equivalent, it must be readily convertible to a known amount of cash and the risk of changes in its value must be insignificant.

Cash and cash equivalents are an integral part of an entity's cash management. Financial instruments to be included in the scope of cash equivalents consist of cheques (demand deposits), liquid funds and short-term bond and bill funds, receivables from reverse repo transactions, deposits with a maturity of less than 3 months (deposits with a maturity of more than 3 months are classified as financial investments), government bonds and treasury bills with a maturity of less than 3 months at the acquisition date or other liquid debt instruments with an active market, receivables from money markets.

In the Group's financial statements, cash and cash equivalents consist of cash on hand, time and demand deposits at the balance sheet date.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

2.4.3 Financial Investments:

TAS 32 Financial Instruments: Presentation Standard and TFRS 9, except for those held for investment purposes, cash and cash equivalents, receivables from financial sector activities, trade and other receivables and investments accounted for using the equity method.

Financial assets classified under current assets are financial assets held for the purpose of utilizing idle funds, earning direct interest, dividend income, trading profit, etc., or hedging against a loss, other than for the purpose of meeting short-term cash obligations.

Financial assets with maturities less than 12 months as of the reporting date and those with maturities longer than 12 months but which are expected to be disposed of within 12 months are classified under "Financial Investments" in current assets; those with maturities longer than 12 months and those that are expected to be held for more than 12 months are classified under "Financial Investments" in non-current assets.

2.4.4 Derivative Instruments

Derivative instruments that meet the definition of financial assets or financial liabilities under TAS 32 are accounted for in accordance with TFRS 9 and presented separately in the statement of financial position.

The Group has no derivative financial instruments as of the balance sheet date.

2.4.5 Receivables from Finance Sector Operations

Receivables arising from financial sector activities other than cash and cash equivalents and financial investments are presented here.

The Group has no receivables from finance sector operations as of the balance sheet date.

2.4.6 Trade Receivables/Related Parties

- Trade Receivables

Receivables from customers recognized in the financial statements in respect of all or part of an element of revenue. Under IFRS 15 Revenue from Contracts with Customers, a trade receivable arises when an entity has an unconditional right to receive consideration from a customer that it expects to collect. An unconditional right to receive consideration exists only if the collection of the consideration is contingent on a maturity date. Therefore, in order for a receivable to be a trade receivable, an invoice must be issued or a binding agreement must be reached with the customer in a similar manner. In cases where the entity fulfills its performance by transferring its goods or services to the customer without the unconditional right to receive the price, no trade receivable arises and the related asset is recognized under "Contract Assets".

The portion of trade receivables from related parties is presented in a separate line item.

Deposits and guarantees given are not presented under this item but under other receivables.

Amounts such as maturity differences, interest, etc. of trade receivables, if any, are recognized in the financial statements not against revenue but against interest income, foreign exchange differences, etc.; however, these amounts are also recognized in trade receivables and related disclosures are made in the footnotes. Such interest income, foreign exchange differences, etc. are recognized in profit or loss and other comprehensive income. Such interest income, foreign exchange differences, etc. are recognized in Other Operating Income in the Statement of Profit or Loss and Other Comprehensive Income.

Trade receivables are classified as current assets if they are within the normal operating cycle of the entity, even if the period required to realize the receivables is longer than 12 months.

- Related Parties

Related parties of the Group include entities that can control or significantly influence the other party directly or indirectly through shareholding, contractual rights, family relationships or similar means. In the accompanying financial statements, the Company's shareholders and companies owned by these shareholders, their key management personnel and other companies known to be related to them are defined as related parties.

2.4.7 Contract Assets

It is used to monitor assets that are defined as contract assets in TFRS 15. Under IFRS 15, a contract asset is a right to receive consideration for goods or services that an entity transfers to a customer that is conditional on something other than the passage of time (for example, future performance by the entity). The total amount of contract assets is recognized separately in the statement of financial position.

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

2.4.8 Other Receivables

Receivables other than trade receivables and financial investments. Examples include deposits and guarantees given, other receivables from related parties, receivables from public authorities other than assets related to current period tax and other miscellaneous receivables. The portion of these receivables from related parties is presented in a separate sub-item in accordance with the sample format.

2.4.9 Stocks

In the ordinary course of the Group's business, inventories are assets held for sale, produced for sale, used in the production process or in the provision of services. Advances given are not inventories and are recognized in "Prepaid Expenses" until the related inventory is recognized.

2.4.10 Live Assets

Living assets within the scope of TAS 41 and agricultural products at harvest are recognized in this item if they are related to agricultural activities. This item is used only by entities engaged in agricultural activities. The Company does not have any living assets as of the financial statement period.

2.4.11 Prepaid Expenses

Generally, amounts paid to suppliers that will be transferred to cost and expense accounts in a later period (or periods) are presented in this item. If the item is immaterial, the related amounts are presented in other current assets.

2.4.12 Current Period Tax Related Assets

In accordance with TAS 12 Income Taxes, assets related to current income taxes, such as prepaid and deductible income taxes and various taxes and funds payable on income, are recognized in this item.

2.4.13 Other Current Assets

Current/non-current assets not shown in the above items such as VAT carried forward, discount VAT, other VAT, counting and receipt deficiencies are shown in this item.

2.4.14 Non-current Assets Classified as Held for Sale

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, non-current assets that are classified as held for sale because their carrying amount will be recovered through a sale transaction rather than through continuing use and all assets related to disposal groups are recognized in this item.

In addition, non-current assets classified as held for distribution to shareholders in accordance with IFRS 5 and all assets relating to disposal groups are recognized in this line item from the time a commitment is made to distribute them to shareholders. In this case, the item name may be renamed to refer to these assets.

The Group has no non-current assets classified as held for sale as of the balance sheet date.

2.4.15 Investments Accounted through Equity Method

Associates and joint ventures accounted for using the equity method in accordance with TAS 28 Investments in Associates and Joint Ventures are recognized in this item.

Information about the Company's associates accounted through equity method as of the financial statement period is provided in "Note 25 - Investments Accounted through Equity Method".

2.4.16 Investment Properties

In accordance with TAS 40 Investment Property, real estate (land, building, land and building, part of a building) held (either by the owner or by the lessee under a finance lease agreement) to earn rental income or for capital appreciation or both are recognized in this item. If the real estate is subject to financial leasing, the disclosures specified in TAS 17 Leases are made additionally.

A right to real estate held by a lessee under an operating lease may be classified as investment property if it falls within the definition of investment property and the lessee uses the fair value method.

The Group does not have any investment property.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

2.4.17 Property, Plant and Equipment, Intangible Assets and Right of Use Assets

-Tangible Fixed Assets :

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment consists of the purchase price, import duties and non-refundable purchase taxes, and the costs of preparing the property, plant and equipment for its intended use. Repair and maintenance costs are recognized in the statement of profit or loss in the period in which they are incurred.

Depreciation of property, plant and equipment is provided on a straight-line basis over their estimated useful lives, based on the dates when the assets are available for use. The estimated useful life, depreciation method and estimates are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment are as follows

	<u>Economic Lifetime</u>
Buildings	50 Years
Vehicles	4-5 Years
Plant, Machinery and Equipment	5 Years
Fixtures	3-4-5-10-15 Years
<u>Special Costs</u>	<u>5 Years</u>

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Advances given for the purchase of property, plant and equipment are presented under "Prepaid Expenses" and not under this item until the related asset is capitalized.

-Right of Use Assets

IFRS 16 Leases requires lessees to present right-of-use assets separately from other assets in the statement of financial position or notes to the financial statements. Entities that choose to present right-of-use assets separately in the statement of financial position present these assets in this line item.

-Intangible Assets

a. Intangible assets acquired

Intangible assets are carried at cost less accumulated amortization and impairment losses.

The estimated useful life, residual value and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

b. Internally generated intangible assets/Research and Development Expenses

i) Expenses related to research activities: Recognized in the statement of profit or loss in the period in

which they are incurred. ii) Expenses related to development activities:

-Activated Development Costs

Internally-generated intangible assets that are acquired on a purchase order basis or that result from the development of a project initiated by a new internal idea are capitalized and recognized only when all of the following conditions are met

- It is technically feasible to complete the intangible asset so that it is ready for use or sale,
- The intention to complete, use or sell the intangible asset to more than one customer,
- The intangible asset can be used or sold,
- It is clear how the asset is likely to generate future economic benefits,
- The availability of adequate technical, financial and other resources to complete the development of the intangible asset and to use or sell the asset; and
- The development cost of the asset can be measured reliably during the development process.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

During the period, the Group management has analyzed the existence of probable economic benefits of internally generated intangible assets. The Group management believes that the projects will continue as expected and based on the analysis, the Group management anticipates that the projects will generate economic benefits. Management is confident that the carrying amount of the assets will be recovered even if the economic benefits diminish. This situation is closely monitored by the Group management and management will make adjustments if future market activity requires such adjustments.

-Special software project expenses:

Special software project expenditures that are developed specifically for the customer and will not be sold to another customer are recognized as expense depending on the realization of revenue as of the date of completion of the work. For custom software projects that extend over more than one period, the project expenses determined by matching the amount of revenue accrued based on the invoice issued within the scope of partial deliveries with the expenses corresponding to the completed part of the project are recognized as expense in the period in which the partial delivery is made. Development costs related to such special software projects are not capitalized.

The amount of internally generated intangible asset is the total amount of expenditures incurred from the time the intangible asset meets the above recognition criteria. When internally generated intangible assets do not meet the above conditions, development expenditure is recognized as an expense in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets, like separately acquired intangible assets, are carried at cost less accumulated amortization and accumulated impairment losses.

c. Derecognition of intangible assets

An intangible asset is derecognized when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an intangible asset is calculated as the difference, if any, between the net proceeds from the disposal of the asset and its carrying amount. This difference is recognized in profit or loss when the asset is derecognized.

The Group's intangible assets comprise acquired rights and computer programs, development costs related to internally generated computer software and programs and other identifiable rights. Development costs consist of salaries of personnel directly involved in the creation of the asset and costs directly attributable to the creation of the intangible asset. Government grants associated with development costs are recognized as income over the amortization period of the intangible asset.

The ratios determined by taking into account the useful lives of Intangible Assets are as follows

	<u>Economic Lifetime</u>
Licenses	5 Years
Capitalized Development Costs	7-12 Years

2.4.18 Deferred Tax Assets

Deferred tax assets represent the amount expected to be recovered in future periods in respect of taxes levied on income due to deductible temporary differences, unused tax losses carried forward to future periods and unused tax benefits carried forward to future periods.

Deferred tax assets are not recognized for amounts that are not deductible for tax purposes (permanent).

2.4.19 Short Term / Long Term Liabilities

Liabilities are present obligations that arise from past events and, if paid or settled, will result in an outflow of economic benefits from the entity. This definition specifies the basic characteristics of liabilities and does not specify the basic criteria that must be met for them to be recognized in the Statement of Financial Position. Therefore, the definition of a liability also includes liabilities that cannot be recognized in the Statement of Financial Position because they do not meet the criteria for recognition in the financial statements.

In accordance with paragraphs 69-76 of TAS 1, liabilities that meet any of the following criteria are classified as current:

(a) Expected to be paid within the normal operating cycle; (b) Held

primarily for trading purposes;

(c) It is payable within twelve months after the end of the reporting period (balance sheet date); or

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

(d) The entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period (balance sheet date). Provisions for settlement of a liability by issuing equity instruments at the option of the counterparty do not affect its classification. The Company classifies all other liabilities as non-current.

2.4.20 Borrowings

Financial liabilities as defined in TAS 32, financial liabilities obtained from financial institutions or money and capital market instruments are recognized in this item. Bank loans, issued bonds, bills and notes are examples of borrowings.

Entities that prefer not to present their lease liabilities separately in the statement of financial position also present their lease liabilities in this item. In this case, it is explained in the footnotes that this item includes lease liabilities.

Borrowings that meet the definition of current liabilities are classified as current and the others as non-current.

Disclosures are made in accordance with TFRS 7 Financial Instruments: Disclosures are made within the

framework of the Explanations. Financial Leasing Transactions

Leases where the lessee retains substantially all the risks and rewards of ownership are classified as finance leases. Other leases are classified as operating leases.

Leasing - Company in case of lessor

Rental income from operating leases is recognized on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging the lease are included in the cost of the leased asset and amortized on a straight-line basis over the lease term.

Leasing - in the case of a lessee, the Company

Assets held under finance leases. The fair value of the asset at the inception of the lease, or the present value of the minimum lease payments, whichever is lower, is capitalized. The liability to the lessor is recognized as a finance lease liability in the balance sheet.

Finance lease payments are split into finance costs and principal payments that reduce the lease liability, thereby enabling interest to be calculated at a fixed rate on the remaining principal balance of the debt. Finance costs are recognized in the statement of profit or loss, except for the capitalized portion of finance costs in accordance with the Company's general borrowing policy detailed above. Contingent rentals are recognized as an expense in the period in which they are incurred.

Payments made under operating leases (including any incentives received or receivable from the lessor to grant the lease are recognized in profit or loss on a straight-line basis over the lease term) are recognized in profit or loss on a straight-line basis over the lease term. Contingent rentals under operating leases are recognized as an expense in the period in which they are incurred.

Sale and leaseback transactions

A sale and leaseback transaction involves the sale of an asset and the leaseback of the same asset. The lease payments and the sale price are often interdependent, as they are negotiated as a whole. The method of accounting for a sale and leaseback transaction depends on the type of lease. When a sale and leaseback transaction results in a finance lease, the portion of the sale proceeds in excess of the carrying amount is not recognized immediately as revenue by the seller-lessor. Instead, such income is deferred and amortized over the lease term. If the leaseback transaction is a finance lease, the transaction is a means by which the lessor provides financing to the lessee, with the leased asset as collateral for the transaction. Therefore, it is not correct to recognize sales proceeds in excess of the carrying amount of the related asset as income. Such excess amounts are deferred and amortized over the lease term.

2.4.21 Short-term portion of long-term borrowings

Short-term portion of long-term borrowings. If the short-term portion of long-term borrowings is immaterial, it is presented together with "Short-Term Borrowings" under a new and single item named "Financial Liabilities".

2.4.22 Other Financial Liabilities

Of the financial liabilities defined in TAS 32, financial liabilities that do not have the characteristics of borrowings, i.e. liabilities arising from derivative instruments that are not measured at amortized cost calculated using the effective interest method after initial recognition, such as financial guarantee contracts, are presented in this item.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

2.4.23 Payables from Finance Sector Operations

The liabilities of the subsidiaries included in the consolidation and operating in the finance sector arising from these activities are presented in this item. In the footnote, details are given on the basis of each sector. For example; payables from banking activities (deposits, participation accounts), payables from insurance activities (payables from insurance and reinsurance activities, deposits, payables from pension activities, etc.), payables from financial leasing activities, etc.

The Group has no payables from finance activities as of the financial statement period.

2.4.24 Trade Payables

Obligations to third parties in their capacity as suppliers.

In accordance with paragraph 11 of TAS 37, in order for a debt to be a trade payable, it must be invoiced or similarly agreed with the supplier in a way that is binding on the parties. Payables that meet the criteria for recognition in the financial statements as at the reporting date but have not yet been so agreed are classified as accruals in the same paragraph. However, such accruals are presented in the Statement of Financial Position under "Trade Payables" in order to be in line with the national practice in financial reporting.

Deposits and guarantees received are not presented under this item but under other payables.

Accruals made for maturity differences, interest, etc. of trade payables, if any, are also shown in trade payables and related explanations are made in the footnotes. Such interest expenses and foreign exchange differences are recognized under "Other Operating Expenses" in the Statement of Profit or Loss and Other Comprehensive Income.

Trade payables are classified as current liabilities even if their maturities are longer than 12 months, if they are within the normal operating cycle of the entity.

2.4.25 Employee Benefit Payables

Amounts owed for employee benefits during the period, such as wages, salaries and social security contributions, are recognized in this item. It may alternatively be named as "Employee Wage Accruals", etc., provided that it reflects its content. If the item is immaterial, the related amount is presented in "Trade Payables".

2.4.26 Other Payables

Payables other than trade payables and not arising from financing activities. Payables to related parties that are not suppliers or customers, deposits and guarantees received, payables from public administrations, other miscellaneous payables can be given as examples.

Borrowings from related parties for the purpose of obtaining financing from financial markets are not presented in this item, but are presented under short-term or long-term borrowings according to their maturities. If the amounts are material, separate line items are created for them.

2.4.27 Contractual Obligations

It is used to monitor the liabilities defined as contract liabilities in TFRS 15. Under TFRS 15, a contract liability is an obligation of an entity to transfer goods or services to a customer in exchange for consideration that the entity collects (or has the right to collect) from the customer.

A contractual obligation arises when the customer pays or the entity has an unconditional right to receive consideration (i.e. a receivable) before the goods or services are transferred to the customer. The total amount of contract liabilities is recognized separately in the statement of financial position.

2.4.28 Government Incentives and Aids

In accordance with IAS 20, this item includes amounts recognized as deferred income when the relevant alternative is selected in the presentation of incentives related to assets.

2.4.29 Deferred Income (Other than Contractual Obligations)

Liabilities related to revenues collected in the current period or unconditionally entitled to be collected in the current period but belonging to future periods. Contractual obligations that have these characteristics but are required to be presented separately in the statement of financial position in accordance with TFRS 15 are presented in the "Contractual Obligations" item, not in this item.

2.4.30 Tax Liability on Profit for the Period

The portion of taxes on income within the scope of TAS 12 that is expected to be paid to the tax administration in the following period is recognized in this item. Prepaid taxes on income for the period are deducted from this amount and

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

recognize under "Assets Related to Current Period Tax".

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

Taxes calculated on corporate income

The tax liability on profit or loss for the period comprises current and deferred tax. Current period tax

Current year tax liability consists of tax liability on period income calculated based on taxable profit for the period using tax rates enacted or substantively enacted at the statement of financial position date.

Deferred tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax is recognized on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit. Deferred tax is measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. To the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered, the carrying amount of the deferred tax asset is reduced.

Deferred tax assets and deferred tax liabilities are offset when they relate to income taxes levied by the same taxation authority and there is a legally enforceable right to set off current tax assets against current tax liabilities.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where they arise from the initial accounting for a business combination.

2.4.31 Provisions

Provisions are liabilities of uncertain timing or amount and are calculated based on the most realistic estimate made by the Company management. Provisions for employee benefits within the scope of IAS 19 Employee Benefits, provisions for financial sector activities and other provisions such as warranty provisions, provisions for possible indemnities, penalties and losses, restructuring provisions, provisions for economically disadvantageous contracts and other provisions within the scope of IAS 37 are presented in sub-items.

Employee Benefits

Accrued liabilities (or provisions) required to be recognized in the financial statements under IAS 19 Employee benefits are included in this item.

Under Turkish law, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan in accordance with the revised IAS 19 Employee Benefits ("IAS 19").

Under Turkish law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (25 years for men and 20 years for women) and reaches the retirement age. Severance payments are calculated on the basis of 30 days' gross salary for each year of service. In the calculation, the present value of the severance pay to be paid in the future is calculated as of the balance sheet date using the real discount rate.

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and plan assets when there is a change in their fair value, thereby eliminating the 'corridor method' permitted under the previous version of IAS 19 and accelerating the recognition of past service costs.

All actuarial gains and losses are recognized immediately in other comprehensive income so that the net pension asset or liability recognized in the statement of financial position reflects the full value of the plan deficit or surplus.

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

Pension plans

The Company does not have any retirement benefit plans.

2.4.32 Current Period Tax Liabilities

In accordance with TAS 12, taxes on income are required to be remitted to the tax authorities in the subsequent period. The portion expected to be paid is recognized in this item.

2.4.33 Deferred Tax Liability

Deferred tax liabilities represent future income taxes payable on taxable temporary differences. The "Deferred Tax Liability" item is not used for amounts that are not taxable (permanent) in terms of tax legislation.

2.4.34 Other Short Term / Long Term Liabilities

Short-term liabilities not included in the above items, such as counting and receiving surpluses, other miscellaneous payables and liabilities / long-term liabilities are recognized in this item.

2.4.35 Liabilities for Assets Classified as Held for Sale

In accordance with IFRS 5, liabilities for disposal groups whose carrying amount will be recovered through a sale transaction rather than through continuing use are recognized in this item.

In addition, liabilities relating to disposal groups classified as held for distribution to shareholders in accordance with IFRS 5 are recognized in this line item from the date of the commitment to distribute to shareholders. In this case, the line item may be renamed to refer to these liabilities. The Company has no liabilities related to disposal groups classified as held for sale as of the balance sheet date.

2.4.36 Equity

Shareholders' equity is the share of the entity's assets remaining after deducting all liabilities from the entity's assets. Paid-in capital, share premium, positive differences arising from capital restatement, restricted reserves, retained earnings and losses and profit or loss for the period are shown here.

2.4.37 Positive Capital Adjustment Differences

The positive difference of capital adjustment as of the financial statement period of the Group is stated in the financial statements.

2.4.38 Repurchased Shares (-)

If the entity acquires its own shares within the scope of paragraph 33 of TAS 32, the purchase price of these shares is deducted from equity and presented in the "Repurchased Shares (-)" item. In the event that the shares are purchased by other parties included in the consolidation, the shares purchased are also included in this scope, but these amounts are shown in the "Capital Adjustment of Mutual Subsidiaries" item within the scope of TAS 32, and the differences arising from the purchase and sale of treasury shares are not shown in profit or loss.

2.4.39 Adjustment to share capital of cross shareholding (-)

This item is used to adjust the amount of paid-in capital by an item other than paid-in capital in order to present the paid-in capital in the statutory records in the event that the shares of the entity are acquired by other parties included in the consolidation.

The Group does not have any cross shareholding capital adjustment as of the financial statement period.

2.4.40 Share Premiums/Discounts

Share premiums, cancelled shares, gains on sale of shares of subsidiaries with retained control are recognized as an item that arises from capital movements and are considered as part of share capital.

Negative differences arising from the difference between the nominal value and the issue price of shares issued at a price below the nominal value are disclosed separately in the footnotes.

2.4.41 Other comprehensive income or expenses not to be reclassified to profit or loss

This item accounts for items of other comprehensive income (revaluation gains/losses on revaluation of property, plant and equipment, revaluation gains/losses on revaluation of intangible assets, gains/losses on remeasurement of defined benefit plans) and other gains and losses that are recognized directly in equity in the period in which they arise and that will never be reclassified to profit or loss.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

The Group has accumulated other comprehensive income or loss arising from actuarial gain or loss on employee termination benefits that will not be reclassified to profit or loss.

2.4.42 Other Comprehensive Income or Expense to be Reclassified to Profit or Loss

Foreign currency translation differences, which are recognized directly in equity as an item of other comprehensive income (loss) in the period in which they arise and which can be subsequently transferred to profit or loss, Revaluation and reclassification gains/losses (Gains/losses on revaluation and/or reclassification of available-for-sale financial assets, Other comprehensive income (loss) items such as Other comprehensive income (loss), Hedging gains/losses (Cash flow hedge gains/losses, Gains/losses on hedging of investment in foreign operations) and Other gains/losses are monitored.

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

2.4.43 Restricted Reserves (Reserves set aside for purposes other than profit distribution)

These reserves are appropriated out of the profits of previous periods, either as a result of legal or contractual obligations or for specific purposes other than profit distribution (e.g. to obtain tax advantage from gain on sale of subsidiaries). These reserves will be carried at their statutory amounts and any differences arising on the revaluation of these reserves in accordance with TAS will be recognized in retained earnings.

2.4.44 Retained Earnings

Accumulated profits/losses other than net profit for the period are netted off and presented in this item. Extraordinary reserves, which are in their nature of accumulated profit/loss and therefore not restricted, are also considered as accumulated profit and presented in this item.

2.4.45 Cash Flow Statement

The Group prepares cash flow statements in order to inform the users of the financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows according to changing conditions. In the statement of cash flows, cash flows for the period are classified and reported based on operating, investing and financing activities.

Cash flows from operating activities represent the cash flows generated from the Company's operating activities. Cash flows from investing activities represent the cash flows used in and provided from investing activities (fixed asset investments and financial investments). Cash flows from financing activities represent the resources used in financing activities and the repayment of these resources. Cash and cash equivalents comprise cash on hand and demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities of three months or less.

2.4.46 Main Activities

Core activities are those activities from which an entity derives its main revenue. Other activities that are not included in the scope of investment and financing activities defined below are also considered as core activities.

Revenue/Income Recognition

The Group's revenues mainly consist of license and hardware sales, internally generated software development and custom software project sales, custom integrator services, outsourcing services, maintenance and support services.

Revenue is recognized when the Group fulfills its performance obligation by transferring a promised good or service to a customer.

The Group recognizes revenue from contracts with customers when (or as) the customer obtains control of the goods and services promised under the contract if the Group meets all of the contractual requirements of TFRS 15.

In accordance with TFRS 15, a 5-step process is applied for revenue recognition.

- Defining contracts with the customer,
- Identification of separate performance criteria and obligations in the contract,
- Determination of the contract price,
- Allocation of the Sale Price to Liabilities,
- Recognizing revenue as contractual obligations are fulfilled,

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

If there is a significant financing element in the sales, the fair value is determined by discounting the future cash flows with the hidden interest rate included in the financing element. The difference is recognized in the financial statements on an accrual basis. Considering that the maturity of the sales is less than 1 year, it is accepted that the sales do not include a significant interest component and the sales are reflected in the financial statements at the invoice amount.

The Group gives these performance obligations alone or together in contracts.

The Group recognizes these performance obligations in its financial statements over time and at a certain point in time. As a result of the fulfillment of obligations over time, revenue is also recognized in the financial statements over time.

The Group uses the output method to determine how much of the work has been completed as of the balance sheet date when accounting for performance obligations over time for which control has been transferred. With the output method, contract progress is measured as the ratio of the goods and services delivered to the customer as of that day to the goods and services expected to be delivered within the scope of the total project.

Additional explanations for some important income groups are provided below.

Revenue from sale of licenses

The Group may sell licenses by entering into simultaneous contracts with the licensor and the customer. In such contracts, the Group is not directly responsible for the performance of the license performance obligation (e.g. updating the license), but has discretion in determining the license price and bears all the risks of collection in case of non-payment of the licenses. Therefore, it considers itself as a principal in these contracts. Revenues related to the license performance obligation are recognized "at a point in time" and "gross" when control is transferred to the customer.

Revenue from sale of hardware

The hardware performance obligation consists of products that are procured from other manufacturers and sold. The hardware may be an integral part of the installation, which takes some time to integrate, or it may be sold to the customer on its own.

Internally generated Software and Technology Development Revenues

The Group's software development services consist of services that are contracted on a per hour basis and provided by providing human resources to the customer or projected software development services. Control of software development services is transferred to the customer as the service is provided and the customer receives and consumes the benefit of this performance at the same time.

The stage of completion of the contract is determined based on the time spent and revenue from contracts is recognized over the contract fees as working hours and direct costs are incurred. Revenues from such services are recognized on an accrual basis over the hours of service provided in accordance with the periodicity principle on a "time proportionate" basis.

For short-term and one-off services, the Group recognizes revenue "at a point in time" when control is transferred to the customer.

Special Software Project Revenues

Custom software development project revenues are recognized as revenue in the consolidated financial statements based on the level of completion of contractual obligations as of the balance sheet date.

Special Integrator Service Revenues

The Company, which is a Private Integrator Service provider that has received special integration permission from the Revenue Administration, provides e-transformation services such as e-invoice, e-archive, e-delivery note, e-ticket to its customers through its own IT system. The special integrator service is in the form of top-up sales and revenue is recognized based on top-up usage.

Income from care services

The Group sells maintenance and repair services for its products and software. The prices of the maintenance and repair services offered are determined separately from the products sold and are considered as a different service promised in the contract. Therefore, the Company recognizes the service to be provided within the scope of maintenance and repair as a separate performance obligation.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

For each performance obligation, the Company determines at the inception of the contract whether the performance obligation is satisfied over time or whether the performance obligation is satisfied at a particular point in time. For maintenance and repair sales, the Group transfers control of the service over time and therefore fulfills the performance obligations related to such sales over time and recognizes revenue over time by measuring the progress towards the full fulfillment of this performance obligation.

The Group may sell maintenance support packages of the licensor together with the license and hardware. In these maintenance support packages, the Company considers itself as a principal in the contracts in which it is responsible for the performance of the performance. The Company recognizes the amount paid to the service provider as a cost in the financial statements as it fulfills the performance in the contracts in which it is the principal, and the amount of maintenance service provided to the customer is recognized as income.

When determining the stand-alone selling prices of maintenance services sold together with other performance obligations in the contracts, the management has estimated the stand-alone selling price of the maintenance service with the cost plus profit margin method, taking into account past experience and observable price in similar contracts. In contracts where there is a discount, the discount is reflected to all performance obligations in proportion to the discount rate.

Revenue from outsourcing and support services sales

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 from this performance at the same time. Therefore, they are recognized as "over time" in the financial statements.

2.4.47 General Administrative Expenses, Marketing Expenses, Research and Development Expenses

General administrative expenses, marketing, selling and distribution expenses and research and development expenses(*) directly attributable to profit or loss in accordance with TAS 38 Intangible Assets are presented separately. Depreciation and amortization expenses and employee benefits are also included in these expenses.

(*) The Group recognizes research expenses directly in the statement of profit or loss in the period in which they are incurred. Expenditures made within a project to produce a new product, software or program based on research findings are defined as development and development expenditures are capitalized by carrying forward to future periods when the future realizable value is certain. In this context, while capitalizing the salaries of the personnel directly involved in the creation of the project and other costs incurred, it is taken into consideration how much time each personnel spends on research and development activities. Personnel costs related to research activities are recognized as expenses when incurred.

2.4.48 Other Operating Income/Expenses

Income and expenses arising from operating activities that do not meet the definition of revenue, gains that do not meet the definition of revenue, losses that are not included in cost of sales, and income and expenses related to activities that are considered within the scope of operating activities because they do not fall within the scope of investment and financing activities, other than income and expenses related to operating activities.

2.4.49 Investment Activities

Investing activities are activities related to the acquisition and disposal of long-term assets and other investments that are not included in cash equivalents. Which activities fall within the scope of investing activities is assessed in accordance with TAS 7.

Profit/loss from investing activities is calculated by deducting income from investing activities and related expenses. Profit or loss shares, if any, of investments accounted for using the equity method are added to or subtracted from the related item. If the investments accounted for using the equity method are a part of the core business of the reporting entity, this item is reported in the "Core Business".

2.4.50 Finance Income/Financing Expenses

Financing activities are activities that result in changes in the structure and amount of equity and liabilities. Which activities fall within the scope of financing activities are evaluated within the framework of TAS 7.

Where unpaid interest accrues prior to the acquisition of an interest-bearing security, the interest subsequently collected is split into pre-acquisition and post-acquisition periods and recognized in the financial statements as post-acquisition income only.

Interest on overdraft accounts and short-term and long-term borrowings, and exchange differences on borrowings denominated in foreign currencies, to the extent that they are considered as adjustments to interest costs, are recognized in finance costs.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

2.4.51 Earnings per Share

Earnings per ordinary share is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent (the numerator) by the weighted average number of ordinary shares outstanding during the period (the denominator). In computing diluted earnings per share, the Company adjusts the profit or loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding for the effects of dilutive potential ordinary shares.

2.4.52 Effects of Exchange Rate Changes

Transactions in foreign currencies are translated into TL at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into TL at the exchange rate prevailing at the balance sheet date. Exchange differences arising on such transactions are recognized in the income statement and/or balance sheet.

Foreign currency exchange rates used by the Group at the end of the period are as follows

Foreign Currencies	<u>30.09.2024</u>	<u>31.12.2023</u>
US Dollar	34,0900	29,4382
EURO	38,0180	32,5739
GBP	45,5408	37,4417

2.4.53 Events after the Balance Sheet Date

Subsequent events cover all events that take place between the balance sheet date and the date when the balance sheet is authorized for issue, even if they occurred after the announcement of any profit or other selected financial information publicly disclosed. The Company adjusts the amounts recognized in the financial statements if events requiring an adjustment occur after the balance sheet date.

2.5. Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates and assumptions are based on the Company management's best knowledge of current events and transactions, actual results may differ from the assumptions.

2.6 New and Revised Turkish Financial Reporting Standards

As at September 30, 2024, the accounting policies adopted in preparation of the consolidated financial statements for the year ended September 30, 2024 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards ("TAS")/IFRS and TAS/IFRS interpretations effective as of January 1, 2024. The effects of these standards and interpretations on the financial position and performance of the Group are disclosed in the related paragraphs.

As at September 30, 2024, the new standards, amendments and interpretations to existing standards are effective:

IFRS 16, Sale and leaseback transactions; effective from annual periods beginning on or after January 1, 2024. These amendments include the sale and leaseback provisions in IFRS 16 that clarify how an entity accounts for a sale and leaseback transaction after the transaction date. It is likely to affect sale and leaseback transactions where some or all of the lease payments are variable lease payments that are not linked to an index or rate.

Amendment to IAS 1, Long-term liabilities with contractual conditions, effective from annual periods beginning on or after January 1, 2024. These amendments clarify how conditions that an entity must comply with within twelve months of the reporting period affect the classification of a liability. The amendments also aim to improve the information that an entity provides about liabilities subject to these conditions.

Amendments to TAS 7 and IFRS 7 on supplier financing arrangements, effective from annual periods beginning on or after January 1, 2024. These amendments require disclosures to increase transparency about supplier financing arrangements and their impact on an entity's liabilities, cash flows and liquidity risks. The disclosure requirements are the IASB's response to investor concerns that some companies' supplier financing arrangements are not sufficiently clear and hinder investor analysis.

TSRS 1, "General requirements for disclosure of sustainability-related financial information" is effective for annual periods beginning on or after January 1, 2024. This standard provides a basic framework for disclosing all material sustainability-related risks and opportunities across an entity's value chain.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

TSRS 2, 'Climate-related disclosures'; effective from annual periods beginning on or after January 1, 2024. This is the first standard to establish disclosure requirements for companies about climate-related risks and opportunities.

However, the POA's Board Decision published in the Official Gazette dated December 29, 2023 announced that certain entities will be subject to mandatory sustainability reporting as of January 1, 2024. January 5, 2024 dated "Board Decision on the Scope of Application of Turkish Sustainability Reporting Standards (TSRS)" for the purpose of Determining the Entities that will be subject to Sustainability Reporting.

These standards, amendments and improvements have no impact on the financial position and performance of the Group.

Standards and amendments to standards issued but not yet effective as at September 30, 2024:

The Group has not yet adopted the following standards, amendments and interpretations to existing standards that are not yet effective:

IFRS 17, 'Insurance contracts'; effective from annual periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which currently permits a wide range of applications. IFRS 17 will fundamentally change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features.

However, in the letter dated 06.04.2023 sent by the Public Oversight Authority (POA) to the Association of Insurance, Reinsurance and Pension Companies of Turkey, it has been reported that it has been reached the opinion that it would be appropriate to apply TFRS 17 in the consolidated and separate financial statements of insurance, reinsurance and pension companies, banks with partnerships/investments in these companies and other companies with partnerships/investments in these companies as of 01.01.2024.

On the other hand, the implementation date of TFRS 17 has been postponed to 01.01.2025 by POA.

IAS 21 Lack of convertibility, effective from annual periods beginning on or after January 1, 2025. An entity is affected when it has a transaction or activity in a foreign currency that is not convertible into another currency at a particular measurement date for a particular purpose. A currency can be exchanged when the ability to obtain another currency is available (with a normal administrative delay) and the transaction occurs through a market or clearing mechanism that creates enforceable rights and obligations.

Amendments to TFRS 9 and TFRS 7 on classification and measurement of financial instruments; effective from annual periods beginning on or after January 1, 2026. (Early application is permitted.) These amendments:

- Clarifying the timing requirements for the recognition and derecognition of certain financial assets and liabilities, including a new exception for certain financial liabilities settled through an electronic cash transfer system;
- Provide further guidance and clarification on the assessment of whether a financial asset meets the principal and interest payments only criterion;
- Add new disclosures for certain instruments with contractual terms that could alter cash flows (such as certain instruments with features linked to the achievement of environmental, social and governance (ESG) objectives); and
- Updating the disclosures on equity instruments at fair value through other comprehensive income.

IFRS 18 Presentation and Disclosure in Financial Statements; effective from annual periods beginning on or after January 1, 2027. This is a new standard on presentation and disclosure of financial statements that focuses on updates to the statement of profit or loss. The main new concepts introduced in IFRS 18 relate to the following:

- Structure of the statement of profit or loss
- Disclosures required in the financial statements for certain profit or loss performance measures (i.e., performance measures defined by management) that are reported outside the entity's financial statements; and
- Improved aggregation and disaggregation principles generally applicable to the basic financial statements and disclosures
Principles

IFRS 19 Subsidiaries that are not required to account to the public: Disclosures; Effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted. This new standard is applied in conjunction with other IFRSs. A qualifying subsidiary applies the provisions of other IFRSs except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. The reduced disclosure requirements of IFRS 19 balance the information needs of users of eligible subsidiaries' financial statements with cost savings for preparers of financial statements.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

has been done.)

IFRS 19 is a voluntary standard for eligible subsidiaries. A subsidiary meets the relevant requirements if

- Being a subsidiary that is not publicly traded or listed on a stock exchange; and
- Has a parent or intermediate parent that produces publicly available consolidated financial statements in accordance with IFRS.

NOTE 3 - BUSINESS COMBINATIONS

The Group has no business combinations as of September 30, 2024 (December 31, 2023-None).

NOTE 4 - INTERESTS IN OTHER ENTITIES AND JOINT VENTURES

The Group has no joint ventures as of September 30, 2024 (December 31, 2023-None).

NOTE 5 - FINANCIAL INVESTMENTS

As at September 30, 2024 and December 31, 2023, the details of short-term and long-term financial investments are as follows

a) Short Term Financial Investments

<u>Financial assets at fair value through profit or loss</u>	<u>30.09.2024</u>	<u>31.12.2023</u>
Currency hedged deposits	-	81.175.960
Mutual funds (*)	17.089.821	1.542.937
Other (**)	46.111.228	-
Total	63.201.049	82.718.897

(*) TL 15,417,402 of the mutual funds presented at fair value is NEO PMC VBT Yazılım Girişim capital investment fund, and the remaining TL 1,672,419 consisted of İş Portföy Renewable Energy Technologies fund.

(**) TL 46.111.228 presented in other marketable securities belongs to subsidiary Europe AG.

b) Long Term Financial Investments

The Group has no long term financial investments (December 31, 2023-None).

NOTE 6 - RELATED PARTY DISCLOSURES

Transactions with Related Parties during the Period

A-Receivables and Payables

Receivables

a- Trade Receivables / Short-Long Term

<u>Trade Receivables from Related Parties</u>	<u>30.09.2024</u>	<u>31.12.2023</u>
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	-	34.628

b- Other Receivables

-Short Term

<u>Other short-term receivables due from related parties</u>	<u>30.09.2024</u>	<u>31.12.2023</u>
Birol Basaran	-	33.394.158
Zahide Kocyigit	-	28.191.021
KPAY Payment Technologies Consulting San.ve Tic. A.Ş.	4.293.964	-
Total	4.293.964	61.585.179

-Long Term

<u>Other long-term receivables due from related parties</u>	<u>30.09.2024</u>	<u>31.12.2023</u>
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	735.955	999.871

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

c-Prepaid Expenses / Short Term

<u>Prepaid Expenses from Related Parties</u>	<u>30.09.2024</u>	<u>31.12.2023</u>
Personnel Advances	3.670.352	6.498.560
Buz İletişim Hiz.San.ve Tic. A.S.	-	12.413.352
Total	3.670.352	18.911.912

d- Deferred Income / Short Term

<u>Deferred Income from Related Parties</u>	<u>30.09.2024</u>	<u>31.12.2023</u>
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	220.580	-

e- Trade Payables / Short Term

<u>Other Short Term Payables to Related Parties</u>	<u>30.09.2024</u>	<u>31.12.2023</u>
Birol Basaran	95.470	-
Zahide Kocyigit	151.414	-
Total	246.884	-

B-Related Party Purchases-Sales**- Service Sales**

<u>Related Party</u>	<u>Nature of Partnership/Party</u>	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>
Buz İletişim Hiz.San.ve Tic. A.S.	Subsidiary	-	60.666
Phexum Yaz. INC.	Subsidiary	-	75.316
Total		-	135.982

- Service Procurement

<u>Related Party</u>	<u>Nature of Partnership/Party</u>	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>
Phexum Yaz. INC.	Subsidiary	2.498.938	5.265.476
Stoneity Software Inc.	Subsidiary	535.487	2.164.079
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	Subsidiary	1.824.237	1.638.745
KPAY Payment Techno. Consulting San.ve Tic. A.S.	Subsidiary	-	17.933
English Guru	Subsidiary	-	52.849
Total		4.858.662	9.139.083

C - Information on mortgages, guarantees, commitments and sureties given to/received from related persons and organizations

TL 750.000 given in favor of the Company by Birol Başaran, shareholder of the Company, for the loans used by the Company (December 31, 2023-TL 1.018.953 mortgage)

D - Remuneration and Similar Benefits Provided to the Chairman, Members of the Board of Directors, General Manager and Assistant General Managers

The Company's senior management consists of the Chairman of the Board of Directors and members of the Board of Directors as well as general managers. Benefits provided to key management personnel include salaries and bonuses. Benefits provided to key management personnel during the period are as follows:

<u>Fees</u>	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>
Chairman and Members of the Board of Directors and Senior Executives	12.833.325	6.477.316

E - Mortgaged and collateralized receivables and payables from related parties and their

maturity terms There are no mortgaged and collateralized receivables and payables from related parties.

(31 December 2023 - None.) **F - Provision for doubtful receivables from related parties**

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

The provision for doubtful receivables from related parties (31 December 2023 - None).

VB T YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

NOTE 7 - CASH AND CASH EQUIVALENTS

	<u>30.09.2024</u>	<u>31.12.2023</u>
Safe deposit box	220	1.681
Banks	213.177.370	222.814.566
TL time deposits (*)	55.609	2.796.220
Demand TL accounts	444.569	50.672.607
Demand deposit foreign currency accounts	212.677.192	169.345.739
Total	213.177.590	222.816.246

(*) The breakdown of time deposits with maturities less than 3 months is as follows

<u>30.09.2024</u>						
<u>Original amount</u>	<u>Currency</u>	<u>Amount TL equivalent</u>	<u>Binding date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>%</u>
55.609	TL	55.609	30.09.2024	01.10.2024		35,00%

<u>31.12.2023</u>				
<u>Currency Denomination</u>	<u>Interest Rate</u>	<u>Currency Amount</u>	<u>TL Equivalent</u>	
TL	15,00-22,00%	2.796.220	2.796.220	

NOTE 8 - INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND SUBSIDIARIES

Investments in Associates There are no investments in joint ventures and subsidiaries (31.12.2023-None).

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

	<u>30.09.2024</u>	<u>31.12.2023</u>
Short-term bank borrowings (*)	51.234.698	840.353

(*) Used by foreign subsidiary Europe AG.

b) Short Term Portion of Long Term Borrowings from Third Parties

	<u>30.09.2024</u>	<u>31.12.2023</u>
Borrowings from lease transactions	1.180.852	2.349.559

c) Long Term Borrowings from Third Parties

	<u>30.09.2024</u>	<u>31.12.2023</u>
Borrowings from lease transactions	4.998.917	3.510.772

d- Maturity Structure**- Loans and Lease Liabilities**

	<u>30.09.2024</u>	<u>31.12.2023</u>
Payable in 1 year	52.415.550	3.189.912
Payable in 1 -5 years	4.998.917	3.510.772
Total	57.414.467	6.700.685

f) Other Financial Liabilities

	<u>30.09.2024</u>	<u>31.12.2023</u>
Credit card debts	-	212.477

NOTE 10 - TRADE RECEIVABLES AND PAYABLES

VB T YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

stated.

has been done.)

a- Short Term Trade Receivables

	30.09.2024	31.12.2023
Trade receivables	115.090.509	180.579.167
Trade receivables from related parties (Note: 6)	-	34.628
Trade receivables from third parties	115.090.509	180.544.539
Provision for expected credit losses (-)	- 1.949.535	- 3.105.982
Unearned deferred expenses (-)	- 947.338	-
Doubtful trade receivables	1.888.642	616.993
Provision for doubtful trade receivables (-)	- 1.888.642	- 616.993
Total	112.193.636	177.473.185

The Group's transactions related to overdue receivables for which allowance for doubtful receivables is recognized are as follows

	30.09.2024	31.12.2023
January 1 balances	616.993	728.128
Amount of provision added	1.434.504	175.095
Monetary loss/gain	- 162.855	- 286.230
Allowance for doubtful receivables balance	1.888.642	616.993

b- Long Term Trade Receivables

The Group has no long term trade receivables as of September 30, 2024.

As at September 30, 2024, trade receivables amounting to TL 75.190.781 (December 31, 2023: TL 166.453.901) are due not overdue or not impaired. The maturity information of these receivables is as follows:

Maturity periods	30.09.2024	31.12.2023
1-3 month maturity	75.190.781	166.453.901

As of September 30, 2024 trade receivables 37.002.855 TL (December 31, 2023 - TL 11.019.284) The maturity information of these receivables is given in Note 44.

There are no letters of guarantee and mortgages received against trade receivables.

Trade Payables:

The details of the Group's trade payables as of the balance sheet date are as follows

	30.09.2024	31.12.2023
Sellers	70.148.667	75.179.372
Trade payables to third parties	70.148.667	75.179.372
Unearned deferred expenses (-)	- 582.570	-
Other trade payables	2.830	3.845
Trade payables to third parties	2.830	3.845
Total	69.568.927	75.183.217

The average maturity of trade payables is 30-60 days (December 31, 2023: 30-60 days.) Maturity information of trade payables is disclosed in Note 44.

b-Long Term Trade Payables

The Group has no long term trade payables as of the balance sheet date (December 31, 2023 - None).

NOTE-11 RECEIVABLES AND LIABILITIES ARISING FROM CUSTOMER CONTRACTS**a- Receivables from Short Term Customer Contracts**

As of the balance sheet date, the Group has no receivables arising from short-term customer contracts (December 31 2023-None.)

b- Receivables from Long Term Customer Contracts

As of the balance sheet date, the Group has no receivables arising from long-term customer contracts (December 31 2023- None)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

c-Liabilities arising from short-term customer contracts

	30.09.2024	31.12.2023
Contractual Obligations Arising from Sales of Goods and Services	82.537	186.298.246

d- Liabilities arising from long-term customer contracts

	30.09.2024	31.12.2023
Contractual Obligations Arising from Sales of Goods and Services	660.303	3.133.302

Contractual obligations arising from the sale of goods and services consist of the Company's revenue from transactions that are invoiced to the customer within the scope of customer contracts but the service will be realized in the following periods.

NOTE 12 - RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS

The Group has no receivables and payables from finance sector operations (December 31, 2023 - None).

NOTE 13 - OTHER RECEIVABLES AND PAYABLES**a- Short Term Other Receivables**

	30.09.2024	31.12.2023
Deposits and guarantees given	109.719	48.528
Due from other parties	7.297.200	63.401.971
Other receivables from third parties	3.003.236	1.816.792
Other receivables from related parties (Note: 6)	4.293.964	61.585.179
Total	7.406.919	63.450.498

b-Other Long Term Receivables

	30.09.2024	31.12.2023
Deposits and guarantees given	151.220	103.699
Due from other parties	735.955	999.871
Other receivables from related parties (Note: 6)	735.955	999.871
Total	887.175	1.103.570

c- Short Term Other Payables

	30.09.2024	31.12.2023
Due to other parties	3.776.856	461.008
Taxes and funds payable	11.256.737	38.570.075
Other liabilities payable	1.162	5.947
Other payables to related parties (Note: 6)	246.884	-
Total	15.281.639	39.037.030

NOTE 14 - EMPLOYEE BENEFIT OBLIGATIONS

	30.09.2024	31.12.2023
Personnel wages payable	1.989.304	907.353
Social security deductions payable	9.215.971	10.051.505
Personnel income taxes payable	3.849.479	1.707.853
Total	15.054.754	12.666.711

NOTE 15 - DERIVATIVE INSTRUMENTS

The Group has no derivative financial instruments (December 31, 2023 - None).

NOTE 16 - INVENTORIES

	30.09.2024	31.12.2023
Trade goods (*)	120.105.622	78.887.849

(*) Consists of license fees received for sale to customers.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

has been done.)

NOTE 17 - LIVING ASSETS

The Group does not include living assets in its core business (December 31, 2023-None).

NOTE 18 - PREPAID EXPENSES / DEFERRED INCOME

	<u>30.09.2024</u>	<u>31.12.2023</u>
Expenses for the coming months (*)	30.055.037	94.656.343
Work advances	393.220	117.900
Personnel advances	128.240	6.498.560
Advances to personnel (Related parties) (Note:6)	3.670.352	6.498.560
Order Advances Given	26.971.602	2.966.986
Advances Given to Related Parties (Note: 6)	-	12.413.352
Total	61.218.451	116.653.141

(*)As of September 30, 2024, TL 28.338.577 reported in prepaid expenses consists of the costs of maintenance services to be provided to customers in the future periods (December 31, 2023: TL 94.656.343).

	<u>30.09.2024</u>	<u>31.12.2023</u>
Expenses for future years	21.183.094	21.183.097

(*)As of September 30, 2024, there are costs of maintenance services received to be given to customers in the future periods amounting to TL 20.719.240 reported under future expenses (December 31, 2023: TL 21.183.097).

Short Term Deferred Income

	<u>30.09.2024</u>	<u>31.12.2023</u>
Order advances received	5.371.385	-
Order Advances Received from Related Parties (Note: 6)	220.580	-
Total	5.591.965	-

NOTE 19 - GOVERNMENT GRANTS AND SUBSIDIES**Short Term Government Incentives and Aids**

	<u>30.09.2024</u>	<u>31.12.2023</u>
Government Incentives and Aids	208.409	283.145

Long Term Government Incentives and Aids

	<u>30.09.2024</u>	<u>31.12.2023</u>
Government Incentives and Aids	312.613	424.717

(*)The Company receives incentives for Tübitak projects related to R&D activities. The incentive to be received is not recognized as income in the initial accounting records and is recognized as income in proportion to the amortization of the R&D investment.

R&D grants that will be recognized as income in future periods are reported under short and long term "Government Incentives and Grants" in the balance sheet accounts.

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

In this context, as of September 30, 2024, the Company has used the deduction right arising from the R&D incentive amounting to TL 123.739.008 in its first provisional tax.

(In this context, the Company is entitled to corporate tax deduction arising from R&D incentive amounting to TL 109.781.359 as of December 31, 2023 and has used all of it as of December 31, 2023).

The amounts of SSI, employee income tax and stamp tax incentives utilized by the Company are shown in the table.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

Social Security and Income Tax Incentives	30.09.2024	31.12.2023
Law No. 5510 Scope. Benefit Incentive	7.881.787	9.783.177
Law No. 14857 Scope. Benefit Incentive	27.954	37.838
Law No. 6111 Scope. Benefit Incentive	919.537	2.292.859
Law No. 15510 Scope. Benefit Incentive	245.547	448.233
Law No. 5746 Scope. Benefit Incentive	5.209.530	7.448.804
Total	14.284.354	20.010.912

Income Tax Incentives	30.09.2024	31.12.2023
Amount of Withholding Tax on Wage Payments Withheld Pursuant to Law No. 5746.	25.217.747	18.272.845
Amount of Withholding Withheld Pursuant to Law No. 5746		
Withholding Taxes on Wage Payments No. 4691. Amount Cancelled Pursuant to Law No. 4691	2.169.435	-
Total	27.387.182	18.272.845

NOTE 20 - CURRENT INCOME TAX LIABILITIES/ASSETS

	30.09.2024	31.12.2023
Current income tax liability	-	- 32.360.278
Prepaid taxes and funds (-)	1.037.895	26.624.389
Profit for the Period Tax Liability / Asset (net)	1.037.895	- 5.735.889

NOTE 21- OTHER CURRENT ASSETS/OTHER NON-CURRENT ASSETS

	30.09.2024	31.12.2023
VAT carried forward	6.071.989	248.206
Other miscellaneous current assets	220.547	-
Total	6.292.536	248.206

The Group has no other non-current assets as of September 30, 2024 (December 31, 2023 - None).

NOTE 22- OTHER LIABILITIES**a. Other Short Term Liabilities**

	30.09.2024	31.12.2023
Expense accruals	-	570.679

NOTE 23 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**a- Guarantees-Pledges-Mortgages Received by the Company**

TL 750.000 given in favor of the Company by Birol Bařaran, shareholder of the Company, for the loans used by the Company (December 31, 2023- TL 1.018.953)

b- Guarantees-Pledges-Mortgages Given by the Company

	30.09.2024	31.12.2023
A. Total amount of GPMs given on behalf of its own legal entity	156.055.075	113.567.724
-Letters of Guarantee	156.055.075	113.567.724
-Rehin		
-Mortgage		
-Cash Collaterals		
B. In favor of subsidiaries included in the scope of full consolidation		
Total amount of GPMs given		
C. Other third parties for the purpose of carrying out ordinary business activities		
Total amount of GPMs given in order to guarantee the debt		
D. Total amount of other GPMs given		
i) Total amount of GPMs given in favor of the main shareholder		
ii) Other group companies not included in the scope of B and C		
Total amount of GPMs given in favor of		
iii) Given in favor of third parties not covered by Article C		
Total amount of GPMs	-	-
Total	156.055.075	113.567.724

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

has been done.)

NOTE 24 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

	30.09.2024	31.12.2023
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	3.373.874	11.106.554
English Guru LLC	1.057.207	3.332.636
Phexum Yazılım A.Ş. (*)	-	2.674.327
Stoneity Yazılım A.Ş. (*)	-	175.176
Buz İletişim Hizmetleri San.ve Tic. A.Ş. (*)	-	23.483.910
KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. (*)	-	13.085.080
Total	4.431.081	53.857.683

Share of profit/(loss) of investments

	01.01-30.9.2024	01.01-30.9.2023
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	- 704.798	435.626
English Guru LLC	- 17.744	- 215.146
Phexum Software Inc.	-	39.234
Stoneity Software Inc.	-	116.719
Buz İletişim Hizmetleri San.ve Tic. A.S.	-	- 23.040.490
KPAY Payment Technologies Consulting San.ve Tic. A.S.	-	- 632.344
Total	- 722.542	- 23.296.400

(*) As of 30.09.2024, Phexum Yazılım A.Ş., Stoneity Yazılım A.Ş. (indirect subsidiary), Buz İletişim Hizmetleri San.ve Tic. A.Ş. and KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. and the partnerships in these companies have been terminated. Gain/loss on sale is disclosed in Note 35.

NOTE 25 - INVESTMENT PROPERTY

The Group has no investment properties (December 31, 2023 - None).

NOTE 26 - PROPERTY, PLANT AND EQUIPMENT**-Movements of Property, Plant and Equipment as of 30.09.2024 are as follows**

Cost	01.01.2024	Additions	Exit	30.09.2024
Buildings	64.040.646	8.064.297	-	72.104.942
Plant, machinery and equipment	39.436.254	-	-	39.436.254
Vehicles	23.531.246	10.048.403	- 1.829.371	31.750.279
Fixtures	54.112.618	4.290.673	-	58.403.291
Special costs	15.138.460	-	-	15.138.460
Total MDV cost	196.259.224	22.403.373	- 1.829.371	216.833.226

Depreciation	01.01.2024	Additions	Exit	30.09.2024
Buildings	1.195.748	665.160	-	1.860.907
Plant, machinery and equipment	16.714.391	7.072.018	-	23.786.409
Vehicles	9.147.150	2.622.124	- 1.412.637	10.356.636
Fixtures	36.858.859	6.512.527	-	43.371.386
Special costs	8.573.614	2.286.299	-	10.859.913
Total depreciation	72.489.761	19.158.127	- 1.412.637	90.235.251

Net book value	123.769.463	- 416.733	126.597.975
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-As of 30.09.2023, Movements in Property, Plant and Equipment are as follows

Cost	01.01.2023	Additions	Exit	30.09.2023
Buildings	23.853.045	-	-	23.853.045
Plant, machinery and equipment	35.996.572	3.439.742	-	39.436.314
Vehicles	19.579.648	67.552	-	19.647.200
Fixtures	43.207.947	8.080.474	-	51.288.421
Special costs	14.892.128	246.342	-	15.138.469
Total MDV cost	137.529.340	11.834.109	-	149.363.449

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

Depreciation	01.01.2023	Additions	Exit	30.09.2023
Buildings	1.318.135	358.817	-	1.676.952
Plant, machinery and equipment	8.099.285	5.743.443	-	13.842.728
Vehicles	6.724.789	1.807.531	-	8.532.320
Fixtures	30.673.432	4.508.835	-	35.182.267
Special costs	6.021.200	1.914.961	-	7.936.161
Total depreciation	52.836.842	14.333.587	-	67.170.429
Net book value	84.692.498		-	82.193.020

Pledges and Mortgages on Assets

There are no pledges and mortgages on the tangible assets detailed above (December 31, 2023 - None).

Depreciation periods for Property, Plant and Equipment are as follows:

	<u>Economic Lifetime</u>
Buildings	50 Years
Vehicles	4-5 Years
Plant, Machinery and Equipment	5 Years
Fixtures	3-4-5-10-15 Years
Special Costs	5 Years

NOTE 27 - INTANGIBLE ASSETS**-As of 30.09.2024, Other Intangible Asset Movements are as follows**

Cost	01.01.2024	Additions	Exit	30.09.2024
Licenses	8.188.463	-	-	8.188.463
Capitalized development costs	126.050.553	100.403.766	-	226.454.319
Total MODV cost	134.239.016	100.403.766	-	234.642.782
Depreciation	01.01.2024	Additions	Exit	30.09.2024
Licenses	8.182.620	5.843	-	8.188.464
Capitalized development costs	45.868.127	10.761.806	-	56.629.933
Total depreciation	54.050.747	10.767.650	-	64.818.397
Net book value	80.188.269		-	169.824.385

-As of 30.09.2023, Movements in Other Intangible Assets are as follows

Cost	01.01.2023	Additions	Exit	30.09.2023
Licenses	8.188.463	-	-	8.188.463
Capitalized development costs	126.050.553	-	-	126.050.553
Total MODV cost	134.239.016	-	-	134.239.016
Depreciation	01.01.2023	Additions	Exit	30.09.2023
Licenses	8.164.465	13.617	-	8.178.081
Capitalized development costs	30.027.999	12.252.788	-	42.280.787
Total depreciation	38.192.464	12.266.405	-	50.458.868
Net book value	96.046.553		-	83.780.148

The amortization periods of Intangible Assets are as follows:

	<u>Economic Lifetime</u>
Licenses	5 Years
Capitalized Development Costs	7-12 Years

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

stated.

has been done.)

NOTE 28 - RIGHT OF USE ASSETS

The balance of right-of-use assets as of September 30, 2024 and September 30, 2023 and depreciation and amortization expenses for the related period are as follows

Cost	01.01.2024	Additions	Exit	30.09.2024
Right of Use Assets	30.346.149	3.942.817	- 487.131	33.801.835
Total cost	30.346.149	3.942.817	- 487.131	33.801.835
Depreciation	01.01.2024	Additions	Exit	30.09.2024
Right of Use Assets	15.688.811	1.428.810	- 487.131	16.630.489
Total depreciation	15.688.811	1.428.810	- 487.131	16.630.489
Net book value	14.657.338		-	17.171.345
Cost	01.01.2023	Additions	Exit	30.09.2023
Right of Use Assets	20.119.180	14.031.719	-	34.150.899
Total cost	20.119.180	14.031.719	-	34.150.899
Depreciation	01.01.2023	Additions	Exit	30.09.2023
Right of Use Assets	6.906.686	10.583.873	-	17.490.559
Total depreciation	6.906.686	10.583.873	-	17.490.559
Net book value	13.212.494		-	16.660.340

NOTE 29 - SHORT/LONG TERM PROVISIONS

	30.09.2024	31.12.2023
Provision for vacation pay	16.928.605	5.924.209
Other short term provisions	334.504	1.898.359
Total	17.263.109	7.822.568

(*) Consists of the provision expense recognized by VBT Software UK. The

movement of the provision for vacation pay is as follows:

	30.09.2024	31.12.2023
January 1 balances	5.924.209	2.173.558
Amount of provision added	12.568.091	7.574.575
Net Monetary Loss / (Gain)	- 1.563.695	- 3.823.924
Provision for vacation pay balance	16.928.605	5.924.209

Seniority Incentive Bonus

As of September 30, 2024, there is no severance incentive premium liability amount (December 31, 2023 - None).

Other

The Company has no provisions for social benefit increases and tax risks (December 31, 2023 - None).

b-Long Term Provisions (Long Term Provisions for Employee Benefits)**- Provision for Employment Termination Benefits**

Under the Turkish Labor Law, the Company is required to pay termination benefits to each employee whose employment is terminated without due cause and whose employment is terminated without due cause. In addition, the Company is required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities in accordance with Article 60 of the Social Insurance Law No: 506 as amended by Laws No: 2422 dated March 6, 1981 and No: 4447 dated August 25, 1999.

Severance payments are calculated on the basis of one month's salary for each year of service. As of the balance sheet date, the Group's provision for employment termination benefits is calculated on the basis of TL 41.828 effective from July 1, 2024.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

The provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The revised TAS 19 "Employee Benefits" requires actuarial valuation methods to be used to estimate the enterprise's obligation under defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are set out below.

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real interest rate after adjusting for the effects of future inflation.

As at September 30, 2024, the liabilities in the accompanying consolidated financial statements are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. The provisions at the balance sheet date have been calculated assuming an annual inflation rate of 45% (December 31, 2023: 21,67%) and an interest rate of 50% (December 31, 2023: 24,66%), resulting in a real discount rate of approximately 3,45% (December 31, 2023: 2,46%). The significant assumptions used in the calculation of retirement pay liability are inflation, discount rate and probability of voluntary termination.

The significant estimates used in the calculation of employment termination benefits include inflation, discount rate and the probability of voluntary termination.

	<u>30.09.2024</u>	<u>31.12.2023</u>
Provision for employment termination benefits	8.957.019	12.032.320
	<u>30.09.2024</u>	<u>31.12.2023</u>
January 1 balances	12.032.320	13.436.615
Service cost	1.036.081	5.518.651
Interest cost	217.643	333.543
Paid during the period	- 2.752.541	- 4.015.063
Gain (loss) on remeasurement of defined benefit plans	1.599.447	2.440.846
Net monetary loss / (gain)	- 3.175.932	- 5.682.272
Provision for employment termination benefits	8.957.019	12.032.320

NOTE 30 - SHAREHOLDERS' EQUITY**a- Paid-in Capital**

VBT Yazılım A.Ş. increased its capital from TL 26.000.000 to TL 117.000.000 in accordance with the Board of Directors' resolutions dated 08.12.2023 and 09.12.2023, and the related capital increase was approved by the CMB on 08.02.2024. Increased

Of the TL 91,000,000 capital, TL 58,764,345 was paid from share premium and TL 32,235,655 was paid from retained earnings. The related capital increase was recognized in 2023 in accordance with the Board of Directors' resolution.

The share capital of the Company as of September 30, 2024 is as follows:

<u>Partners</u>	<u>30.09.2024</u>		<u>31.12.2023</u>	
	<u>Share amount</u>	<u>Share Ratio</u>	<u>Share amount</u>	<u>Share Ratio</u>
Bırol Basaran	41.445.000	35,42%	54.225.000	46,35%
Ipek Canan Basaran	8.551.350	7,31%	8.651.350	7,39%
Tayfun Yurdagül	2.925.000	2,50%	2.925.000	2,50%
Osman Çaylı	2.476.499	2,12%	2.476.499	2,12%
Mümin Sürer	2.025.000	1,73%	2.025.000	1,73%
Zahide Kocyigit	3.151.499	2,69%	2.026.498	1,73%
Unal Kirikci	1.125.000	0,96%	1.125.000	0,96%
Metin Faruk Tufan	1.126.499	0,96%	1.126.499	0,96%
Abdulkadir Aydoğan	1.126.125	0,96%	1.126.125	0,96%
Taner Yildirim	450.000	0,38%	225.000	0,19%
Nezih Mekiker	225.000	0,19%	112.500	0,10%
Mustafa Turkoglu	225.000	0,19%	112.500	0,10%
Nedim Nazli	414.000	0,35%	189.000	0,16%
Cahide Bektas	45.000	0,04%	-	0,00%
Sinan Kilic	45.000	0,04%	-	0,00%
Shares Offered to the Public	51.644.030	44,14%	40.654.030	34,75%
Paid-in Capital	117.000.000	100%	117.000.000	100%
Capital Adjustment Differences	184.024.160		184.024.160	

VB T YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

has been done.)

b- Gain (Loss) on Remeasurement of Defined Benefit Plans

The Company has calculated remeasurement gains/losses on defined benefit plans related to personnel and presented them in the financial statements

	30.09.2024	31.12.2023
Balance at the beginning of the period	- 7.310.153	- 5.430.702
Gain (loss) on remeasurement of defined benefit plans	- 1.599.429	- 2.440.846
Deferred tax income/(expense)	367.873	561.395
Net Actuarial Gain / Loss	- 8.541.709	- 7.310.153

c- Share Premiums (Discount)

	30.09.2024	31.12.2023
Share premium	29.125.057	215.629.985

(*) On 31.12.2023, VBT Yazılım A.Ş. has added share premium amounting to TL 58.764.345 to the capital by capital increase. The inflation difference arising from the amount added to the capital has been transferred to retained earnings/losses account in the current period.

d- Restricted Reserves

The legal reserves are divided into first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's paid-in share capital. Under the Turkish Commercial Code, the general legal reserve is not available for any other usage unless it exceeds half of the share capital or issued capital, in which case it can only be used to absorb losses, to continue as a going concern in times of business difficulties, or to take measures to prevent unemployment and mitigate its consequences.

	30.09.2024	31.12.2023
Legal reserves	23.309.188	23.309.188
Venture capital fund	1.925.857	1.925.857
Total	25.235.045	25.235.045

e- Retained Earnings/Losses

Retained earnings and accumulated losses other than net profit for the period are recognized in this item. Unrestricted extraordinary reserves, which are in substance retained earnings, are also recognized as retained earnings and presented in this item.

	30.09.2024	31.12.2023
Retained earnings / (losses)	338.651.216	15.596.884

Dividend Distribution

Companies whose shares are traded on BIST are subject to the dividend requirement introduced by the CMB as follows:

According to Article 19 of the Capital Markets Law No. 6362, which entered into force on December 30, 2012, and CMB's Communiqué on Dividend Distribution No. II-19.1, which entered into force on February 1, 2014, publicly traded companies distribute their profits within the framework of the profit distribution policies to be determined by their general assemblies and in accordance with the provisions of the relevant legislation. The Board may determine different principles regarding the dividend distribution policies of publicly traded companies on the basis of similar companies.

Unless the reserves required to be set aside in accordance with the Turkish Commercial Code and the dividend determined for the shareholders in the articles of association or the dividend distribution policy are set aside; it cannot be decided to set aside other reserves, to transfer profit to the following year and to distribute dividends to the members of the board of directors, company employees and persons and institutions other than shareholders, and dividends cannot be distributed to these persons unless the dividend determined for the shareholders is paid in cash.

Dividends are distributed equally to all existing shares as of the distribution date, regardless of their issue and acquisition dates.

The method and time of distribution of the profit decided to be distributed shall be decided by the General Assembly upon the proposal of the Board of Directors on this matter. The Company may decide to distribute dividends in accordance with the Turkish Commercial Code and Capital Markets Legislation and may authorize the Board of Directors for this purpose by a resolution of the General Assembly limited to the relevant accounting period.

f- Foreign Currency Translation Differences

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

	<u>30.09.2024</u>	<u>31.12.2023</u>
Foreign currency translation differences	- 6.886.350	- 4.930.240

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

has been done.)

NOTE 31 - REVENUE AND COST OF SALES

Revenue from commercial activities	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Domestic sales	1.804.504.179	2.228.461.233	583.928.109	145.824.947
International sales	5.820.620	4.499.398	1.995.942	891.781
Other income	10.562.500	14.580	- 1.964.178	2.938
Discounts (-)	- 35.816.944	- 524.869	1.811.779	3.181.452
Revenue, net	1.785.070.355	2.232.450.342	585.771.652	149.901.118
Cost of goods sold (-)	-1.192.701.100	-1.053.009.445	-481.676.989	-7.457.496
Cost of services sold (-)	-247.340.388	-969.427.729	-46.298.972	-65.646.394
Cost of sales	- 1.440.041.488	- 2.022.437.174	- 527.975.961	- 73.103.890
Gross profit from trading activities	345.028.867	210.013.168	57.795.691	76.797.228

(*) Cost of licenses sold by the Company to its customers.

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

Cost of services sold	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Personnel Wage Expenses	110.055.766	92.802.757	37.180.988	31.563.506
Consultancy Expenses	82.383.377	87.974.289	- 1.493.080	52.000.419
Depreciation Expenses	18.865.210	23.388.445	5.838.664	16.076.956
License Maintenance Support Expenses	15.860.088	755.122.440	- 707.761	- 33.854.493
Stamp Tax Expenses	12.611.081	5.094.553	3.456.965	318.856
Vehicle and Workplace Rent Expenses	2.641.506	-	131.434	-
Software and Development Expenses	580.308	-	182.597	-
Leave Salary provision	505.865	-	- 401.141	- 82.469
Lease amortization expense	502.311	-	502.311	-
Provision for Severance Pay	-	-	-	- 2.871.869
Other Expenses	3.334.877	5.045.245	1.607.995	2.495.489
Total	247.340.388	969.427.729	46.298.972	65.646.394

NOTE 32 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES , GENERAL ADMINISTRATIVE EXPENSES

	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
General administrative expenses (-)	84.099.938	44.018.217	30.645.490	18.504.844
Marketing expenses (-)	4.292.484	5.446.351	2.083.653	2.264.215
Research and development expenses (-)	123.619.112	97.606.194	18.634.736	33.877.563
Total	212.011.534	147.070.762	51.363.879	54.646.621

General administrative expenses (-)	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Personnel Expenses	39.638.045	16.412.633	20.285.793	5.424.127
Operating Expenses	10.893.278	6.068.240	1.862.642	3.972.499
Consultancy and Consultancy Expenses	10.128.077	1.905.623	1.148.319	379.138
Depreciation Expenses	5.064.049	4.452.564	2.240.915	2.263.427
Workplace Rent Expenses	3.353.922	-	1.545.569	-
Maintenance and repair expenses	2.491.230	-	413.760	-
Attendance Right	2.014.546	1.145.467	493.872	- 94.803
Representation and Hospitality Expenses	1.951.940	777.501	630.528	394.463
Travel, Accommodation, Food Expenses	1.249.046	1.184.180	450.862	406.352
Dues and Membership Expenses	1.225.635	91.597	396.721	- 7.581
Taxes, Duties and Fees	1.215.071	445.704	377.462	312.548
Vehicle and Fuel Expenses	933.675	1.346.098	326.961	870
Professional chamber service expenses	901.987	-	462.224	-
Insurance expenses	873.498	-	- 426.107	-
Communication Expenses	306.080	-	128.051	-
Electricity and Water Expenses	238.799	-	98.710	-
Donations and Aids	50.202	-	- 2.240	-
Vehicle Rental Expenses	5.205	-	1.076	-
Other expenses	1.565.654	10.188.609	210.370	5.453.803

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

Total	84.099.938	44.018.217	30.645.490	18.504.844
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VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

has been done.)

Marketing expenses (-)	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Advertising and Promotion Expenses	2.218.658	2.994.734	1.716.808	757.797
Personnel Wage Expenses	1.595.926	1.414.140	400.594	750.009
Vacation Pay Provision	290.116	-	- 25.877	-
Consultancy Expenses	3.454	-	- 154	-
Representation and Hospitality Expenses	-	254.593	-	100.139
Other expenses	184.331	782.884	- 7.717	656.270
Total	4.292.484	5.446.351	2.083.653	2.264.215

Research and development expenses (-)	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Personnel expenses	107.360.905	89.620.798	14.524.853	35.748.423
Vacation Pay Provision.	11.845.797	-	2.556.774	- 183.925
Depreciation expenses	2.921.978	6.173.950	1.013.361	- 2.525.484
R&D project expenses	626.190	-	451.922	-
Lease amortization expense	305.861	-	305.861	-
Workplace expenses	188.482	-	- 439.588	-
Other expenses	369.899	1.811.446	221.554	838.549
Total	123.619.112	97.606.194	18.634.736	33.877.563

NOTE 33 - EXPENSES BY NATURE

Depreciation and amortization expenses (-)	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Service Cost	18.865.210	23.388.445	5.838.664	16.076.956
General administrative expenses	5.064.049	4.452.564	2.240.915	2.263.427
Research and development expenses	2.921.978	6.173.950	1.013.361	- 2.525.484
Total	26.851.236	34.014.959	9.092.939	15.814.899

Personnel Expenses (-)	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Service Cost	110.055.766	92.802.757	37.180.988	31.563.506
General administrative expenses	39.638.045	16.412.633	20.285.793	5.424.127
Research and development expenses	107.360.905	89.620.798	14.524.853	35.748.423
Marketing expenses	1.595.926	1.414.140	400.594	750.009
Total	258.650.640	200.250.329	72.392.229	73.486.065

NOTE 34 - OTHER OPERATING INCOME AND EXPENSES

Other income from operating activities	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Foreign Exchange Gain from Operating Activities	31.052.727	54.823.916	9.522.067	- 13.151.028
Rediscount Interest Income	582.570	-	- 897.227	-
Provisions that are no longer relevant	2.293.348	596.910	- 1.813.549	164.744
Other income	1.450.173	1.381.400	808.443	168.851
Total	35.378.818	56.802.226	7.619.733	- 12.817.435

Other operating expenses (-)	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Foreign exchange losses from operating activities	25.380.896	7.446.409	16.646.074	2.809.826
Rediscount interest expense	947.338	-	- 1.731.855	-
Provision expenses	1.600.329	2.708.412	- 1.377.318	2.476.655
Additional Tax (within the scope of Law No. 7440)	-	7.806.025	-	7.806.025
Other expenses	1.629.768	2.725.235	656.558	- 5.383.526
Total	29.558.331	20.686.081	14.193.459	7.708.980

NOTE 35-INCOME FROM INVESTING ACTIVITIES

	01.01-30.9.2024	01.01-30.9.2023	01.07-30.9.2024	01.07-30.9.2023
Interest and Exchange Differences on Currency Protected Deposits	19.670.879	35.311.476	6.153.208	31.111.116
Gain on sale of financial investments	4.043.321	204.614	1.482.486	- 16.933

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

Gain on re-evaluation of financial investments	1.949.433	-	362.519	-
Gain on sale of property, plant and equipment and intangible assets	1.522.909	-	1.522.909	-
Total	27.186.542	35.516.090	9.521.123	31.094.182

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

NOTE 36-EXPENSES FROM INVESTING ACTIVITIES

	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>	<u>01.07-30.9.2024</u>	<u>01.07-30.9.2023</u>
Loss on Sale of Financial Investments	11.797.983	-	3.485.654	-

NOTE 37-FINANCING INCOME

	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>	<u>01.07-30.9.2024</u>	<u>01.07-30.9.2023</u>
Interest Income	17.052.379	5.050.616	5.922.734	- 4.455.715
Foreign Exchange Gains-Financing	24.265.943	62.548.535	7.735.504	6.409.613
Total	41.318.322	67.599.151	13.658.239	1.953.899

NOTE 38-FINANCING EXPENSES

	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>	<u>01.07-30.9.2024</u>	<u>01.07-30.9.2023</u>
Interest expense	344.922	3.946.082	- 60.207	- 330.482
Foreign Exchange Expenses-Financing	3.046.497	594.479	- 5.170.731	- 149.301
Interest expense on right-of-use obligations	1.479.029	-	862.624	-
Letter of Guarantee Commission Expenses	1.135.073	-	303.791	-
Termination indemnity interest cost	217.643	-	- 19.413	-
Total	6.223.164	4.540.561	- 4.083.936	- 479.783

NOTE 39- GAINS/LOSSES ON NET MONETARY POSITION

	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>	<u>01.07-30.9.2024</u>	<u>01.07-30.9.2023</u>
Net monetary position gains (losses) (+/-)	- 135.498.766	- 108.543.601	- 12.477.098	- 61.631.526

NOTE 40-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As of the balance sheet date, the Group has no non-current assets held for sale and discontinued operations. (31 December 2023- None)

NOTE 41- ANALYSIS OF OTHER COMPREHENSIVE INCOME**Gain/Loss on Remeasurement of Defined Benefit Plans**

	<u>30.09.2024</u>	<u>31.12.2023</u>
Balance at the beginning of the period	- 7.310.153	- 5.430.702
Gain (loss) on remeasurement of defined benefit plans	- 1.599.429	- 2.440.846
Deferred tax income/(expense)	367.873	561.395
Net Actuarial Gain / Loss	- 8.541.709	- 7.310.153

NOTE 42-TAX PROVISIONS AND LIABILITIES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	<u>30.09.2024</u>	<u>31.12.2023</u>
Current income tax liability	-	- 32.360.278
Prepaid taxes and funds (-)	1.037.895	26.624.389
Profit for the Period Tax Liability / Asset (net)	1.037.895	- 5.735.889

	<u>01.01-30.9.2024</u>	<u>01.01-30.9.2023</u>
Profit/Loss Before Tax	53.100.229	65.793.230
Current tax expense calculated at the current tax rate	- 12.213.053	- 15.132.443
Effect of expenses/income not subject to deduction/tax, net	12.213.053	- 14.115.233
Current period tax expense	-	- 29.247.676

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

A. Current Period Profit Tax Liability

The Group is subject to corporate tax in Turkey. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the current period.

Corporate tax is payable on the total income of the companies after a d j u s t i n g for certain disallowable expenses, corporate income tax exemptions (such as participation exemption) and corporate income tax deductions (such as research and development deductions). Prior years' losses, which are deducted from the corporate tax base, can be carried forward for a maximum of 5 years to be deducted from future taxable income. However, losses cannot be deducted retrospectively from the profits of previous years. In addition, advance tax is calculated and accrued quarterly at the corporate tax rate.

The corporate tax rate for 2024 is 25%.(December 31, 2023-25%)

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

After the reduced corporate tax (2 points corporate tax deduction), 23% rate is used in deferred tax calculation.

B. Deferred Tax Assets and Liabilities

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TAS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for TAS and tax purposes and they are summarized below. The items that constitute the basis for deferred tax and corporate tax are as follows

	<u>Total temporary Differences</u>	<u>Total temporary Differences</u>	<u>Deferred tax asset/li ability</u>	<u>Deferred tax asset/li ability</u>
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
Trade Receivables	- 3.838.177	- 3.726.549	882.781	857.106
Provision for vacation pay	- 16.928.605	- 5.924.209	3.893.579	1.362.568
Provision for employment termination benefits	- 8.957.019	- 12.032.320	2.060.114	2.767.433
Prepaid expenses	- 742.840	-	170.853	-
Stocks	- 27.616.956	-	6.351.900	-
Unearned deferred expenses	- 947.338	-	217.888	-
Sale of Goods and Services. Correction Related to Contract Liabilities.	-	- 185.306.679	-	42.620.535
Deferred tax assets	- 59.030.935	- 206.989.757	13.577.115	47.607.643
Unearned deferred income	582.570	-	- 133.991	-
Differences on property, plant and equipment and intangible assets	21.038.353	11.341.541	- 4.838.821	- 2.610.040
Financial investments	1.953.003	-	- 449.191	-
Prepaid expenses	49.166.243	114.353.457	- 11.308.236	- 26.301.296
Stocks	-	2.808.997	-	- 646.069
Right of use assets/liabilities (net)	10.991.576	14.657.338	- 2.528.062	- 3.371.188
Payables from leasing transactions	-	4.653.469	-	- 1.070.298
Expense Provisions	-	82.189.394	-	- 18.903.560
Time Deposit	-	3.050.351	-	- 701.581
Other	-	2.590.217	-	- 595.746
Deferred tax liabilities	83.731.745	235.644.764	- 19.258.301	- 54.199.779
Deferred tax assets/(liabilities) (net)	24.700.810	28.655.007	- 5.681.186	- 6.592.137

As of September 30, 2024 and December 31, 2023, the movement of deferred tax assets / (liabilities) for the year ended are as follows

	30.09.2024	31.12.2023
As of January 1st	-6.592.137	- 31.177.433
Tax income/(expense) recognized in the statement of profit or loss	-1.196.917	11.758.324
Tax income/(expense) recognized in other comprehensive income	367.873	570.994
Monetary loss/gain	1.739.995	12.255.978
As of December 31	-5.681.186	-6.592.137

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

has been done.)

NOTE 43-EARNINGS PER SHARE

As of the current and prior periods, the number of shares and profit/loss per share calculations are as follows

	01.01-30.9.2024	01.01-30.9.2023
Weighted average number of shares	117.000.000	117.000.000
Net profit/loss for the period (-)	54.799.209	30.426.770
(Loss) earnings per share	46,84%	26,01%

NOTE 44 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The principal financial instruments used by the Group are bank borrowings, cash and short-term bank deposits. The main purpose of using these instruments is to raise finance for the Company's operations. The Company also has financial instruments that arise directly from operations, such as trade receivables and trade payables. The risks arising from the instruments used are foreign currency risk, interest rate risk, credit risk and liquidity risk. The Company management manages these risks as set out below.

a) Capital Risk Management:

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

The Group's cost of capital and the risks associated with each class of capital are assessed by senior management. Based on the senior management's assessment, the Group aims to stabilize its capital structure through the payment of dividends and the issuance of new shares, as well as through the acquisition of new debt or the repayment of existing debt.

The Group monitors capital using the debt/total equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated by deducting cash and cash equivalents from total debt (which includes borrowings and trade payables as shown in the balance sheet).

Net debt/total equity ratio as of the end of the period is as follows:

	30.09.2024	31.12.2023
Total liabilities	196.076.928	356.693.122
Cash and cash equivalents (-)	- 213.177.590	- 222.816.246
Short-term financial investments (-)	- 63.201.049	- 82.718.897
Net debt	- 80.301.711	51.157.979
Total Equity	728.651.825	680.314.321
Capital employed	648.350.114	731.472.300
Net debt to capital employed ratio	-12,39%	6,99%

b) Credit and Receivables Risk Management:

Credit risk is the risk that a customer or counterparty will not fulfill its contractual obligations. Receivables risk is the risk of holding financial assets and the risk that the counterparty will not fulfill the requirements of the agreement. The Partnership's credit and receivables risk arises mainly from its trade receivables. The Group management covers these risks by limiting the average risk for each counterparty (except related parties) in each agreement and by obtaining collateral if necessary.

Trade receivables are evaluated by the Group management based on past experience and the current economic situation and are presented net in the balance sheet after an allowance for doubtful receivables and an allowance for expected credit losses, where appropriate.

The Group has applied the simplified approach specified in TFRS 9 for the calculation of the expected credit loss allowance for trade receivables. This approach permits the application of a lifetime expected credit loss allowance for all trade receivables. The Group has grouped its trade receivables by maturity to measure expected credit losses. Using past credit loss experience, an expected credit loss rate is calculated for trade receivables and the expected credit loss allowance is calculated by multiplying the rate by the total amount of trade receivables.

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024

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

Current Period (September 30, 2024)	Trade Receivables		Other Receivables		Financial	
	Related Party	Other Party	Related Party	Other Party	Banks	Investments
	Note:6	Note:10	Note:6	Note:13	Note:7	Note:5
Exposure as of reporting date maximum credit risk (A+B+C+D) (1)	-	112.193.636	5.029.919	3.264.175	213.177.370	63.201.049
- The portion of maximum risk under guarantee with collaterals, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired (2)	-	75.190.781	5.029.919	3.264.175	213.177.370	63.201.049
B. Financial assets and liabilities with renegotiated terms and conditions that would otherwise be considered past due or impaired book value of assets	-	-	-	-	-	-
C. Net book value of assets past due but not impaired (3)	-	37.002.855	-	-	-	-
- Portion secured with collateral, etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
-Past Due (Gross Book Value)	-	1.888.642	-	-	-	-
- Impairment (-)	-	-1.888.642	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-
Prior Period (December 31, 2023)						
	Related Party	Other Party	Related Party	Other Party	Banks	Investments
	Note:6	Note:10	Note:6	Note:13	Note:7	Note:5
Exposure as of reporting date maximum credit risk (A+B+C+D) (1)	34.628	177.473.185	62.585.050	1.969.018	222.814.566	82.718.897
- The part of maximum risk under guarantee with collaterals, etc.	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired (2)	34.628	166.453.901	62.585.050	1.969.018	222.814.566	82.718.897
B. Financial assets and liabilities with renegotiated terms that would otherwise be considered past due or impaired book value of assets	-	-	-	-	-	-
C. Net book value of assets past due but not impaired (3)	-	11.019.284	-	-	-	-
- Portion secured with collateral, etc.	-	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-	-
-Past Due (Gross Book Value)	-	616.993	-	-	-	-
- Impairment (-)	-	-616.993	-	-	-	-
E. Off-balance sheet items with credit risk	-	-	-	-	-	-

The table below shows the age of assets that are past due but not impaired:

	30.09.2024		31.12.2023	
	Trade Receivables	Other Receivables	Trade Receivables	Other Receivables
0-1 month past due	25.549.096	-	3.745.204	-
1-3 months past due	5.454.653	-	5.465.028	-
3-12 months past due	5.999.106	-	1.809.052	-
Total	37.002.855	-	11.019.284	-

c) Liquidity Risk Management:

The Group has the right to use banks, vendors and shareholders as a source of funding. The Company continuously assesses liquidity risk by identifying and monitoring changes in the funding requirements necessary to achieve the objectives set out in its strategy.

Current Period (September 30, 2024)	Book Value	Cash outflows Total	Less than 1 year	1-5 years	5 years long
Short-term financial liabilities	51.234.698	51.234.698	51.234.698	-	-
Payables from leasing transactions	6.179.769	6.776.123	1.777.206	4.998.917	-
Trade payables	69.568.927	70.731.237	70.731.237	-	-
Other payables	15.281.639	15.281.639	15.281.639	-	-
Employee benefit obligations	15.054.755	15.054.755	15.054.755	-	-
Total	157.319.788	159.078.452	154.079.535	4.998.917	-

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2024**

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

Prior Period (December 31, 2023)	Book Value	Cash outflows Total	Less than 1 year	1-5 years	5 years long
Short-term financial liabilities	840.353	840.353	840.353	-	-
Payables from leasing transactions	5.860.331	7.743.371	975.185	2.340.556	4.427.630
Other financial liabilities	212.477	2.034.733	2.034.733	-	-
Trade payables	75.183.217	75.183.217	75.183.217	-	-
Other payables	39.037.030	39.037.030	39.037.030	-	-
Employee benefit obligations	12.666.711	12.666.711	12.666.711	-	-
Total	133.800.119	137.505.415	130.737.229	2.340.556	4.427.630

d) Market and Foreign Exchange Risk Management:

The Group is exposed to foreign exchange risk as a significant portion of its sales are denominated in foreign currencies and indexed to foreign currencies and its trade payables are also denominated in foreign currencies. In order not to be affected by exchange rate risk, the Group values its assets in the same foreign currency as its liabilities to the extent possible and makes its contracts accordingly.

Price changes in the sector and market conditions are regularly monitored and necessary price adjustments are made immediately.

In the current year, the Group's exposure to market risks or the manner in which it manages and measures those risks is the same as in previous years.

e) Interest Rate Risk Management and Interest Rate Sensitivity

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and interest bearing liabilities. This risk is managed by balancing the amount and maturity of interest rate sensitive assets and liabilities on the balance sheet or by using derivative instruments when necessary. In this context, great importance is attached to the fact that not only the maturities but also the interest renewal periods of receivables and payables are similar. In order to minimize the impact of interest rate fluctuations in the market on financial liabilities, the "fixed interest rate/variable interest rate", "short term/long term" and "TL/foreign currency" balance of these liabilities are structured in harmony with the asset structure. Since the interest rates of the Company's borrowings will remain fixed until maturity, no interest rate risk has been calculated in this period.

NOTE 45 - FINANCIAL INSTRUMENTS

The Group has no financial instruments as of the balance sheet date (December 31, 2023 - None).

NOTE 46- EVENTS AFTER THE BALANCE SHEET DATE**September 30, 2024**

None.

December 31, 2023

- As of 26.03.2024, VBT Yazılım A.Ş. has sold all of its shares of its subsidiary Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş., in which it has 50% shares with a nominal amount of TL 10.000.000, with a price of TL 13.000.000 and its partnership in the said company has ended.

- The decisions of the Board of Directors of VBT Yazılım A.Ş. dated 29.11.2023 and numbered 2023/30 and dated 08.12.2023 and numbered 2023/31 have been revised and the Board of Directors has taken decisions dated 08.12.2023 and numbered 2023/32 and dated 09.12.2023 and numbered 2023/34 to replace the said decisions.

In the aforementioned decisions, the total amount of capital to be increased amounting to TL 91,000,000 has not changed, but the amount of internal resources to be used in the capital increase (Emission Premium TL 58,764,345 Retained Earnings 32,235,655) has changed. An application was made to the Capital Markets Board on 11.12.2023 in order to obtain the appropriate opinion regarding the amendment of the Articles of Association and the application for capital increase by bonus issue, the application made was approved by the Capital Markets Board and announced in the Board bulletin dated 09.02.2024 and numbered 2024/9. The related capital increase was recorded in 2023 in accordance with the Board of Directors Decision.