

VBT YAZILIM A.Ş.
AS OF DECEMBER 31, 2023
THE CONSOLIDATED FINANCIAL STATEMENTS AND NOTES AND INDEPENDENT
AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the General Assembly of VBT Yazılım A.Ş.,

A. Independent Audit of Consolidated Financial Statements

1. Opinion

We have audited the consolidated financial statements of VBT Yazılım A.Ş. ("the Company") and its subsidiaries (together will be referred to as "the Group"), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2023 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards (TFRSs).

2. Basis for Opinion

We conducted our audit in accordance with Standards on Auditing issued by the Capital Markets Board of Turkey (CMB) and Standards on Auditing which is a component of the Turkish Auditing Standards issued by the Public Oversight Accounting and Auditing Standards Authority (POA). Our responsibilities under those Standards are described in detail in the "Independent Auditor's Responsibilities for the Independent Audit of the Financial Statements" section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Independent Auditors (including Independence Standards) (Code of Ethics) as issued by POA and the ethical requirements in the regulations issued by POA that are relevant to our audit of the consolidated financial statements. We have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Points of Attention

Within the scope of the "Announcement on the Inflation Adjustment of Financial Statements of Companies Subject to Independent Audit" dated November 23, 2023 published by POA, the consolidated financial statements as of December 31, 2023 are prepared in accordance with TAS

29 "Financial Reporting in Hyperinflationary Economies" has been subject to inflation adjustment. In this context, we draw attention to footnote 2.2, which includes explanations about the transition to inflation accounting. This issue does not affect our opinion.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. Key audit matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

Revenue recognition	How the issue was addressed in the audit
<p>The Group's revenues mainly consist of business applications, system integrator and business partner, hardware, data backup and storage hardware, project management, software solutions and consultancy revenues.</p> <p>The amount of revenue in the financial statements, the complexity of accounting standards for revenue recognition from development activities; license and hardware sales; internally generated software development and custom software project sales, custom integrator services, outsourcing services, maintenance Support service Regarding Due to the different characteristics of revenue recognition in accordance with "IFRS 15 Revenue from Contracts with Customers", we considered the timely and accurate recognition of revenue as a key audit matter.</p> <p>The Group's explanations on accounting policies and revenue amounts are disclosed in Note. 2.4.46 and Note 32.</p>	<p>In addition to our existing audit procedures, we performed the following procedures in relation to the audit of revenue and compliance with IFRS 15:</p> <ul style="list-style-type: none"> - Our audit procedures consist of understanding the internal controls and process for revenue recognition, analytical reviews and detailed testing. - While creating procedures for detailed tests, sales were divided into product and service groups and different tests were applied for each group. - As part of the substantive procedures, we examined management's evaluation process, reviewed selected samples of contracts, invoices and payments, applied analytical procedures and assessed the historical accuracy of management's estimates by comparing the estimates made in prior periods with actual results. - Selected customer contracts were examined to discuss with management whether performance obligations should be fulfilled over time or at a specific point in time, and the supporting documentation was obtained to test that revenue was recognized in the correct amount in the correct reporting period. - To verify that revenue from product and software sales is recognized in the correct amount, in full and in the correct period by testing a selected sample of book entries and supporting documentation. - Revenues from maintenance support services have also been controlled by considering the principle of periodicity based on contractual principles and predominantly on the services provided.
Test of internally generated intangible assets / Capitalized Development Costs	How the issue was addressed in the audit
<p>In accordance with the explanations in TAS 38 "Intangible Assets", the Group capitalizes the expenditures made during the software development phase for projects that are technically completed, ready for use and will provide cash flows in the future within the scope of development activities. (Note 2.4.17)</p> <p>Development costs consist of salaries and wages of personnel directly involved in the creation of the asset, calculated on the basis of the time spent on the relevant project, and costs directly attributable to the creation of the intangible asset.</p>	<p>In addition to our existing audit procedures, we performed the following procedures in relation to the audit of capitalized development costs:</p> <ul style="list-style-type: none"> - A study was conducted to distinguish between research expenses and development expenses and the expensing status of research expenses was checked. - In consultation with the management, it was questioned whether the projects evaluated within the scope of development activities meet the capitalization criteria specified in TAS 38, "Intangible Assets".

<p>Capitalization calculations and amortization were identified as a key audit matter because they involve management's estimates.</p>	<ul style="list-style-type: none"> - In this context, estimates of the future economic benefits of the projects and projected amortization periods were discussed with management. - The personnel costs associated with the projects were tested by taking trial balances of expense types on project basis for the capitalized costs, and verifications were made with the payrolls and time sheets of the personnel. - The content of other expenses directly associated with capitalized development costs other than personnel costs were questioned and allocation keys were checked by recalculation method.
<p>Application of TAS 29 "Financial Reporting in Hyperinflationary Economies"</p>	<p>How the issue was addressed in the audit</p>
<p>TAS 29, "Financial Reporting in Hyperinflationary Economies" ("TAS 29") has been applied in the consolidated financial statements of the Group for the year ended December 31, 2023.</p> <p>In accordance with TAS 29, non-monetary items in the statement of financial position that are not expressed in terms of the current measuring unit at the end of the reporting period are restated using a general price index. Therefore, transactions in 2023, non-monetary balances at the end of the period and prior years' consolidated financial statements have been restated to reflect the current price index at the balance sheet date of December 31, 2023. The application of TAS 29 has a significant impact on the consolidated financial statements, both on a widespread and consistent basis. Considering these reasons, TAS 29, given the risk that the data used in the application of TAS 29 may not be accurate and complete and the additional audit effort required, we have identified the application of TAS 29 as a key audit matter. Explanations on the application of TAS 29 are included in Note 2.2.</p>	<p>During our audit, we performed the following audit procedures related to the application of TAS 29 "Financial Reporting in Hyperinflationary Economies":</p> <ul style="list-style-type: none"> - We analyzed the Group's process for applying IAS 29 and assessed the design and implementation of controls related to this process. - It has been checked whether the distinction between monetary and non-monetary items made by the Group is made in accordance with TAS 29. - We have evaluated the assumptions used by the Group and checked that they are used consistently in each period. - The general price index ratios used in the calculations were checked with the coefficients obtained from the Consumer Price Index in Turkey published by the Turkish Statistical Institute. - Within the scope of TAS 29 application, detailed studies on non-monetary items have been obtained and acquisition dates and amounts have been tested by sampling method. - With the application of TAS 29, the mathematical accuracy of the restated non-monetary items and financial statements has been tested. - Explanations in the consolidated financial statements and notes to the consolidated financial statements adequacy It has been evaluated within the scope of TFRS.

5. Management's and Senior Management's Responsibilities for the Consolidated Financial Statements

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

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

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

6. Independent Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

In an independent audit, we, the independent auditors, have the following responsibilities:

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

As part of an audit in accordance with Standards on Auditing issued by the CMB and InAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

Also by us:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error, as fraud may involve collusion, forgery, intentional omission, misrepresentation or violation of internal control).
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We assess the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- **C o n c l u d e** on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude t h a t a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the independent auditor's report. However, future events or circumstances may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business segments within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We are also solely responsible for our audit opinion.

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

We have communicated to those charged with governance that we comply with the ethical requirements regarding independence. We have also communicated to those charged with governance all relationships and other matters that may reasonably be thought to have an impact on independence, and the steps and measures taken to eliminate such threats, if any.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in our audit of the consolidated financial statements of the current period, that is, key audit matters. We may decide not to disclose a matter in our auditor's report if the matter is not permitted by law or in very exceptional circumstances where the adverse consequences of disclosure could reasonably be expected to outweigh the public interest in disclosure.

B. Other Liabilities Arising from Legislation

1. Pursuant to the fourth paragraph of Article 398 of the Turkish Commercial Code, the report dated 06.05.2024 on the practices of the early detection of risk system and committee has been submitted to the Company's Board of Directors.
2. In accordance with paragraph four of Article 402 of the Turkish Commercial Code, no significant matter has come to our attention that causes us to believe that the Company's bookkeeping activities and financial statements for the period January 1, 2023 - December 31, 2023 are not in compliance with the code and provisions of the articles of association in relation to financial reporting.
3. Pursuant to subparagraph 4 of Article 402 of the Turkish Commercial Code, the Board of Directors made the necessary disclosures within the scope of the audit and provided us with the documents requested by us.

AYŞE KARAUSTA is the joint lead auditor responsible for conducting and finalizing this independent audit.

Istanbul, May 06, 2024 AYŞE

KARAUSTA

Responsible Auditor

KAVRAM INDEPENDENT AUDIT AND CONSULTANCY INC.

Member Crowe Global

VBT YAZILIM A.Ş.
INDEPENDENTLY AUDITED
31 DECEMBER 2023 and 31 DECEMBER 2022 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

	Footnote Ref.	CURRENT PERIOD 31.12.2023	PREVIOUS PERIOD 31.12.2022
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	164.003.892	389.986.443
Financial Investments	5	60.885.242	485.288
Trade Receivables	10	130.629.133	172.662.368
-Trade Receivables from Related Parties	6-10	25.488	-
-Trade Receivables from Third Parties	10	130.603.645	172.662.368
Other Receivables	13	46.702.737	2.354.535
-Other Receivables from Related Parties	6-13	45.329.769	-
-Other Receivables from Third Parties	13	1.372.968	2.354.535
Stocks	16	58.065.399	14.387.522
Prepaid Expenses	18	85.862.541	743.445.690
-Prepaid Expenses to Related Parties	6-18	13.920.112	571.927
-Prepaid Expenses to Third Parties	18	71.942.429	742.873.763
Other Current Assets	22	182.692	77.552
-Other Current Assets Due from Third Parties	22	182.692	77.552
Total Current Assets		546.331.636	1.323.399.398
Fixed Assets			
Other Receivables	13	812.283	772.464
-Other Receivables from Related Parties		735.955	768.345
-Other Receivables from Third Parties	13	76.328	4.119
Investments Accounted through Equity Method	25	39.641.946	28.128.419
Tangible Fixed Assets	27	91.100.510	62.337.912
-Buildings		46.256.986	16.586.820
-Vehicles		10.587.414	9.461.819
-Plant, Machinery and Equipment		16.724.427	20.533.797
-Furniture and Fixtures		12.699.629	9.226.029
-Special Costs		4.832.054	6.529.446
Right of Use Assets	29	10.788.533	9.725.056
Intangible Assets	28	59.022.574	70.695.061
-Licenses		4.301	17.664
-Activated Development Costs		59.018.273	70.677.398
Prepaid Expenses	18	15.591.818	46.763.805
-Prepaid Expenses to Third Parties	18	15.591.818	46.763.805
Total Fixed Assets		216.957.664	218.422.717
Total Assets		763.289.300	1.541.822.115

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

VB T YAZILIM A.Ş.

INDEPENDENTLY AUDITED

31 DECEMBER 2023 and 31 DECEMBER 2022 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

	Footnote Ref.	CURRENT PERIOD 31.12.2023	PREVIOUS PERIOD 31.12.2022
SOURCES			
Short Term Liabilities			
Short Term Borrowings	9	618.542	-
-Related Party. Short Term Borrowings		618.542	-
--Bank Loans		618.542	-
Short-term portion of long-term borrowings	9	1.729.393	4.077.960
-Short-term portion of long-term borrowings from third parties		1.729.393	4.077.960
--Bank Loans		-	2.806.272
--Payables from Leasing Transactions		1.729.393	1.271.688
Other Financial Liabilities	9	156.394	1.497.665
-Other Miscellaneous Financial Liabilities		156.394	1.497.665
Trade Payables	10	55.338.605	205.396.065
-Trade payables to related parties	6-10	-	3.676.448
-Trade payables to third parties	10	55.338.605	201.719.616
Employee Benefit Payables	14	9.323.332	8.130.160
Other Payables	13	28.733.205	49.680.584
-Other payables to related parties	6-13	-	6.432.387
-Other payables to third parties	13	28.733.205	43.248.197
Obligations Arising from Customer Contracts	11	137.124.819	754.694.875
-Contractual Obligations Arising from Sales of Goods and Services.	11	137.124.819	754.694.875
Government Incentives and Aids	19	208.409	208.408
Current Period Profit Tax Liability	20	4.221.901	9.802.499
Short Term Provisions	30	5.757.801	5.477.132
-Short Term Provisions for Employee Benefits Short Term Provisions for Employee Benefits	30	4.360.514	1.599.847
-Other Short Term Provisions	30	1.397.287	3.877.285
Other Short Term Liabilities	23	420.048	192.010
-Not Related Other Short Term Liabilities to Third Parties	23	420.048	192.010
Total Short Term Liabilities		243.632.449	1.039.157.358
Long Term Liabilities			
Long Term Borrowings	9	2.584.104	5.098.739
-Long Term Payables Due from Third Parties.		2.584.104	5.098.739
--Bank Loans		-	1.019.190
--Payables from Leasing Transactions		2.584.104	4.079.549
Obligations Arising from Customer Contracts	11	2.306.267	39.941.310
-Contractual Obligations Arising from Sales of Goods and Services.		2.306.267	39.941.310
Government Incentives and Aids	19	312.613	521.022
Long Term Provisions	30	8.856.389	9.890.020
-Long Term Provision for Employee Benefits	30	8.856.389	9.890.020
Deferred Tax Liability		4.852.142	13.927.136
Total Long Term Liabilities		18.911.515	69.378.227
TOTAL LIABILITIES		262.543.964	1.108.535.585
EQUITY			
Equity attributable to equity holders of the parent	31	501.835.255	433.799.760
-Paid-in Capital		117.000.000	26.000.000
-Capital Adjustment Differences		104.568.825	104.568.825
-Premiums Related to Shares (Discounts)	31	158.714.445	217.478.790
-Renewal of Profit/Loss Accumulated other comprehensive income. Other Comprehensive Income (Expense)	31	(5.380.638)	(3.997.268)
--Gains (Losses) on Revaluation and Measurement		(5.380.638)	(3.997.268)
---Gain (Loss) on Remeasurement of Defined Benefit Plans		(5.380.638)	(3.997.268)
-Other Comprehensive Income (Expense) to be Reclassified to Profit or Loss		(3.628.903)	(418.388)
--Foreign Currency Translation Differences		(3.628.903)	(418.388)
-Restricted Reserves	31	18.574.254	14.160.133
--Legal Reserves		17.156.727	13.582.754
--Entrepreneurship Capital Fund		1.417.527	577.379
-Retained Earnings or Losses	31	11.480.087	65.356.802
-Net Profit or Loss for the Period	43	100.507.185	10.650.866
Non-controlling Interests		(1.089.919)	(513.230)
Total Equity		500.745.336	433.286.530
Total Resources		763.289.300	1.541.822.115

VBT YAZILIM A.Ş.
INDEPENDENTLY AUDITED
31 DECEMBER 2023 and 31 DECEMBER 2022 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated)
The accompanying notes are an integral part of these financial statements.

VBT YAZILIM A.Ş.

INDEPENDENTLY AUDITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIODS 1 JANUARY 2023-31 DECEMBER 2023 and 01 JANUARY 2022-31 DECEMBER 2022

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

	Footnote Ref.	Current Period January 01, 2023 December 31, 2023	Prior Period January 01, 2022 December 31, 2022
Revenue	32	2.134.580.260	1.178.474.218
Cost of Sales	32	(1.892.057.401)	(991.881.377)
GROSS PROFIT (LOSS)		242.522.859	186.592.841
General Administrative Expenses	33	(43.746.139)	(35.782.764)
Marketing Expenses	33	(5.028.036)	(2.038.801)
Research and Development Expenses	33	(102.224.764)	(68.812.756)
Other Operating Income	35	44.599.698	26.290.471
Other Operating Expenses	35	(20.072.437)	(36.617.563)
Other Gains (Losses)		-	-
OPERATING PROFIT (LOSS)		116.051.181	69.631.428
Income from Investing Activities	36	28.111.519	8.710.682
Expenses from Investing Activities	37	-	-
Share of Profit (Loss) of Investments Accounted for Using Equity Method Share of Profit (Loss) of Investments Accounted through Equity Method	25	3.640.257	(11.302.091)
OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)		147.802.957	67.040.019
Financing Revenues	38	96.443.382	50.347.689
Finance Expenses	39	(3.577.381)	(5.817.144)
Gains (Losses) on Net Monetary Position		(119.041.943)	(74.723.735)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		121.627.015	36.846.829
Tax (Expense) Income from Continuing Operations		(21.463.906)	(27.957.434)
-Period Tax (Expense) Income	42	(30.118.620)	(24.187.390)
-Deferred Tax (Expense) Income	42	8.654.714	(3.770.044)
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		100.163.109	8.889.395
PROFIT (LOSS) FOR THE PERIOD		100.163.109	8.889.395
Distribution of Profit (Loss) for the Period		100.163.109	8.889.395
-Non-Controlling Interests		(344.076)	(1.761.471)
-Main Partnership Shares		100.507.185	10.650.866
Earnings per Share			
--Earnings (Loss) per Share from Continuing Operations	43	0,86	0,41
Other Comprehensive Income:			
Items not to be reclassified to profit or loss		(1.383.370)	(3.997.268)
-Gain (loss) on remeasurement of defined benefit plans, net of tax	41	(1.383.370)	(3.997.268)
Items to be Reclassified to Profit or Loss		(5.506.433)	(328.648)
Gains (losses) on foreign currency translation differences, net of tax		(5.506.433)	(328.648)
OTHER COMPREHENSIVE INCOME (EXPENSE)		(6.889.803)	(4.325.916)
TOTAL COMPREHENSIVE INCOME (EXPENSE)		93.273.306	4.563.479
Breakdown of Total Comprehensive Income		93.273.306	4.563.479
-Non-Controlling Interests		(984.913)	(1.199.114)
-Main Partnership Shares		94.258.219	5.762.593

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

VBT YAZILIM A.Ş.

INDEPENDENTLY AUDITED

31 DECEMBER 2023 and 31 DECEMBER 2022 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

	Paid-in Capital	Capital Adjustment Differences	Repurchased Shares	Share Premiums / Discounts	Gain / Loss on Revaluation and Remeasurement	Reclassified to Profit or Loss. Accumulation. Other Coverage.	Retained Earnings					Equity
							Restricted Reserves	Retained Earnings	Net Profit/Loss for the Period	Equity Attributable to Equity Holders of the Parent	Non-controlling Interests	
PREVIOUS PERIOD												
Balances as of January 1, 2022	26.000.000	104.568.825	(31.250.880)	217.478.790	-	(130.795)	38.897.088	57.288.708	-	412.853.604	-	412.853.604
Amount After Adjustments	26.000.000	104.568.825	(31.250.880)	217.478.790	-	(130.795)	38.897.088	57.288.708	-	412.853.604	-	412.853.604
Transfers	-	-	(8.873.509)	-	-	-	577.380	8.296.129	-	-	-	-
Total Comprehensive Income (Loss)	-	-	-	-	(3.997.268)	(891.005)	-	-	10.650.866	5.762.593	(1.199.114)	4.563.479
-Period Profit (Loss)	-	-	-	-	-	-	-	-	10.650.866	10.650.866	(1.761.471)	8.889.395
-Other Comprehensive Income (Loss)	-	-	-	-	(3.997.268)	(891.005)	-	-	-	(4.888.273)	562.357	(4.325.916)
Dividends	-	-	-	-	-	-	5.936.545	(31.878.901)	-	(25.942.356)	-	(25.942.356)
Increase (Decrease) Due to Share Based Transactions	-	-	40.124.389	-	-	-	(31.250.880)	31.250.880	-	40.124.389	-	40.124.389
Non-controlling Interest Transactions with Owners	-	-	-	-	-	-	-	-	-	-	685.884	685.884
Increase (Decrease) Due to Other Changes	-	-	-	-	-	603.412	-	399.986	-	1.001.530	-	1.001.530
Balances as of 31.12.2022	26.000.000	104.568.825	-	217.478.790	(3.997.268)	(418.388)	14.160.133	65.356.802	10.650.866	433.799.760	(513.230)	433.286.530
CURRENT PERIOD												
Balances as of January 1, 2023	26.000.000	104.568.825	-	217.478.790	(3.997.268)	(418.388)	14.160.133	65.356.802	10.650.866	433.799.760	(513.230)	433.286.530
Amount After Adjustments	26.000.000	104.568.825	-	217.478.790	(3.997.268)	(418.388)	14.160.133	65.356.802	10.650.866	433.799.760	(513.230)	433.286.530
Transfers	-	-	-	-	-	-	840.150	9.810.716	(10.650.866)	-	-	-
Total Comprehensive Income (Loss)	-	-	-	-	(1.383.370)	(4.865.596)	-	-	100.507.185	94.258.219	(984.913)	93.273.306
-Period Profit (Loss)	-	-	-	-	-	-	-	-	100.507.185	100.507.185	(344.076)	100.163.109
-Other Comprehensive Income (Loss)	-	-	-	-	(1.383.370)	(4.865.596)	-	-	-	(6.248.966)	(640.837)	(6.889.803)
Capital Increase	91.000.000	-	-	(58.764.345)	-	-	-	(32.235.655)	-	-	-	-
Dividends	-	-	-	-	-	-	3.573.971	(31.451.776)	-	(27.877.805)	-	(27.877.805)
Other Changes. Increase (Decrease) Due to	-	-	-	-	-	1.655.081	-	-	-	1.655.081	201.765	1.856.846

Balances as of												
31.12.2023	117.000.000	104.568.825	-	158.714.445	(5.380.638)	(3.628.903)	18.574.254	11.480.087	100.507.185	501.835.255	(1.089.919)	500.745.336

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

VBT YAZILIM A.Ş.
INDEPENDENTLY AUDITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS JANUARY 1, 2023-DECEMBER 31, 2023 and JANUARY 1, 2022-
DECEMBER 31, 2022
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless
otherwise indicated).

		Current Period	Prior Period
	Footnote Ref.	January 01, 2023 December 31, 2023	January 01, 2022 December 31, 2022
A) Cash Flows from Operating Activities		5.092.042	178.344.354
Profit (Loss) for the Period		100.163.109	8.889.395
Profit (Loss) for the Period from Continuing Operations		100.163.109	8.889.395
Adjustments Related to Reconciliation of Net Profit (Loss) for the Period.		209.218.743	449.725.528
Adjustments Related to Depreciation and Amortization Expenses	27-28	29.860.840	23.953.559
Adjustments Related to Impairment (Reversal)	10-35-36	128.879	(7.639)
-Adjustments for Impairment (Reversal) of Receivables	10	128.879	(7.639)
Adjustments Related to Provisions	30	6.681.982	(1.322.762)
-Study Provision for Employee Benefits Adjustments Related to Provision (Reversal) for Employee Benefits	30	6.681.982	(1.322.762)
Adjustments for Interest (Income) and Expenses	35-38-39	(5.036.343)	(7.823.279)
-Adjustments related to interest income	38	(8.072.735)	(12.465.013)
-Adjustments Related to Interest Expense	39	3.036.392	4.641.734
Adjustments Related to Fair Value Losses (Gains)	41	(28.111.519)	8.710.682
-Fin. Assets. Fair Value Losses (Gains) on Financial Assets. Adjustment.		(28.111.519)	8.710.682
Adjustments Related to Undistributed Earnings of Investments Accounted Through Equity Method	25	3.640.257	(11.302.091)
-Adjustments related to undistributed profits of associates	25	3.640.257	(11.302.091)
Adjustments Related to Tax (Income) Expense	30	21.463.906	27.957.434
Other adjustments related to non-cash items		(1.383.370)	(3.997.268)
Other Adjustments Related to Profit (Loss) Reconciliation (Monetary Gain/Loss)		181.974.111	413.556.892
Changes in Working Capital		(246.293.385)	(230.140.823)
Decrease (Increase) in Financial Investments		(60.399.954)	(485.288)
Adjustments for Decrease (Increase) in Trade Receivables	6-10	42.033.235	(121.949.343)
-Decrease (Increase) in Trade Receivables from Related Parties	6	(25.488)	-
-Decrease (Increase) in Trade Receivables from Third Parties	10	42.058.723	(121.949.343)
Operations Other Receivables. Adjustment for Decrease (Increase) in Other Receivables	6-13	(44.388.021)	(100.495.378)
-Decrease (Increase) in other receivables from related parties	6	(45.297.379)	(98.182.922)
-Unrelated Party. Operations. Other Related Receivables. Decrease (Increase)	13	909.358	(2.312.456)
Adjustments for Decrease (Increase) in Inventories	16	(43.677.877)	32.666.418
Decrease (Increase) in Prepaid Expenses	18	688.755.136	(692.068.914)
Adjustments related to increase (decrease) in trade payables	6-10	(150.057.459)	(138.118.118)
-Increase (Decrease) in Trade Payables to Related Parties	6	(3.676.448)	3.676.448
-Increase (Decrease) in Trade Payables to Third Parties	10	(146.381.011)	(141.794.566)
Employee Benefits Employee Benefits Debt Increase (Decrease)	14	1.193.172	3.985.879
Adjustments related to increase (decrease) in liabilities arising from customer contracts	11	(655.205.099)	668.135.369
-Increase (Decrease) in Contractual Obligations arising from Sales of Goods and Services	11	(655.205.099)	668.135.369
Other Payables Related to Operations. Adjustment for Increase (Decrease) in Other Liabilities	6-13	(20.947.379)	133.920.017
-Increase (decrease) in other payables to related parties Increase (Decrease) in other payables to related parties	6	(6.432.387)	108.946.976
-Unrelated Due to Third Parties Related Other Payables. Increase (Decrease)	13	(14.514.992)	24.973.041
Increase (Decrease) in government grants and subsidies	19	(208.408)	(208.410)
Adjustments for Other Increase (Decrease) in Working Capital	22-23	(3.390.731)	(15.523.055)

VBT YAZILIM A.Ş.
INDEPENDENTLY AUDITED

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS JANUARY 1, 2023-DECEMBER 31, 2023 and JANUARY 1, 2022-DECEMBER 31, 2022

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

<i>-Decrease (Increase) in Other Assets Related to Operations</i>	22	(105.140)	(68.000)
<i>-Increase (Decrease) in Other Operating Liabilities</i>	23	(3.285.591)	(15.455.055)
Cash Flows from Operating Activities		63.088.467	228.474.100
Dividends Paid		(27.877.805)	(25.942.356)
Tax Refunds (Payments)		(30.118.620)	(24.187.390)

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

VBT YAZILIM A.Ş.
INDEPENDENTLY AUDITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS JANUARY 1, 2023-DECEMBER 31, 2023 and JANUARY 1, 2022-
DECEMBER 31, 2022
(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless
otherwise indicated).

		Current Period	Prior Period
	Footnote Ref.	January 01, 2023 December 31, 2023	January 01, 2022 December 31, 2022
B) Cash Flows from Investing Activities		(51.725.630)	(29.550.580)
Cash outflows due to share purchases or capital increases in associates and/or joint ventures		(8.497.500)	(9.902.097)
Cash inflows from sale of property, plant and equipment and intangible assets		-	765.372
-Cash Inflows from Sale of Property, Plant and Equipment Cash Inflows	27	-	765.372
Cash outflows from acquisition of property, plant and equipment and intangible assets	27-28	(43.228.130)	(20.413.855)
-Cash outflows from purchase of property, plant and equipment	27	(43.228.130)	(16.329.310)
-Intangible Cash Outflows from Purchase of Fixed Assets Cash Outflows	28	-	(4.084.545)
C) Cash Flows from Financing Activities		(26.043.556)	16.392.180
Cash inflows from the sale of an entity's own shares and other equity instruments		-	40.124.389
-Cash inflows from sale of treasury shares		-	40.124.389
Cash Inflows from Borrowing	9	-	369.630
-Cash inflows from loans	9	-	369.630
Cash Outflows Related to Debt Payments	9	(2.039.342)	(2.714.871)
-Cash outflows related to loan repayments	9	(2.039.342)	(2.714.871)
Cash outflows related to debt payments arising from lease agreements		(3.098.201)	(1.332.442)
Dividends Paid		(25.942.356)	(27.877.805)
Interest Paid	39	(3.036.392)	(4.641.734)
Interest Received	38	8.072.735	12.465.013
Net increase/decrease in cash and cash equivalents before the effect of foreign currency translation differences (A+B+C)		(72.677.144)	165.185.954
D) THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS		-	-
Net Increase/Decrease in Cash and Cash Equivalents (A+B+C+D)		(72.677.144)	165.185.954
E-Monetary gain on cash and cash equivalents		(153.305.407)	(383.671.491)
F-CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		389.986.443	608.471.980
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E+F)		164.003.892	389.986.443

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

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

NOTE 1 - ORGANIZATION AND FIELD OF ACTIVITY OF THE COMPANY

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

VBT 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 Business Center Hurmalı Mah. Kurtulus Caddesi No: 39 Kat: 8 D.85 Seyhan - Adana, Turkey

Istanbul Branch: Üsküdar İçerenköy Yolu Bodur İş Merkezi No:8 Kat:1 and Kat:3 D: 11 İçerenköy/İstanbul As of

31.12.2023, the average number of employees working during the year is 320. (December 31, 2022: 324)

	31.12.2023	31.12.2022
Administrative Staff	33	31
Technical Staff	193	205
R&D Personnel	94	88
Total	320	324

1.2 Information on the Company's Subsidiaries and Associates

a. VBT Academy Education Inc.

VBT 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 VBT 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 - İstanbul.

VBT Yazılım A.Ş. owns 100% of the shares of VBT 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.

Subsidiaries and Affiliates of VBT 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 - İstanbul.

The Company's share capital is TL 200.000 and VBT 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 VBT Akademi Eğitim A.Ş. according to the equity method.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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. holds 100% of the shares of VBT Albania Sh.P.K. The subsidiary in question is newly established and as of 30.09.2023, 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 (TL 590.955) 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.

VBT Yazılım A.Ş. holds 30% of the shares of Phexum Yazılım A.Ş. and is consolidated by equity method.

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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, VBT 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.

VB T Yazılım A.Ş. holds 50% of the shares of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. and is consolidated by equity method.

g. VBT Software DE GMBH

The company was established on 10.03.2022 under the name "VBT 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 share capital of the Company is EUR 100.000 (TL 1.605.230) and VBT Yazılım A.Ş. owns 100% of the shares of VBT Software DE GmbH. The subsidiary is consolidated on a line-by-line basis with VBT 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 VBT 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.S.

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 BRSA decision dated April 27, 2016 and numbered 6684.

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

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.

VB T Yazılım A.Ş. owns 30% of KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. and is consolidated by equity method.

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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 100.000 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.

1.3 Capital Structure;

The issued capital structure of the Company as of December 31, 2023 and December 31, 2022 is as follows

Partners	31.12.2023		31.12.2022	
	Share Rate %	Share Amount	Share Rate %	Share Amount
Biol Basaran	46,35%	54.225.000	46,91%	12.200.000
Ipek Canan Basaran	7,39%	8.651.350	7,69%	2.000.000
Tayfun Yurdagul	2,50%	2.925.000	3,08%	800.000
Osman Çaylı	2,12%	2.476.499	2,31%	600.000
Mümin Sürer	1,73%	2.025.000	2,31%	600.000
Zahide Kocyigit	1,73%	2.026.498	2,31%	600.000
Unal Kirikci	0,96%	1.125.000	1,54%	400.000
Metin Faruk Tufan	0,96%	1.126.499	1,54%	400.000
Abdulkadir Aydogan	0,96%	1.126.125	1,54%	400.000
Taner Yildirim	0,19%	225.000	-	-
NEZIH MEKIKER	0,10%	112.500	-	-
MUSTAFA TÜRKÖĞLU	0,10%	112.500	-	-
NEDİM NAZLI	0,16%	189.000	-	-
Shares Offered to the Public	34,75%	40.654.030	30,77%	8.000.000
Paid-in Capital	100%	117.000.000	100%	26.000.000

VBT YAZILIM A.Ş.

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(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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.

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 consolidated financial statements have been approved by the Board of Directors and authorized for issue on 06 May 2024. The General Assembly is authorized 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 for the presentation of the financial statements and the amounts are expressed in TL.

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.

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Restatement of Consolidated Financial Statements in Hyperinflationary Periods

TAS 29 Financial Reporting in Hyperinflationary Economies requires entities whose functional currency is the currency of a hyperinflationary economy to report their financial statements in terms of the purchasing power of money at the end of the reporting period. TAS 29 identifies characteristics that may indicate that an economy is a hyperinflationary economy. At the same time, TAS 29 requires all entities that report in the currency of a hyperinflationary economy to apply the Standard from the same date. Therefore, as stated in TAS 29, it is expected that all entities will start to apply TAS 29 at the same time with the announcement to be made by the Public Oversight Accounting and Auditing Standards Authority in order to ensure consistency in practice across the country.

On November 23, 2023, POA issued a statement on the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after December 31, 2023 should be presented adjusted for the effects of inflation in accordance with the related accounting principles in TAS 29.

In this framework, while preparing the financial statements dated December 31, 2023, December 31, 2022 and 2021, inflation adjustment has been made in accordance with TAS 29.

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 December 31, 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more 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
31.12.2023	1.859,38	1,000	268%
31.12.2022	1.128,45	1,647	156%
31.12.2021	686,95	2,706	74%

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.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

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- 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 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 restating the information would result in an excessive cost, comparative information for prior periods is 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 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.
- 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.

VB T YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

Subsidiaries and Associates

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

	31.12.2023				
	Subsidiary Capital	Subsidiary Ratio (%)	Total Voting rights (%)	Number of Subsidiary Shares	Subsidiary Amount(Nominal)
VB T Akademi Eğitim A.Ş.(*)	50.000 TL	100%	100%	50.000	50.000 TL
VB T Europe AG	CHF 100,000	51%	51%	51.000	CHF 51,000
VB T Albania Sh.P.K	6.000.000 LEK	100%	100%	6.000.000	6.000.000 LEK
VB T Software UK Limited	50,000 GBP	100%	100%	100	50,000 GBP
VB T Software DE GmbH	100.000 EURO	100%	100%	100.000	100.000 EURO
VB T Software Austria GMBH	100.000 EURO	%90	%90	90.000	90.000 EURO
VB T Software INC	100.000 USD	100%	100%	100.000	100.000 USD
	Share Capital of the Subsidiary	Participation Rate (%)	Total Votes rights (%)	Number of Subsidiary Shares	Subsidiary Amount
Phexum Software Inc.	50.000 TL	30%	30%	15.000	15.000 TL
Ice Contact Services Industry and Trade Inc.	20.000.000 TL	50%	50%	10.000.000	10.000.000 TL
English Guru LLC	-	20%	20%	20.000	20.000 USD
KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.(**)	214.286 TL	%30	%30	64.285	64.285
Vision Technical Bilgi Sistemleri ve İnsan Kaynakları A.Ş.(***)	50.000 TL	%50	%50	-	-

	31.12.2022				
	Subsidiary Capital	Subsidiary Ratio (%)	Total Voting rights (%)	Number of Subsidiary Shares	Subsidiary Amount(Nominal)
VB T Akademi Eğitim A.Ş.(*)	50.000 TL	100%	100%	50.000	50.000 TL
VB T Europe AG	CHF 100,000	51%	51%	51.000	CHF 51,000
VB T Albania Sh.P.K	6.000.000 LEK	100%	100%	6.000.000	6.000.000 LEK
VB T Software UK Limited	50,000 GBP	100%	100%	100	50,000 GBP
	Share Capital of the Subsidiary	Participation Rate (%)	Total Votes rights (%)	Number of Subsidiary Shares	Subsidiary Amount
Phexum Software Inc.	50.000 TL	30%	30%	15.000	15.000 TL
Ice Contact Services Industry and Trade Inc.	20.000.000 TL	50%	50%	10.000.000	10.000.000 TL
VB T Software DE GmbH	100.000 EURO	100%	100%	100.000	100.000 EURO
English Guru LLC	-	20%	20%	20.000	20.000 USD
KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.(**)	214.286 TL	%30	%30	64.285	64.285

VB T Yazılım A.Ş. owns 100% (December 31, 2021 - 100%) of the shares of VB T Akademi Eğitim A.Ş. This subsidiary is included in the scope of consolidation for the first time as of December 31, 2019 and consolidated according to the full consolidation method.

(*) Subsidiaries and Associates of VB T Akademi Eğitim A.Ş.

VB T Akademi Eğitim A.Ş. owns 100% of the shares of Sothis Yazılım Danışmanlık ve Ticaret Ltd. Şti. with a capital of TL 50.000. The subsidiary in liquidation is consolidated with VB T Akademi Eğitim A.Ş. according to the full consolidation method.

VB T Akademi Eğitim A.Ş. owns 20% of the shares of Stoneity Yazılım A.Ş. with a capital of TL 200.000. This subsidiary is consolidated with VB T Akademi Eğitim A.Ş. according to equity method.

VB T Yazılım A.Ş. owns 51% of the shares of VB T Europe AG. The subsidiary has been included in the scope of consolidation as of 30.09.2022 and consolidated according to the full consolidation method.

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VB T Yazılım A.Ş. owns 100% of the shares of VB T Albania Sh.P.K.. The subsidiary is newly established and as of 31.12.2023, no capital commitment payment has been made yet.

VB T Yazılım A.Ş. owns 100% of the shares of VB T Software UK Limited. This subsidiary is consolidated on a line-by-line basis.

VB T Yazılım A.Ş. owns 30% of the shares of Phexum Yazılım A.Ş. This subsidiary is consolidated by equity method.

VB T Yazılım A.Ş. holds 50% of the shares of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. and is consolidated by equity method.

VB T Yazılım A.Ş. owns 100% of the shares of VB T Software DE GmbH. This subsidiary is consolidated on a line-by-line basis.

VB T Yazılım A.Ş. holds 20% of the shares of English Guru LLC and is consolidated by equity method.

(**)KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.'s nominal capital is TL 214.285 and VB T Yazılım A.Ş. With TL 64.285, it participates in 30% of the company. The amount paid to KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. is TL 9.481.623.

(***)The share capital of the Company is TL 50.000 and VB T Yazılım A.Ş. has a total share capital of TL 25.000, consisting of 500 shares with a nominal value of TL 100 each, in the current period, Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş. became a 50% shareholder.

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

VB T Yazılım A.Ş. owns 100% of the shares of VB T Software INC with a capital of USD 100.000. This subsidiary is consolidated on a line-by-line basis.

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.

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.

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2.4.5 Receivables from Finance Sector Operations

Receivables from financial sector activities, excluding 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 arises 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".

Trade receivables from related parties are presented in a separate line item. Deposits

and guarantees given are presented in other receivables, not under this item.

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.

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 business, the Group's assets held for sale, produced for sale, in the form of materials and supplies to be used in the production process or in the provision of services are recognized as inventories. 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.

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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 when 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.

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

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

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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.

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 conditions for recognition set out above. 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.

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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

Economic Lifetime

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

(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 is disclosed in accordance with TFRS 7 Financial Instruments: Disclosures.

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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 as income any sales proceeds in excess of the carrying amount of the related asset. 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.

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.

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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 recognized under "Assets Related to Current Period Tax".

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.

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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.

Pension plans

The Company does not have any retirement benefit plans.

2.4.32 Current Period Tax Liabilities

In accordance with TAS 12, the portion of taxes levied on income that is expected to be paid to the tax authorities in the subsequent periods is recognized in this item.

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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 item from the date on which a commitment is made 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 Group does not have any positive capital adjustment differences as of the financial statement period.

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 paid-in capital amount by an item other than paid-in capital to ensure that the paid-in capital amount is presented with the amount 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 adjustments 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.

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

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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 has no accumulated other comprehensive income or expenses that will 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,

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.

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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 provided to the customer as of that day to the goods and services expected to be provided 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 provided by providing human resources to the customer on a per hour basis 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 the working hours and direct expenses 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.

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 has considered itself as a principal in the contracts in which it is responsible for the performance of the performance.

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The Company recognizes the amount paid to the service provider as a cost in the financial statements and the amount paid to the customer for the maintenance service provided to the customer as revenue.

When determining the stand-alone selling price of maintenance services sold together with other performance obligations in the contracts, the management has estimated the stand-alone selling price of maintenance services by using the cost plus profit margin method, taking into account past experience and observable prices 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, 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 evaluated within the framework of 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.

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.

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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

	<u>31.12.2023</u>	<u>31.12.2022</u>
US Dollar	29.4382	18.6983
Euro	32.5739	19.9349
British Pound	37.4417	22.4892

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 in accordance with the new situation in the event that events requiring 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 December 31, 2023, the accounting policies adopted in preparation of the consolidated financial statements for the year ended December 31, 2023 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards ("TAS")/IFRS and interpretations of TAS/IFRS effective as of January 1, 2023. The effects of these standards and interpretations on the financial position and performance of the Group are disclosed in the related paragraphs.

As at December 31, 2023, new standards, amendments and interpretations to existing standards effective as of December 31, 2023:

Narrow-scope amendments to IAS 1, Implementation Statement 2 and IAS 8; effective from annual periods beginning on or after January 1, 2023. These amendments are intended to improve accounting policy disclosures and help users of financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Amendment to IAS 12, Deferred tax on assets and liabilities arising from a single transaction;

Effective for annual periods beginning on or after January 1, 2023. These amendments require companies to recognize deferred tax on transactions that, when first recognized in the financial statements, give rise to taxable and deductible temporary differences in equal amounts.

Amendment to IAS 12, International tax reform - Pillar two model rules; Deferred tax exemption and disclosure of the application of the exemption is effective. The other disclosure requirements are effective for annual periods beginning on or after January 1, 2023. These amendments provide companies with a temporary exemption from accounting for deferred taxes arising from international tax reform by the Organization for Economic Cooperation and Development. The amendments also include targeted disclosure requirements for affected companies.

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 December 31, 2023:

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

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.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

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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 TFRS 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.

Amendments to TAS 7 and TFRS 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.

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.

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.

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. For the purpose of determining the entities that will be subject to sustainability reporting within the scope of the "Board Decision on the Scope of Application of Turkish Sustainability Reporting Standards (TSRS)" dated January 5, 2024, the entities that fall within the scope of sustainability application are as follows

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

NOTE 3 - BUSINESS COMBINATIONS

The Group has no business combinations as of December 31, 2023.(December 31, 2022-None.)

NOTE 4 - INTERESTS IN OTHER ENTITIES AND JOINT VENTURES

The Group has no joint ventures as of December 31, 2023 (December 31, 2022-None).

NOTE 5 - FINANCIAL INVESTMENTS

As at December 31, 2023 and December 31, 2022, the details of short-term and long-term financial investments are as follows

a) Short Term Financial Investments

	December 31, 2023	December 31, 2022
Financial assets at fair value through profit or loss	60.885.242	485.288
- Currency Protected Deposit	59.749.563	-
- Investment Funds	1.135.679	485.288

b) Long Term Financial Investments

The Group has no long term financial investments (December 31, 2022-None).

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

NOTE 6 - RELATED PARTY DISCLOSURES**Transactions with Related Parties during the Period A-****Receivables and Payables****Receivables****a- Trade Receivables / Short-Long Term**

Name-Surname/Title	Nature of Partnership/Party	December 31, 2023	December 31, 2022
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	Subsidiary	25.488	-

b- Other Receivables**-Short Term**

Name-Surname/Title	Nature of Partnership/Party	December 31, 2023	December 31, 2022
Biröl Basaran	Partner	24.579.769	-
Zahide Kocyigit	Partner	20.750.000	-
Total		45.329.769	-

-Long Term

Name-Surname/Title	Nature of Partnership/Party	December 31, 2023	December 31, 2022
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	Subsidiary	735.955	-
KPAY Payment Technologies Consulting San.ve Tic. A.S.	Subsidiary	-	768.345
Total		735.955	768.345

c- Prepaid Expenses / Short Term

Name-Surname/Title	Nature of Partnership/Party	December 31, 2023	December 31, 2022
Personnel Advances	Related Person	4.783.265	571.927
Buz İletişim Hiz.San.ve Tic. A.S.	Subsidiary	9.136.847	-
Total		13.920.112	571.927

d- Prepaid Expenses/Long Term

The Group has no long term prepaid expenses to related parties (December 31, 2022-None).

Debts**a- Trade Payables /Short-Long Term**

Name-Surname/Title	Nature of Partnership/Party	December 31, 2023	December 31, 2022
Phexum Software Inc.	Subsidiary	-	768.007
Buz İletişim Hiz.San.ve Tic. A.S.	Subsidiary	-	2.908.441
Total		-	3.676.448

b- Other Payables**-Short Term**

Name-Surname/Title	Nature of Partnership/Party	December 31, 2023	December 31, 2022
Biröl Basaran	Partner	-	270.437

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

KPAY Payment Technologies Consulting San.ve Tic. A.S.	Subsidiary	-	6.161.950
Total		-	6.432.387

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

-Long Term

The Group has no other long term payables to related parties as of the balance sheet date (December 31, 2022-None).

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

Name-Surname/Title	Partnership/Party Attribute	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Buz İletişim Hiz.San.ve Tic. A.S.	Subsidiary	52.212	-
KPAY Payment Techno. Consulting San.ve Tic. A.S.	Subsidiary	20.000	-
Total		72.212	-

- Service Procurement

Name-Surname/Title	Partnership/Party Attribute	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Phexum Yaz. INC.	Subsidiary	5.019.249	2.042.435
Stoneity Software Inc.	Subsidiary	1.437.306	1.537.332
Ice Communications Inc.	Subsidiary	581.011	4.230.197
KPAY Payment Techno. Consulting San.ve Tic. A.S.	Subsidiary	14.202	426.762
Total		7.051.768	8.236.726

- Commercial Goods Purchase

Name-Surname/Title	Partnership/Party Attribute	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Ice Communications Inc.	Subsidiary	996.976	4.427.553

- Fixture Purchase

Name-Surname/Title	Partnership/Party Attribute	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
KPAY Payment Techno. Consulting San.ve Tic. A.S.	Subsidiary	314.789	-

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

There is a mortgage amounting to TL 750.000 given by Birol Başaran, a shareholder of the Company, in favor of the Company for the loans used by the Company. (31 December 2022 - TL 750.000 mortgage)

Birol Başaran, one of the shareholders of VBT Yazılım A.Ş., has become a joint guarantor of TL 10.000.000 and USD 2.000.000 for the loans used and to be used in favor of Buz İletişim Hizmetleri A.Ş., a subsidiary of VBT Yazılım A.Ş. (31 December 2022: TL 10.000.000 and USD 2.000.000).

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:

	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Chairman and Members of the Board of Directors and Senior Management	10.898.614	9.966.245

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 2022 -

None.) **F - Provision for doubtful receivables from related parties**

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

There is no provision for doubtful receivables from related parties (December 31, 2022 - None).

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

NOTE 7 - CASH AND CASH EQUIVALENTS

	December 31, 2023	December 31, 2022
Safe deposit box	1.237	2.362
Banks	164.002.655	389.984.081
- Time deposits(*)	2.058.158	105.073.386
- Demand deposits	161.944.497	284.910.695
Total	164.003.892	389.986.443

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

31.12.2023

Currency Denomination	Interest Rate	Currency Amount	TL Equivalent
TL	15,00-22,00%	2.058.158	2.058.158
Total			2.058.158

31.12.2022

Currency Denomination	Interest Rate	Currency Amount	TL Equivalent
EURO	0,01%	1.600.862	52.584.047
USD	0,05%-3,50%	1.703.660	52.489.339
Total			105.073.386

NOTE 8 - INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND SUBSIDIARIES

Investments in Associates There are no investments in joint ventures and subsidiaries (31.12.2022-None).

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

	December 31, 2023	December 31, 2022
Bank Loans	618.542	-
Borrowings from Lease Transactions	-	-
Total	618.542	-

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

	December 31, 2023	December 31, 2022
Bank Loans	-	2.806.272
Borrowings from Lease Transactions	1.729.393	1.271.688
Total	1.729.393	4.077.960

c) Long Term Borrowings from Third Parties

	December 31, 2023	December 31, 2022
Bank Loans	-	1.019.190
Borrowings from Lease Transactions	2.584.104	4.079.549
Total	2.584.104	5.098.739

- Information on bank borrowings as of the balance sheet dates is as follows

Bank Loans	Currency Unit	Interest Rate	TL Amount	Processed Interest	Total
December 31, 2023	TL	10,75-29,73	618.542	-	618.542
December 31, 2022	TL	7,76-34,00	3.701.905	123.557	3.825.462

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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

	December 31, 2023	December 31, 2022
0-3 months	1.132.201	1.372.871
4-12 months	1.215.734	2.705.090
1-5 years	2.584.104	5.098.738
Total	4.932.039	9.176.699

f) Other Financial Liabilities

	December 31, 2023	December 31, 2022
Credit Card Debts	156.394	1.497.665

NOTE 10 - TRADE RECEIVABLES AND PAYABLES

Short Term Trade Receivables	December 31, 2023	December 31, 2022
Trade Receivables	132.915.291	175.162.480
<i>Trade Receivables Due from Third Parties</i>	<i>132.889.803</i>	<i>175.162.480</i>
<i>Trade Receivables from Related Parties</i>	<i>25.488</i>	-
Doubtful Trade Receivables	454.138	325.259
<i>Doubtful Trade Receivables Except Related Party</i>	<i>454.138</i>	<i>325.259</i>
Provision for Doubtful Trade Receivables (-)	(454.138)	(325.259)
<i>Related Party External Doubtful Trade Receivables Provision (-)</i>	<i>(454.138)</i>	<i>(325.259)</i>
Provision for Expected Credit Losses (-)	(2.286.158)	(2.500.112)
<i>Provision for Expected Credit Losses Excluding Related Parties (-)</i>	<i>(2.286.158)</i>	<i>(2.500.112)</i>
Total	130.629.133	172.662.368

The Group's transactions related to overdue receivables for which a provision for doubtful receivables has been recognized are as follows

	December 31, 2023	December 31, 2022
Opening Balance	325.259	332.898
Collected Receivables	-	(7.639)
Provision Allocated in the Current Period	128.879	-
Total	454.138	325.259

b-Long Term Trade Receivables

The Group has no long term trade receivables as of December 31, 2023.

As of December 31, 2023, trade receivables amounting to TL 122.518.389 (December 31, 2022: TL 159.290.971) are neither past due nor impaired. The maturity information of these receivables is as follows:

Maturity periods	December 31, 2023	December 31, 2022
1-30 days	12.748.520	159.290.971
1-3 months	109.769.869	-
Total	122.518.389	159.290.971

TL 8.110.744 of trade receivables as of December 31, 2023 maturity information of these receivables is given in Note 44.

(December 31, 2022 - TL 13.371.397) The

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

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

Trade Payables:

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

a-Short Term Trade Payables	December 31, 2023	December 31, 2022
Sellers	55.335.775	205.396.065
- Trade payables due to third parties	55.335.775	201.719.617
- Trade payables to related parties	-	3.676.448
Other Trade Payables	2.830	-
- Other Trade Payables Other than Related Parties	2.830	-
Total	55.338.605	205.396.065

The average maturity of trade payables is 30-60 days (December 31, 2022: 30-60 days.) Maturity information of trade payables is presented in Note 44.

b-Long Term Trade Payables

The Group has no long term trade payables as of the balance sheet date (December 31, 2022 - None).

NOTE-11 RECEIVABLES AND LIABILITIES ARISING FROM CUSTOMER CONTRACTS

As of the balance sheet date, the Group has no receivables arising from short-term customer contracts (December 31, 2022-None).

a- Receivables from Short Term Customer Contracts

The Group has no receivables arising from long-term customer contracts as of the balance sheet date (December 31, 2022 - None).

	December 31, 2023	December 31, 2022
Sale of Goods and Services Doğan Sözl. Load	137.124.819	754.694.875

b- Receivables from Long Term Customer Contracts

	December 31, 2023	December 31, 2022
Sale of Goods and Services Born Contract. Liabilities.	2.306.267	39.941.310

Contractual Obligations Arising from the Sale of Goods and Services Consists of the Company's revenue from the 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, 2022 - None).

NOTE 13 - OTHER RECEIVABLES AND PAYABLES

a- Other Short Term Receivables	December 31, 2023	December 31, 2022
Deposits and Guarantees Given	35.719	35.787
Other Receivables	46.667.018	2.318.748
<i>Due from Related Parties</i>	<i>45.329.769</i>	-
<i>Other Receivables Except Related Party</i>	<i>1.337.249</i>	2.318.748
Total	46.702.737	2.354.535

b-Long Term Other Receivables	December 31, 2023	December 31, 2022
Deposits and Guarantees Given	76.328	4.119
Due from Related Parties	735.955	768.345
Total	812.283	772.464

c- Other Short Term Payables	December 31, 2023	December 31, 2022
Other payables to related parties	339.324	6.432.387
Other Miscellaneous Payables	4.377	751.347
Taxes and Funds Payable	28.389.504	42.496.850
Total	28.733.205	49.680.584

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

NOTE 14 - EMPLOYEE BENEFIT OBLIGATIONS

	December 31, 2023	December 31, 2022
Payables to Personnel	667.857	232.785
Income and Stamp Taxes Payable	1.257.065	1.198.785
Social Security Debts Payable	7.398.410	6.698.590
Total	9.323.332	8.130.160

NOTE 15 - DERIVATIVE INSTRUMENTS

The Group has no derivative financial instruments (December 31, 2022 - None).

NOTE 16 - INVENTORIES

	December 31, 2023	December 31, 2022
Trade Goods(*)	58.065.399	14.387.522

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

NOTE 17 - LIVING ASSETS

The Group does not include living assets in its core business (December 31, 2022-None).

NOTE 18 - PREPAID EXPENSES

	December 31, 2023	December 31, 2022
Order Advances Given	2.183.850	364.751
Order Advances Given to Related Parties	9.136.847	-
Expenses for Future Months(*)	69.671.799	742.449.425
Personnel Advances(Related Parties)	4.783.265	59.587
Work Advances	86.780	571.927
Total	85.862.541	743.445.690

(*)As of December 31, 2023, TL 69.671.799 reported in prepaid expenses consists of the costs of maintenance services to be provided to customers in the future periods.(December 31, 2022: TL 742.449.425.)

	December 31, 2023	December 31, 2022
Expenses for Future Years(*)	15.591.818	46.763.805

(*)As of December 31, 2023, TL 15.591.818 reported in deferred expenses consists of the costs of maintenance services to be provided to customers in the future periods.(December 31, 2022: TL 46.763.805)

NOTE 19 - GOVERNMENT GRANTS AND SUBSIDIES

Short Term Government Incentives and Aids	December 31, 2023	December 31, 2022
Government Incentives and Aids(*)	208.409	208.408
Long Term Government Incentives and Aids	December 31, 2023	December 31, 2022
Government Incentives and Aids(*)	312.613	521.022

(*)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. The R&D incentives that will be recognized as income in the future periods are reported under short and long term "Government Incentives and Grants" account items 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.

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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, 2022.

(In this context, as of December 31, 2022, the Company is entitled to corporate tax deduction arising from R&D incentive amounting to TL 81.953.634 and has used all of it as of December 31, 2022).

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

Social Security and Income Tax Incentives	December 31, 2023	December 31, 2022
Law No. 5510 Scope. Benefit Incentive	7.200.907	5.391.649
Law No. 14857 Scope. Benefit Incentive	27.851	20.820
Law No. 6111 Scope. Benefit Incentive	1.687.659	1.106.099
Law No. 15510 Scope. Benefit Incentive	329.922	-
Law No. 17103 Scope. Benefit Incentive	-	3.710.312
Law No. 5746 Scope. Benefit Incentive	5.482.692	4.040.247
Total	14.729.031	14.269.127

Income Tax Incentives	December 31, 2023	December 31, 2022
Amount of Withholding Tax on Wage Payments Withheld Pursuant to Law No. 5746. Amount of Withholding Withheld Pursuant to Law No. 5746	13.449.727	10.561.369

NOTE 20 - TAX LIABILITIES FOR THE PERIOD

	December 31, 2023	December 31, 2022
Current Period Legal Tax Provision	23.818.782	20.428.365
Prepaid Taxes (-)	(19.596.881)	(10.625.866)
Total Net Tax Payable	4.221.901	9.802.499

NOTE 21 -ASSETS RELATED TO CURRENT PERIOD INCOME TAX

As of December 31, 2023, the Group has no assets related to current period tax.(December 31, 2022-None.)

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

As of December 31, 2023, the Group has other current assets amounting to TL 182.692. (December 31, 2022- TL

77.552) The Group has no other non-current assets as of December 31, 2023. (December 31, 2022- None.)

NOTE 23- OTHER LIABILITIES

a. Other Short Term Liabilities	December 31, 2023	December 31, 2022
Expense Accruals	420.048	192.010

NOTE 24 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**a- Guarantees-Pledges-Mortgages Received by the Company**

There is a mortgage amounting to TL 750.000 given by Birol Başaran, a shareholder of the Company, in favor of the Company for the loans used by the Company. (31 December 2022-TL 750.000)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

b- Guarantees-Pledges-Mortgages Given by the Company

		31.12.2023(TL)	31.12.2022(TL)
A.	Total amount of GPMs given on behalf of its own legal entity	83.591.520	108.235.482
	Letters of Guarantee	83.591.520	108.235.482
	Pledge	-	-
	Mortgage	-	-
	Cash Collaterals	-	-
B.	Total amount of GPMs given in favor of subsidiaries included in the scope of full consolidation	-	-
C.	Total amount of GPMs given in order to ensure the debts of other third parties for the execution of ordinary commercial activities	-	-
D.	Total amount of other GPMs given	-	-
Total		83.591.520	108.235.482

NOTE 25 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

	December 31, 2023	December 31, 2022
Phexum Software Inc.	1.968.438	132.795
Stoneity Software Inc.	128.938	99.076
Buz İletişim Hizmetleri San.ve Tic. A.S.	17.285.331	14.725.433
English Guru LLC	2.452.987	3.080.975
KPAY Payment Technologies Consulting San.ve Tic. A.S.	9.631.273	10.090.140
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	8.174.979	-
Equity-accounted Investments	39.641.946	28.128.419

Share of profit/(loss) of investments

	December 31, 2023	December 31, 2022
Phexum Software Inc.	1.517.909	(36.855)
Stoneity Software Inc.	6.752	-
Buz İletişim Hizmetleri San.ve Tic. A.S.	3.106.374	(11.873.733)
English Guru LLC	(363.589)	-
KPAY Payment Technologies Consulting San.ve Tic. A.S.	(304.668)	608.497
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	(322.521)	-
Total	3.640.257	(11.302.091)

NOTE 26 - INVESTMENT PROPERTY

The Group has no investment properties (December 31, 2022 - None).

NOTE 27 - PROPERTY, PLANT AND EQUIPMENT**-Movements in Property, Plant and Equipment as of 31.12.2023 are as follows**

Cost Value	January 1, 2023	Purchases	Transfer/ Correction	Sales	December 31, 2023
Buildings	17.557.033	29.580.083	-	-	47.137.116
Plant, Machinery and Equipment	26.495.276	2.531.778	-	-	29.027.054
Vehicles	14.411.600	2.908.573	-	-	17.320.173
Fixtures	31.803.208	8.026.383	-	-	39.829.591
Special Costs	10.961.350	181.313	-	-	11.142.663
Total	101.228.467	43.228.130	-	-	144.456.597

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

Accumulated Depreciation Value	January 1, 2023	Period Expense	Transfer/Correction	Sales	December 31, 2023
Buildings	970.213	390.838	(480.921)	-	880.130
Plant, Machinery and Equipment	5.961.479	5.678.820	662.328	-	12.302.627
Vehicles	4.949.781	1.782.978	-	-	6.732.759
Fixtures	22.577.179	4.552.783	-	-	27.129.962
Special Costs	4.431.904	1.878.705	-	-	6.310.609
Total	38.890.556	14.284.124	181.407	-	53.356.087

December 31, 2023: Of the total amortization expense of TL 29.860.840 for property, plant and equipment, intangible assets and right of use assets, TL 13.119.108 is charged to cost of sales, TL 3.604.968 to general administrative expenses and TL 13.136.764 to research and development expenses.

-Movements in Property, Plant and Equipment as of 31.12.2022 are as follows

Cost Value	January 1, 2022	Purchases	Transfer/Correction	Sales	December 31, 2022
Buildings	15.100.183	2.456.850	-	-	17.557.033
Plant, Machinery and Equipment	26.495.276	-	-	-	26.495.276
Vehicles	9.201.431	5.975.541	-	(765.372)	14.411.600
Fixtures	25.239.872	6.563.336	-	-	31.803.208
Special Costs	9.627.767	1.333.583	-	-	10.961.350
Total	85.664.529	16.329.310	-	(765.372)	101.228.467

Accumulated Depreciation Value	January 1, 2022	Period Expense	Transfer / Adjustment	Sales	December 31, 2022
Buildings	166.399	803.814	-	-	970.213
Plant, Machinery and Equipment	1.324.763	4.636.716	-	-	5.961.479
Vehicles	3.805.897	1.347.978	-	(204.094)	4.949.781
Fixtures	19.100.844	3.476.335	-	-	22.577.179
Special Costs	2.703.775	1.728.129	-	-	4.431.904
Total	27.101.678	11.992.972	-	(204.094)	38.890.556

December 31, 2022: Total calculated for property, plant and equipment, intangible assets and right-of-use assets Of the TL 23.953.559 depreciation expense, TL 9.995.570 belongs to cost of sales, TL 2.592.003 to general administrative expenses and TL 11.365.986 to research and development expenses.

Net Book Value	December 31, 2023	December 31, 2022
Buildings	46.256.986	16.586.820
Plant, Machinery and Equipment	16.724.427	20.533.797
Vehicles	10.587.414	9.461.819
Fixtures	12.699.629	9.226.029
Special Costs	4.832.054	6.529.446
Total	91.100.510	62.337.911

Pledges and Mortgages on Assets

There are no pledges and mortgages on the tangible assets detailed above (December 31, 2022 - None).

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

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

VB T YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

NOTE 28 - INTANGIBLE ASSETS

-Movements of Other Intangible Assets as of 31.12.2023 are as follows

Cost Value	January 1, 2023	Purchases	Transfer/ Correction	Exits	December 31, 2023
Licenses	6.027.118	-	-	-	6.027.118
Capitalized Development Costs	92.779.506	-	-	-	92.779.506
Total	98.806.624	-	-	-	98.806.624

Accumulated Depreciation Value	January 1, 2023	Period Expense	Transfer / Adjustment	Exits	December 31, 2023
Licenses	6.009.454	13.363	-	-	6.022.817
Capitalized Development Costs	22.102.108	11.659.125	-	-	33.761.233
Total	28.111.562	11.672.488	-	-	39.784.050

-As of 31.12.2022, Movements of Other Intangible Assets are as follows

Cost Value	January 1, 2022	Purchases	Transfer/ Correction	Exits	December 31, 2022
Licenses	6.027.118	-	-	-	6.027.118
Capitalized Development Costs	88.694.961	4.084.545	-	-	92.779.506
Total	94.722.079	4.084.545	-	-	98.806.624

Accumulated Depreciation Value	January 1, 2022	Period Expense	Transfer / Adjustment	Exits	December 31, 2022
Licenses	5.996.088	13.366	-	-	6.009.454
Capitalized Development Costs	13.184.804	8.917.304	-	-	22.102.108
Total	19.180.892	8.930.670	-	-	28.111.562

Net Book Value	December 31, 2023	December 31, 2022
Licenses	4.301	17.664
Capitalized Development Costs	59.018.273	70.677.398
Total	59.022.574	70.695.062

The amortization periods of Intangible Assets are as follows:

Economic Lifetime

Licenses	5 Years
Capitalized Development Costs	7-12 Years

NOTE 29 - RIGHT OF USE ASSETS

The balance of the right-of-use assets as of December 31, 2023 and December 31, 2022 and the depreciation and amortization expenses for the related period are as follows;

Cost	January 1, 2023	Inputs	Transfer/ Correction	Exits	December 31, 2023
Right of Use Assets	14.808.722	4.967.705	-	-	19.776.427
Accumulated Depreciation	January 1, 2023	Period Expense	Transfer / Adjustment	Exits	December 31, 2023
Right of Use Assets	5.083.666	3.904.228	-	-	8.987.894
Net book value	9.725.056				10.788.533

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

Cost	January 1, 2022	Inputs	Transfer/Correction	Exits	December 31, 2022
Right of Use Assets	8.041.908	6.766.814	-	-	14.808.722
Accumulated Depreciation	January 1, 2022	Period Expense	Transfer / Adjustment	Exits	December 31, 2022
Right of Use Assets	1.812.062	3.029.917	241.687	-	5.083.666
Net book value	6.229.846				9.725.056

NOTE 30 - SHORT/LONG TERM PROVISIONS

	December 31, 2023	December 31, 2022
Provision for vacation leave(*)	4.360.514	1.599.847
Other Short Term Provisions	1.397.287	3.877.285
Total	5.757.801	5.477.132

(*) As of December 31, 2023, as a result of the unused leave of the Company's personnel as of December 31, 2023, a provision for vacation pay amounting to TL 6.194.176 (December 31, 2022-TL 3.877.285).

The movement of the provision for vacation pay is as follows

	December 31, 2023	December 31, 2022
Provision as of January 1	1.599.847	4.184.164
Increase/(Decrease) During the Year	5.575.266	(1.121.586)
Net Monetary Loss / (Gain)	(2.814.599)	(1.462.731)
Provision at the End of the Period	4.360.514	1.599.847

Seniority Incentive Bonus

As of December 31, 2023, there is no severance incentive premium liability amount (December 31, 2022 - None).

Other

The Company has no provisions for social benefit increases and tax risks (December 31, 2022 - 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 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 35.059 effective from January 1, 2024 (December 31, 2022 - TL 19.983).

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 IAS 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 the total liability 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 December 31, 2023, 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. Provisions at the balance sheet date are recognized annually

Based on the assumptions of 21,67% inflation rate (December 31, 2022: 16,91%) and 24,66% interest rate (December 31, 2022: 20,65%), a real discount rate of approximately 2,46% (December 31, 2022: 3,20%) has been calculated. The significant assumptions used in the calculation of retirement pay liability are inflation, discount rate and probability of voluntary termination.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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

	December 31, 2023	December 31, 2022
Provision for Employment Termination Benefits	8.856.389	9.890.020
	December 31, 2023	December 31, 2022
Opening Balance	9.890.020	8.862.502
Service Cost	4.062.003	3.165.287
Definition Benefit Pl. Remeasurement Gains/Losses	1.796.585	(4.874.717)
Interest Cost	245.504	787.787
Payment (-)	(2.955.287)	(3.418.715)
Net Monetary Loss / (Gain)	(4.182.436)	5.367.876
End of Period	8.856.389	9.890.020

NOTE 31 - 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 December 31, 2023 is as follows:

Partners	31.12.2023		31.12.2022	
	Share Rate %	Share Amount	Share Rate %	Share Amount
Birol Basaran	46,35%	54.225.000	46,91%	12.200.000
Ipek Canan Basaran	7,39%	8.651.350	7,69%	2.000.000
Tayfun Yurdagul	2,50%	2.925.000	3,08%	800.000
Osman Çaylı	2,12%	2.476.499	2,31%	600.000
Mümin Sürer	1,73%	2.025.000	2,31%	600.000
Zahide Kocyigit	1,73%	2.026.498	2,31%	600.000
Unal Kiricki	0,96%	1.125.000	1,54%	400.000
Metin Faruk Tufan	0,96%	1.126.499	1,54%	400.000
Abdulkadir Aydogan	0,96%	1.126.125	1,54%	400.000
Taner Yildirim	0,19%	225.000	-	-
NEZIH MEKIKER	0,10%	112.500	-	-
MUSTAFA TÜRKOĞLU	0,10%	112.500	-	-
NEDİM NAZLI	0,16%	189.000	-	-
Shares Offered to the Public	34,75%	40.654.030	30,77%	8.000.000
Paid-in Capital	100%	117.000.000	100%	26.000.000
Capital Adjustment Differences		104.568.825		104.568.825

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

	December 31, 2023	December 31, 2022
Handover	(3.997.268)	-
Actuarial Gain/Loss	(1.796.585)	(4.874.717)
Deferred Tax Asset	413.215	877.449
Net Actuarial Gain/Loss	(5.380.638)	(3.997.268)

c- Share Premiums (Discount)

	December 31, 2023	December 31, 2022
Share Premium(*)	158.714.445	217.478.790

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

(*) In the current period, VBT Yazılım A.Ş. has added share premium amounting to TL 58.764.345 to the capital through capital increase.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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.

	December 31, 2023	December 31, 2022
Legal Reserves	17.156.727	13.582.754
Venture Capital Fund	1.417.527	577.379
Total	18.574.254	14.160.133

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.

	December 31, 2023	December 31, 2022
Retained Earnings	11.480.087	65.356.802

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

	December 31, 2023	December 31, 2022
Foreign Currency Translation Differences	(3.628.903)	(418.388)

g- Additional Information on Capital, Reserves and Other Equity Items

The comparison of the Group's equity items restated for the effects of inflation in the consolidated financial statements as of December 31, 2023 with the amounts restated for the effects of inflation in the financial statements prepared in accordance with the Law No. 6762 and other legislation is as follows

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

December 31, 2023	In the financial statements prepared in accordance with Law No. 6762 and other legislation according to inflation corrected Amounts	In accordance with IAS 29 adjusted for inflation in the accompanying financial statements Amounts	Recognize d in retained earnings difference
Capital Adjustment Differences	167.498.530	104.568.825	62.929.705
Share Premiums	25.651.469	158.714.445	(133.062.976)
Restricted Reserves	20.637.569	18.574.254	2.063.315

As of January 1, 2022, the amount of retained earnings without inflation adjustment is TL 46.428.097 and the amount of retained earnings as of January 1, 2022 is TL 57.288.708 as restated to the purchasing power of December 31, 2023 after inflation adjustment in accordance with TAS 29.

NOTE 32 - REVENUE AND COST OF SALES

	1.01.2023 31.12.2023	1.01.2022 31.12.2022
Domestic Sales	2.138.503.540	1.176.457.306
International Sales	4.285.159	5.897.423
Other Income	191.082	1.372.968
Returns from Sales (-)	(8.399.521)	(5.253.479)
Net Sales	2.134.580.260	1.178.474.218
Cost of Trade Goods Sold (-) (*)	(1.654.864.333)	(692.778.937)
Cost of Services Sold (-) (**)	(237.193.068)	(299.102.440)
Cost of Sales(-)	(1.892.057.401)	(991.881.377)
Gross Profit / (Loss)	242.522.859	186.592.841

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

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

Cost of Service Sold Detail	1.01.2023 31.12.2023	1.01.2022 31.12.2022
Personnel Wage Expenses	(87.810.867)	(74.065.116)
Consultancy Expenses	(102.515.462)	(115.131.214)
Stamp Duty Expenses	(5.784.566)	(9.452.557)
Vehicle and Workplace Rent Expenses	-	(188.840)
Depreciation Expenses	(13.119.108)	(9.995.570)
License Maintenance and Repair Expenses	(22.406.324)	(86.523.139)
Software and Development Expenses	(2.039.379)	(998.033)
Other Expenses	(3.517.362)	(2.747.971)
Total	(237.193.068)	(299.102.440)

NOTE 33 - RESEARCH AND DEVELOPMENT EXPENSES, MARKETING, SELLING AND DISTRIBUTION EXPENSES , GENERAL ADMINISTRATIVE EXPENSES

	1.01.2023 31.12.2023	1.01.2022 31.12.2022
General Administrative Expenses (-)	(43.746.139)	(35.782.764)
Marketing Expenses (-)	(5.028.036)	(2.038.801)
Research and Development Expenses (-)	(102.224.764)	(68.812.756)
Total	(150.998.939)	(106.634.321)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

a) General Administrative Expenses Detail	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
Personnel Expenses	(21.031.483)	(19.442.674)
Depreciation Expenses	(3.604.968)	(2.592.003)
Taxes, Duties and Fees	(350.028)	(138.113)
Consultancy and Consultancy Expenses	(1.776.612)	(1.064.539)
Representation and Hospitality Expenses	(1.016.986)	(864.430)
Attendance Right	(2.248.669)	(2.020.372)
Electricity and Water Expenses	(613.790)	(137.587)
Operating Expenses	(2.662.508)	(4.008.624)
Vehicle and Fuel Expenses	(1.809.708)	(2.057.570)
Workplace Rent Expenses	(1.202.849)	(318.804)
Other Expenses	(7.428.538)	(3.138.048)
Total	(43.746.139)	(35.782.764)

b-Marketing Expenses Detail	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
Personnel Wage Expenses	(1.556.971)	(259.458)
Travel Expenses	(45.608)	(188.095)
Advertising and Promotion Expenses	(2.835.245)	(1.566.416)
Other Expenses	(590.212)	(24.832)
Total	(5.028.036)	(2.038.801)

c-Research and Development Expenses	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
Personnel Expenses	(87.739.289)	(55.353.711)
Depreciation Expenses	(13.136.764)	(11.365.986)
R&D Projects Software and Consultancy Expenses	(593.211)	(1.102.059)
Other Expenses	(755.500)	(991.000)
Total	(102.224.764)	(68.812.756)

NOTE 34 - EXPENSES BY NATURE

a-Depreciation and Amortization Expenses (-)	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
Service Cost	(13.119.108)	(9.995.570)
Research and Development Expenses	(13.136.764)	(11.365.986)
General Administrative Expenses	(3.604.968)	(2.592.003)
Total	(29.860.840)	(23.953.559)

b-Personnel Expenses (-)	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
Service Cost	(87.810.867)	(74.065.116)
Research and Development Expenses	(87.739.289)	(55.353.711)
Marketing Expenses	(1.556.971)	(259.458)
General Administrative Expenses	(21.031.483)	(19.442.674)
Total	(198.138.610)	(149.120.959)

NOTE 35 - OTHER OPERATING INCOME AND EXPENSES

a-Other Operating Income	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
Foreign Exchange Gain from Operating Activities	37.252.741	23.246.768
Provisions for Uncollectible Provisions	-	915.024
Other Operating Income and Profit	2.884.101	108.198
Other	4.462.856	2.020.481
Total	44.599.698	26.290.471

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
b-Other Operating Expenses		
Foreign Exchange Expense from Operating Activities	(8.918.046)	(32.639.002)
Provision Expenses	(1.314.663)	(2.346.524)
Vehicle and Non-Deductible VAT	(1.139.633)	(878.341)
Additional Tax (Discount and Exemptions)	(5.406.187)	-
KKEG under Law No. 7440	(875.220)	-
Other	(2.418.688)	(753.696)
Total	(20.072.437)	(36.617.563)

NOTE 36-INCOME FROM INVESTING ACTIVITIES

	January 1, 2023	January 1, 2022
	December 31, 2023	December 31, 2022
Default Income from Subsidiaries	-	61.577
Gain on sale of marketable securities	-	2.836.313
Marketable Securities Value Increase	-	7.395
Gain on Sale of Fixed Assets	-	543.491
Interest and Exchange Differences on Currency Protected Deposits	28.111.519	5.261.906
Total	28.111.519	8.710.682

NOTE 37-EXPENSES FROM INVESTING ACTIVITIES

The Group has no expenses from investing activities as of the balance sheet date (December 31, 2022 - None).

NOTE 38-FINANCING INCOME

	January 1, 2023	January 1, 2022
	December 31, 2023	December 31, 2022
Interest Income	8.072.735	12.465.013
Foreign Exchange Gain	88.370.647	37.882.676
Total	96.443.382	50.347.689

NOTE 39-FINANCING EXPENSES

	January 1, 2023	January 1, 2022
	December 31, 2023	December 31, 2022
Foreign Exchange Expense	(540.989)	(1.175.410)
Interest Expenses	(3.036.392)	(4.641.734)
Total	(3.577.381)	(5.817.144)

NOTE 40-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

As of the balance sheet date, the Group has no assets held for sale and discontinued operations (December 31, 2022 - None).

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

	December 31, 2023	December 31, 2022
Handover	(3.997.268)	
Gain/Loss on Remeasurement of Defined Benefit Plans	(1.796.585)	(4.874.717)
Deferred Tax Expense / Income	413.215	877.449
Net Actuarial Gain/Loss	(5.380.638)	(3.997.268)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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

	1.01.2023	1.01.2022
	31.12.2023	31.12.2022
Provision for Period Legal Taxes (-)	(30.118.620)	(24.187.390)
Deferred Tax Income	8.654.714	(3.770.044)
Total	(21.463.906)	(27.957.434)

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.

Corporate tax rate for 2023 is 25% (December 31, 2022 - 23%)

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 the financial statements prepared in accordance with TAS and tax legislation.

The items that constitute the basis for deferred tax and corporate tax are as follows

Deferred Tax - Temporary Differences:	December 31, 2023	December 31, 2022
Prepaid Expenses	(84.169.859)	(787.208.074)
Right of Use Assets	(10.788.533)	(1.473.621)
Provision for Employment Termination Benefits	8.856.389	9.817.297
Trade Receivables	2.742.926	2.825.371
Stocks	(2.067.562)	(6.596.081)
Tangible and Intangible Fixed Assets. Related Adjustments.	(8.347.941)	(77.446.355)
Sale of Goods and Services. Correction Related to Contract Liabilities.	136.394.976	793.007.372
Payables from Leasing Transactions	(3.425.186)	(2.900.198)
Vacation Provisions	4.360.514	1.599.847
Expense Provisions	(60.495.501)	(9.416.265)
Income Accruals	(2.245.211)	-
Other	(1.906.529)	353.081
Total	(21.091.517)	(77.437.626)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

Deferred Tax Assets/(Liabilities):	December 31, 2023	December 31, 2022
Prepaid Expenses	(19.359.068)	(141.697.454)
Right of Use Assets	(2.481.363)	(265.252)
Provision for Employment Termination Benefits	2.036.969	1.765.660
Trade Receivables	630.873	508.567
Stocks	(475.539)	(1.187.295)
Tangible and Intangible Fixed Assets. Related Adjustments.	(1.921.120)	(13.927.253)
Sale of Goods and Services. Correction Related to Contract Liabilities.	31.370.844	142.741.327
Payables from Leasing Transactions	(787.793)	(522.035)
Vacation Provisions	1.002.918	287.972
Expense Provisions	(13.913.965)	(1.694.928)
Income Accruals	(516.399)	-
Other	(438.499)	63.555
Total	(4.852.142)	(13.927.136)

As of December 31, 2023 and December 31, 2022, the movement of deferred tax assets / (liabilities) is as follows

	December 31, 2023	December 31, 2022
January 1 Balance	(13.927.136)	(11.036.013)
Current Period Deferred Tax Income/Expense	8.654.714	(3.770.044)
Reflected in Comprehensive Income. Actuarial Gain/Loss	420.280	878.921
Balance at the End of the Period	(4.852.142)	(13.927.136)

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

	January 1, 2023 December 31, 2023	January 1, 2022 December 31, 2022
Net Profit/Loss Attributable to Shareholders of the Parent Company	100.507.185	10.650.866
Number of shares	117.000.000	26.000.000
Earnings per share	0,859	0,4096

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).

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

The net debt/total equity ratio as of the end of the period is as follows

	December 31, 2023	December 31, 2022
Financial Liabilities	774.936	5.323.127
Less: Cash and Cash Equivalents	164.003.892	389.986.443
Net Debt/(Net Cash)	(163.228.956)	(384.663.316)
Total Shareholders' Equity	500.745.336	433.286.530
Net Debt-(Net Cash) / Total Equity Ratio	(0,326)	(0,888)

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.

December 31, 2023	Receivables				Deposits in Banks	Safe deposit box
	Trade Receivables		Other Receivables			
	Related Party	Other Party	Related Party	Other Party		
Maximum credit risk exposure as of reporting date (A+B+C)	25.488	130.629.133	46.065.724	1.449.296	164.002.655	1.237
- The portion of maximum risk under guarantee with collaterals, etc.						
A. Net book value of financial assets that are neither past due nor impaired	25.488	122.518.389	46.065.724	1.449.296	164.002.655	1.237
B. Net book value of assets that are past due but not impaired	-	8.110.744	-	-	-	-
C. Net book value of impaired assets	-	-	-	-	-	-
- Past due (Gross Def. Value)	-	(454.138)	-	-	-	-
- Impairment (-)	-	(454.138)	-	-	-	-
- Not past due (Gross Def. Value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
Portion of net value under guarantee with collaterals, etc.	-	-	-	-	-	-

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

December 31, 2022	Receivables				Deposits in Banks	Safe deposit box
	Trade Receivables		Other Receivables			
	Related Party	Other Party	Related Party	Other Party		
Maximum credit risk exposure as of reporting date (A+B+C)		172.662.368	768.345	2.358.654	389.984.081	2.362
- The portion of maximum risk under guarantee with collaterals, etc.						
A. Net book value of financial assets that are neither past due nor impaired	-	159.290.971	768.345	2.358.654	389.984.081	2.362
B. Net book value of assets that are past due but not impaired	-	13.371.397	-	-	-	-
C. Net book value of impaired assets	-	-	-	-	-	-
- Past due (Gross Def. Value)	-	(325.259)	-	-	-	-
- Impairment (-)	-	(325.259)	-	-	-	-
- Not past due (Gross Def. Value)	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-
Portion of net value under guarantee with collaterals, etc.	-	-	-	-	-	-

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

December 31, 2023	Receivables	
	Trade Receivables	Other Receivables
1-30 days past due	2.756.657	-
1-3 months past due	4.022.534	-
3-12 months past due	1.331.553	-
1-5 years past due	-	-
More than 5 years past due	-	-
Total	8.110.744	-

December 31, 2022	Receivables	
	Trade Receivables	Other Receivables
1-30 days past due	5.357.752	-
1-3 months past due	7.297.322	-
3-12 months past due	716.323	-
1-5 years past due	-	-
More than 5 years past due	-	-
Total	13.371.397	-

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

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.

December 31, 2023

Contractual maturities	Book Value	Total contractual cash outflows (=I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)
Non-Derivative Financial Liabilities.					
Bank Loans	618.542	618.542			
Payables from Leasing Transactions	4.313.497	5.699.508	717.785	1.722.766	3.258.957
Other Financial Liabilities	156.394	1.497.665			
Trade Payables	55.338.605	55.338.605			
Other Payables	28.733.205	28.733.205			
Employee Health Benefit. Cap. Payables	9.323.332	9.323.332			
Total Liabilities	98.483.575	101.210.857	717.785	1.722.766	3.258.957

December 31, 2022

Contractual maturities	Book Value	Total contractual cash outflows (=I+II+III)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)
Non-Derivative Financial Liabilities.					
Bank Loans	3.825.462	4.251.549	1.272.560	1.955.228	1.023.761
Payables from Leasing Transactions	5.351.237	7.784.526	555.702	1.673.130	5.555.694
Other Financial Liabilities	1.497.665	1.497.665	1.497.665		
Trade Payables	205.396.065	205.396.065	205.396.065		
Other Payables	49.680.584	49.680.584	49.680.584		
Employee Health Benefit. Cap. Payables	8.130.160	8.130.160	8.130.160		
Total Liabilities	273.881.173	276.740.549	266.532.736	3.628.358	6.579.455

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.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

The foreign currency position tables of the Group's foreign assets and liabilities in original and Turkish Lira currencies as of December 31, 2023 and December 31, 2022 are as follows

FOREIGN CURRENCY POSITION TABLE				
31 DECEMBER 2023	Turkish Lira Equivalent	US Dollar	Euro	GBP
1. Trade Receivables	82.212.483	2.776.890	14.301	-
2a. Monetary Financial Assets (including cash and bank accounts)	124.646.926	2.906.940	1.189.821	8.406
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	-	-	-	-
4. Current Assets (1+2+3)	206.859.409	5.683.830	1.204.122	8.406
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	735.955	25.000	-	-
8. Fixed Assets (5+6+7)	735.955	25.000	-	-
9. Total Assets (4+8)	207.595.364	5.708.830	1.204.122	8.406
10. Trade Payables	47.229.702	1.556.914	42.880	5
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Liabilities	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Short Term Liabilities (10+11+12)	47.229.702	1.556.914	42.880	5
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16 a. Other Monetary Liabilities	-	-	-	-
16 b. Other Non-Monetary Liabilities	-	-	-	-
17. Long Term Liabilities (14+15+16)	-	-	-	-
18. Total Liabilities (13+17)	47.229.702	1.556.914	42.880	5
19. Net Asset / (Liability) Position of Foreign Currency Derivative Instruments Off Statement of Financial Position (19a-19b)	-	-	-	-
19a. Amount of Off-Statement of Financial Position Foreign Currency Derivative Instruments with Active Characteristics	-	-	-	-
19b. Amount of Off-Statement of Financial Position Foreign Currency Derivative Instruments with Passive Characteristics	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	160.365.662	4.151.916	1.161.242	8.401
21. Net Foreign Currency Asset / (Liability) Position of Monetary Items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	159.629.707	4.126.916	1.161.242	8.401
22. Total Fair Value of Financial Instruments Used for Hedging Foreign Exchange	-	-	-	-
23. Amount of Hedged Portion of Foreign Currency Assets	-	-	-	-
24. Amount of Hedged Portion of Foreign Currency Liabilities	-	-	-	-
25. Export	-	-	-	-
26. Import	588.486.093	133.583.549	59.839	-

(*) In parallel with the Group's imports, a large portion of domestic sales are indexed to foreign currency and these amounts are not included in exports.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023**

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

FOREIGN CURRENCY POSITION TABLE			
December 31, 2022	Turkish Lira Equivalent	US Dollar	Euro
1. Trade Receivables	22.139.732	718.595	-
2a. Monetary Financial Assets (including cash and bank accounts)	352.708.452	9.681.000	1.657.342
2b. Non-monetary Financial Assets	-	-	-
3. Other	2.314.219	25.005	47.000
4. Current Assets (1+2+3)	377.162.403	10.424.600	1.704.342
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Fixed Assets (5+6+7)	-	-	-
9. Total Assets (4+8)	377.162.403	10.424.600	1.704.342
10. Trade Payables	203.165.766	6.485.575	101.890
11. Financial Liabilities	-	-	-
12a. Other Monetary Liabilities	6.161.950	200.000	-
12b. Other Non-Monetary Liabilities	-	-	-
13. Short Term Liabilities (10+11+12)	209.327.716	6.685.575	101.890
14. Trade Payables	-	-	-
15. Financial Liabilities	-	-	-
16 a. Other Monetary Liabilities	-	-	-
16 b. Other Non-Monetary Liabilities	-	-	-
17. Long Term Liabilities (14+15+16)	-	-	-
18. Total Liabilities (13+17)	209.327.716	6.685.575	101.890
19. Statement of Financial Position. Net Asset / (Liability) Position of Foreign Currency Derivative Instruments (19a-19b)	-	-	-
19a. Active Karak. Fin. Foreign Currency Foreign Currency. Derivative Products. Amount	-	-	-
19b. Passive Karak. Fin. Foreign Currency Foreign Currency. Derivative Products. Amount	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9-18+19)	167.834.687	3.739.025	1.602.452
21. Net Foreign Currency Asset / (Liability) Position of Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)	165.520.468	3.714.020	1.555.452
22. Foreign Currency Hedging Financial Intermediation. Total. Real. Compliance. Value.	-	-	-
23. Amount of Hedged Portion of Foreign Currency Assets	-	-	-
24. Amount of Hedged Portion of Foreign Currency Liabilities	-	-	-
25. Export	-	-	-
26. Import	350.482.450	11.080.744	108.490

(*) In parallel with the Group's imports, a large portion of domestic sales are indexed to foreign currency and these amounts are not included in exports.

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(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

As of December 31, 2023 and December 31, 2022, based on the balance sheet position as of December 31, 2023 and December 31, 2022, assuming that Turkish Lira would appreciate/depreciate by 10% against USD and Euro with all other variables held constant, gross profit would be higher/lower by TL 15.962.971 (December 31, 2022-TL 16.552.047) as a result of foreign exchange gains on assets and liabilities denominated in USD, Euro and GBP as shown in the Foreign Exchange Rate Sensitivity Analysis Table below.

Exchange Rate Sensitivity Analysis Table		
December 31, 2023	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
If the US Dollar exchange rate changes by 10%:		
1- USD net asset/liability	12.148.898	(12.148.898)
2- US Dollar hedged portion (-)		
3- USD Net Effect (1+2)	12.148.898	(12.148.898)
If the Euro exchange rate changes by 10%:		
4- Euro net asset/liability	3.782.618	(3.782.618)
5- Euro hedged portion (-)		
6- Euro Net Effect (4+5)	3.782.618	(3.782.618)
If the exchange rate of the British Pound changes by 10%:		
7- GBP net asset/liability	31.455	(31.455)
8- GBP hedged portion (-)		
9- GBP Net Impact (7+8)	31.455	(31.455)
TOTAL (3+6+9)	15.962.971	(15.962.971)

Exchange Rate Sensitivity Analysis Table		
December 31, 2022	Profit/Loss	
	Appreciation of foreign currency	Depreciation of foreign currency
If the US Dollar exchange rate changes by 10%:		
1- USD net asset/liability	11.442.802	(11.442.802)
2- US Dollar hedged portion (-)	-	-
3- USD Net Effect (1+2)	11.442.802	(11.442.802)
If the Euro exchange rate changes by 10%:		
4- Euro net asset/liability	5.109.245	(5.109.245)
5- Euro hedged portion (-)	-	-
6- Euro Net Effect (4+5)	5.109.245	(5.109.245)
TOTAL (3+6)	16.552.047	(16.552.047)

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, 2022 - None).

VB T YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

(Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the Turkish Lira at December 31, 2023, unless otherwise indicated).

NOTE 46- EVENTS AFTER THE BALANCE SHEET DATE

December 31, 2023

- As of 26.03.2024, VBT 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 13.000.000,00 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.

December 31, 2022

- VBT Yazılım A.Ş. has agreed with a Private Bank in Turkey for the renewal of "Disaster Recovery Center Mainframe and Data Storage Systems" and additional services. The work will be completed within 1 year with the services. The total value of the contract is 8.227.000 USD.
- VBT Yazılım A.Ş. has completed the negotiations to participate in Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları AŞ. (Vizyon Teknik) by purchasing a portion of the shares of Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları AŞ. (Vizyon Teknik) in order to increase its activities in the field of Human Resources, and the contract for the purchase of 50.00% shares of Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları AŞ. amounting to TL 5,500,000 was signed on 23.01.2023.

NOTE 47 - FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITORS

In accordance with the Board Decision of the Public Oversight, Accounting and Auditing Standards Authority published in the Official Gazette, the Company is required to disclose the fees for the services received from the independent audit firm as of the reporting period. In this context, the independent audit fee for the reporting period is TL 1.851.384 including associates and subsidiaries. (December 31, 2022: TL 547.236). There are no services other than independent audit received from the independent audit firm.