



VBTT YAZILIM A.Ş.

**FOR THE PERIOD JANUARY 01 -
JUNE 30, 2024**

ACTIVITY REPORT

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I. GENERAL INFORMATION

a) About VBT

Since 1993, VBT Software, which has been operating in the fields of information technologies, informatics, software, training and consultancy, continues its technology activities in Istanbul, Ankara and Adana offices.

In recent years, the company has been actively and effectively working with leading public institutions and private sector organizations in Turkey, as well as world's giant companies in the international arena, with innovative software and projects developed in the fields of Artificial Intelligence, Machine Learning, Natural Language Processing and IoT.

Using its experience in the finance sector, the Company developed e-transformation (e-invoice, e-ledger, e-receipt, e-archive, e-smmm) projects and became one of the e-transformation special integrators. It has become a service provider of technologies such as electronic invoice and electronic self-employment receipt, which are required to be used by customers by regulatory changes, especially for the needs of customers in the field of finance.

VBT Software provides consultancy services to the public and private sector in the field of Grant and Project Consultancy, Software Process Consultancy, System and Infrastructure management. It actively contributes to TUBITAK, KOSGEB, ITEA3 and EU HORIZON 2020 projects with a focus on research and development.

• MISSION

To increase the competitiveness of our customers by utilizing the most up-to-date Information Technology facilities and to create the highest level of Customer Satisfaction through long-term and trust-based relationships.

• VISION

To closely follow all technological innovations in the world, to blend them with the software we have developed ourselves, to offer a superior service understanding to the customer portfolio in Turkey and to produce products and services that can compete in the world IT market with Turkish Engineers and Software Developers by conducting R&D studies.

• TARGETS

Growing together with our customers by adding value to our customers.

b) Report Period

This report covers information on the activity period covering 01.01.2024 - 30.06.2024.

c) Registered Information

Trade Name	VBT Software Corporation
Date of Establishment	24.06.1993- ISTANBUL
Paid-in Capital	117.000.000 TL
Registered Capital Ceiling	TL 120.000.000 (One Hundred Twenty Million Turkish Lira)
Trade Registry No.	ISTANBUL - 6120-8
Tax Office and Number	KOZYATAGHI - 924 049 2097
Address	Center Quick Tower, İçerenköy Mh. Umut Sk. No:10-12 K:13 D:57-60 PK:34752 Ataşehir/İstanbul R&D Center: Bodur Business Center, Üsküdar İçerenköy Yolu, No: 8 D: 3-6-14 34752 Atasehir - Istanbul, Turkey Ankara Office Mahall Business Center, Block B No:127 Çankaya- Ankara, Turkey Adana Office Central Plaza Business Center, Hurmalı Mah. Kurtulus Caddesi No: 39 Kat: 8 D.85 Seyhan-Adana, Turkey
Telephone / Fax	0216 577 69 21 / 0216 577 69 25
Website	www.vbt.com.tr
Field of Activity	Software Development
NACE Code	62.01.01 (Computer Programming Activities)

d) Field of Activity

VBT Yazılım A.Ş. operates in the field of software services. Its fields of activity can be categorized under five main headings:

1- Corporate Solutions and Professional Services

2- Product Development and R&D Studies

3- Turnkey Software Development Services

4- Turnkey System and Infrastructure Projects

5- Technological Product Sales

VBT Software carries out all its activity processes in accordance with ISO quality standards and in an audited manner. VBT Software has expertise and qualified staff, especially in responding to the needs of the public and private sectors, and stands out with its end-to-end projects developed in the fields of Banking, Finance, Insurance, Air Transport, Production, Health and Defense Industry.

1- Corporate Solutions and Professional Services

Today, Corporations and Enterprises are constantly following technological innovations with a focus on competition and making the necessary investments. Since these infrastructure investments require regular maintenance, the Company helps its customers to reduce costs and gain efficiency, flexibility and scalability with the professional services it provides in the field of Systems and Infrastructure.

VBT Software provides a wide range of services to customers looking for a reliable partner that can offer the right Information Technology solutions, System and Infrastructure support to Banking, Finance, Insurance, Air Transport, Manufacturing, Healthcare and Defense Industry and Government Institutions.

VBT Software offers its customers the best combination of technology products, licenses, professional services and after-sales support for their unique needs and budgets. It adopts a flexible approach to meet the demands and service requirements of its customers with its certified professional staff and products with high diversity and volume with its national and international collaborations.

VBT Software; within the scope of the services provided to its customers in this field, Information Technology System and Infrastructure, ITSM, Automation, Monitoring, in line with the demands of the customers in areas such as Information Technology System and Infrastructure, ITSM, Automation, Monitoring and the supply, installation, adaptation and management of the necessary products in the scope of Information Technology as a complete package to its customers. It forms the team necessary for the timely and complete execution of the services provided. It makes the end-to-end planning of the service to be realized, creates the documentation and starts to carry out the operation. Maintains and continues to provide support in order to ensure 24/7 uninterrupted and continuity of the service to be provided. Follows and performs the version upgrades of the products that meet the customer's requirements and whose licenses are provided during the support agreements process. In order for these services to be uninterrupted 24/7, Problem and

The team creates case management processes, carries out work planning and follow-up, resource planning and management, as well as detailed reporting activities.

"*Corporate Solutions and Professional Services*" provided by VBT Software are categorized under the following headings:

- Software Product Licenses and Maintenance
- Software Product Installation and Maintenance Consultancy
- Hardware Licenses and Maintenance
- Hardware Installation and Maintenance Consultancy
- System and Infrastructure Consulting (Operating System, Database, Middleware, Operations)
- On-site Support
- Help Desk Services (Phone, e-mail, Remote Support)
- Education

VBT Software plans and follows the necessary trainings, orientation and certification processes for the development of the staff in order to increase the quality of the services it provides to its customers in this field.

2- Product Development and R&D Studies

The company aims to transform the domestic knowledge and technologies produced in Turkey into global value, utilize Turkey's highly qualified human resources in R&D activities, grow together with the companies it cooperates with, and export more technology to foreign markets. In addition to long-term research activities, it is planned that the IT sector will create synergy with other sectors by cooperating with universities, research institutes and R&D departments of various organizations. In this context, it has started to develop services, products and infrastructures that will make a difference within the scope of innovation and R&D activities. In addition, efforts are underway to develop technologies for more effective use of information technologies in other sectors. The Company has planned and implemented various strategic steps in order to better utilize the potential of the young population in our country in the field of informatics. In this context, it develops its products with qualified R&D personnel and up-to-date technologies in the sectors it has chosen as targets.

3- Turnkey Software Development Services

In line with the needs of its customers, the company produces software solutions and services in accordance with the standards for the software needs of organizations in the public and private sectors. In software development projects, the following phases are managed with Agile project management and PMP certified team and the projects are developed on turnkey basis. Also for any of the following areas

can also provide services.

- Software requirements analysis
- Software design
- Software coding
- Software testing
- Software commissioning
- Software training and support
- Software maintenance

In the software development process, Waterfall or Agile Project management methodologies are used according to the need, and the integration of products running on different platforms to meet the Business Needs of the Institutions is realized and business needs are transformed into successful software projects.

In terms of technology, applications that meet all kinds of needs are developed with mobile and web technologies. In addition, technologies such as artificial intelligence, robotic process automation and dynamic business processes, which enable applications to become smarter today, are used in projects as infrastructure.

4- Turnkey System and Infrastructure Projects

With Turnkey System and Infrastructure projects, the Company offers end-to-end tested and ready-to-use solutions to its customers in line with the needs of the customers it serves with its fully specialized, trained and qualified personnel. The turnkey project solution is a great advantage as there is no need for project management to be provided by the customer. Since the entire responsibility of the project will belong to the Company, the customer will be in contact only with VBT Software as a single point of contact, instead of being in contact with many subcontractors. This allows the client to have a clearer and easier line of sight on the project.

This includes project planning and management, preliminary design and initial/planning phase engineering, infrastructure services, detailed design, technical consultancy and documentation, procurement, IT equipment installation and commissioning, integration, performance auditing, operations, training, maintenance and warranty support. In other words, it can be called end-to-end projects.

5- Technological Product Sales

The company provides high standard, secure, performance, uninterrupted and long-lasting hardware and software solutions according to the workloads and needs of organizations by always following the technology with its high level of business partnerships and certifications with the industry's leading reliable hardware and software manufacturers.

Hardware and software products used in all areas of the IT world are constantly being updated and renewed in line with the increase in performance, security and scalability needs, as well as the rapid development of applications. Product diversity is increasing rapidly in order to ensure that products can meet every need. Even within the same brand, alternative products addressing a specific solution come to the agenda, models can address different needs with various sub-divisions within themselves, and variable forward-looking plans can be made with high levels of scalability. In a hardware and software world of such diversity, deep product, solution and brand knowledge is required to make the right decisions on product selection.

By offering brand-independent hardware and software solutions that meet the needs of institutions in the most accurate way, the most effective comparison methods and alternatives are modeled according to the needs analysis prepared according to business continuity standards. Hardware and software consultancy, procurement, installation and configurations are provided so that organizations can focus on their core business and save time and cost.

e) Capital and Shareholding Structure

The issued capital of VBT Yazılım A.Ş. consists of 117.000.000 shares with a nominal value of TL 1 each.

As of 30.06.2024, the distribution of VBT Yazılım A.Ş.'s issued capital among shareholders is as follows

Capital and Shareholding Structure

Partners	Group A	Group B	Total Capital Amount (TL)	Capital Share (%)	Proportion of Voting Rights (%)
Birol Basaran	4.5000.000	36.945.000	41.445.000	35,42%	44,03%
Ipek Canan Basaran	-	8.551.350	8.551.350	7,31%	6,33%
Other	-	67.003.650	67.003.650	57,27%	49,64%
TOTAL	4.500.000	112.500.000	117.000.000	100,00	100,00

As of the current situation, the Company's management control is based on both privileged shares and majority of shares.

Birol Bařaran holds 44.03% of the voting rights and 35.42% of the shares, and will continue to control the management due to the Group A privileged shares he holds.

f) Explanations on Preferred Shares and Voting Rights of Shares

As stated in Article 6 of the Company's Articles of Association, the shares constituting the Company's capital are divided into (A) and (B) Group shares. Group A shares are registered shares and Group B shares are bearer shares. Group A shares have special rights and privileges specified in the Articles of Association. Group B shares do not have any privileges. No new shares may be issued unless the issued shares are fully sold and their consideration is paid or the unsold shares are canceled.

In the transfer of Group A shares, other Group A shareholders have the right of pre-emption. The Group A shareholder who wishes to transfer his/her share shall make an offer to the other Group A shareholders. In the event that an agreement cannot be reached on the share price in the transfer of shares, the price of the share is determined by an independent audit company to be jointly determined by the parties. If the Group A shareholder who wants to purchase at the price determined by the independent audit company gives up his/her intention to purchase, the Group A shareholder who wants to sell his/her share may transfer his/her share to third parties at least at this price.

The capital of the Company may be increased or decreased, if necessary, in accordance with

the provisions of the Turkish Commercial Code and Capital Markets Legislation.

Unless otherwise agreed in the capital increases to be made, in return for (A) group shares (A)

Group (B) shares shall be issued in exchange for Group (B) shares. In the event that the rights to purchase new shares are restricted in capital increases, all new shares to be issued shall be issued as Group B shares.

As stated in Article 7 of the Company's Articles of Association, the business and administration of the Company shall be carried out by a Board of Directors consisting of at least five (5) members to be elected by the General Assembly within the framework of the provisions of the Turkish Commercial Code and the Capital Markets Law, and who have the qualifications specified in the Turkish Commercial Code and the capital markets legislation.

Group A shareholders have the privilege to nominate candidates for board membership. Half of the members of the Board of Directors are elected by the General Assembly of the Company from among the candidates nominated by Group A shareholders. In the event that the number of members of the Board of Directors is an odd number, since the number of candidates to be nominated by Group (A) shareholders will be fractional, the fractional number shall be rounded down to the next lower whole number. The members of the Board of Directors to be elected among the candidates nominated by Group A shareholders shall be members other than the independent members specified in the Capital Market Corporate Governance Principles.

The members of the Board of Directors shall elect a chairman and a sufficient number of vice-chairmen from among themselves at their first meeting. The chairman and vice-chairmen whose terms have expired may be re-elected.

As stated in Article 9 of the Company's Articles of Association, each Group A share has 5 voting rights and each Group B share has 1 voting right in the ordinary and extraordinary general assembly meetings of the Company. If a share is jointly owned by more than one person, they may only attend and vote at the General Assembly through a representative to be selected from among themselves or from outside. Representation shall be by power of attorney in accordance with the relevant regulations of the Capital Markets Board.

II. INFORMATION ABOUT THE BOARD OF DIRECTORS and SENIOR EXECUTIVES

a) Information on the Board of Directors, Senior Management and Personnel

BOARD OF DIRECTORS		
Name Surname	Mission	Positions Held Outside the Company as of the Latest Status
Birol Basaran	Chairman of the Board of Directors	-
Tayfun Yurdagul	Vice Chairman of the Board of Directors	-
Nezih Mekiker	Board Member	-
Mustafa Atakay	Independent Board Member	-
Selim Selvi	Independent Board Member	-

- Birol Basaran (Chairman of the Board) ;

Birol Başaran was born in 1956. Between 1975 and 1980, he graduated from METU Mining Engineering Department with a degree of 3.21 out of 4 as the first in his department in a total of 5 years, including one year of English Preparatory Program. Between 1981 - 1983, he completed his master's studies on "Beneficiation of Etibank Beyşehir Barite Deposits" at METU Mining Engineering Department. Between 1983 - 1985, he completed his PhD studies on "Computer Simulation in Mineral Processing" at METU Mining Engineering Department. He worked as a research assistant at METU Mining Engineering Department during his master's degree. Later, he continued his PhD studies by receiving a TÜBİTAK Scientist Training Scholarship. In 1985, he left his PhD studies unfinished and started his professional life at İş Bank.

He started his career as IMS Database Administrator at İşbank between 1985 and 1989. Within the company, he worked on IBM Mainframes in the fields of creating all kinds of Databases on IMS Database, taking backups, ensuring data security and supporting software teams. Between 1989-1994, he worked at Bimsa-Sabancı Holding

He worked as MVS System Programmer. Within the company, management, maintenance and upgrades of z/OS operating systems and ISV products running on these operating systems on IBM Mainframes. In addition, he continued the planning and realization of Mainframe Hardware upgrades. Between 1994-1995, he worked on the management of Otosan Systems and IT team within Otosan-Koç Holding.

He founded VBT Yazılım A.Ş. in June 1993. He worked as Managing Partner - MVS System Programmer and Project Manager in the company.

- Tayfun Yurdağül (Vice Chairman):

Tayfun Yurdağül was born in Sivas on 24.06.1980. He completed his primary, secondary and high school education in Sivas and graduated from Karadeniz Technical University Computer Engineering in 2003.

Since 2003, he has been working as a software specialist, solution architect, Ankara Regional Manager and General Manager at VBT Software Inc.

- Nezih Mekiker (Board Member):

Nezih Mekiker graduated from Hacettepe University, Faculty of Engineering, Department of Electrical and Electronics in 1983.

Between 1986-1988, he worked as Regional Technical Manager at Meteksan (Biltek). Between 1988-1993, he worked as a Technical Specialist at IBM TURK, responsible for the configuration and maintenance of all machines in Izmir and other cities in the Aegean region. Between 1993-2004, he worked as Regional Director at Servus Bilgisayar A.Ş. Between 2005-2007, he worked as Assistant General Manager in the field of Technical Service in the same company. Between 2007 and 2012, he worked as Assistant General Manager at Teknoser Bilgisayar A.Ş. Between 2012 and 2013, he worked as Coordinator Consultant at Netaş. Since 2014, he has been working as Management Consultant and Assistant General Manager at VBT Yazılım A.Ş.

- Selim Selvi (Board Member-Independent):

Selim Selvi graduated from Middle East Technical University, Department of Computer Engineering in 1983. Selim Selvi started his career as a System Analyst at the Ministry of National Education between 1983-1985, worked as a System Programmer at Bimsa Sabancı IT between 1989-1990, and worked at various levels at İşbank IT Department between 1990-2008. Between 2008 and 2010, he worked at SoftTech, a subsidiary of İşbank, and between 2010 and 2018, he worked as General Manager at İşNet, also a subsidiary of İşbank.

- Mustafa Atakay (Board Member-Independent):

Mustafa Atakay graduated from Middle East Technical University, Department of Computer Engineering in 1982. Starting his career as Operations and Services Director at I-Bimsa A.Ş. between 1984-2004, Mustafa Atakay worked as Information Systems Director at Kordsa Global AŞ between 2004-2009, and as IT director and consultant to Turkey's leading companies (Doluca Aş, Tosyalı Holding, Unitem AŞ, Oxford University Pres Ltd and Tat Metal AŞ) between 2010-2021. He worked as IT director and consultant.

b) Senior Management and Staff

The senior management team consists of the Chairman of the Board of Directors and members of the Board of Directors, as well as managers at general manager level.

Senior Management Team	Mission
Tayfun Yurdagul	General Manager
Osman Çaylı	Assistant General Manager.
Zahide Kocyigit	Assistant General Manager.
Sinan Kilic	Assistant General Manager.
Mustafa Turkoglu	Assistant General Manager.
Taner Yildirim	Assistant General Manager.

As of 30.06.2024, total amount of attendance fees and similar benefits provided to the chairman and members of the board of directors and senior management is TL 7.110.363.

Our Company has organized incentives and awards for the participation of personnel in postgraduate and doctoral programs with the R&D Incentives and Protection of Intellectual Art Rights dated 07.05.2021. Agenda dated 07.05.2021; incentives and rewards were arranged for the participation of personnel in graduate and doctoral programs. In addition, a budget for participation in scientific activities was allocated to the R&D unit for personnel access to qualified information.

As of 30.06.2024, the average number of employees working during the year is 331. (December 31, 2023: 320)

c) Authorizations of the Board of Directors and Senior Executives

The members of our Company's Board of Directors and the division of duties were determined at the Ordinary General Assembly dated 10.04.2023. The titles of the members of the Board of Directors and the division of duties are available in the relevant section of our report.

Authorizations regarding the representation and binding of the Company are exercised within the scope of the "Internal Directive on Delegation of Authority, Representation and Binding of the Board of Directors" attached to the resolution dated 10.04.2023 and numbered 2023/16. The resolution regarding the Internal Directive and its annex were registered by the Istanbul Trade Registry Office on 17.03.2022.

Accordingly, pursuant to Article 366 of the TCC, Birol Başaran was appointed as the Chairman of the Board of Directors and Tayfun Yurdagül was appointed as the Vice Chairman of the Board of Directors for a term of 1 year.

Pursuant to the resolution, the authorized signatories of the Company are the persons whose names, surnames and titles are given below;

Name Surname	Title	Form of Authorization
Birol Basaran	Chairman of the Board of Directors	Unlimited/Individual
Tayfun Yurdagul	Vice Chairman of the Board of Directors	2nd Degree
Mustafa Turkoglu	Assistant General Manager	2nd Degree
Zahide Kocyigit	Assistant General Manager	2nd Degree

Osman aylı	Assistant General Manager	Grade 3
Nezih Mekiker	Board Member	Grade 3

With the individual signature of Birol Bařaran, Chairman of the Board of Directors, under the company stamp or title

is authorized to represent and bind the company in the broadest manner,

Tayfun Yurdağul has been appointed as the 2nd Degree Signature Authority with the title of General Manager and his authorities are published in the Internal Directive of the Board of Directors dated 08.03.2022 and numbered 2022/11 published in the Trade Registry Gazette dated 08.03.2022 and numbered 10539.

Mustafa Türkođlu has been appointed as the 2nd Degree Signature Authority with the title of Assistant General Manager and his authorizations were published in the Internal Directive of the Board of Directors dated 08.03.2022 and numbered 2022/11 published in the Trade Registry Gazette dated 08.03.2022 and numbered 10539.

Zahide Koçyiđit has been appointed as the 2nd Degree Signature Authority with the title of Coordinator and her authorities are published in the Internal Directive of the Board of Directors dated 08.03.2022 and numbered 2022/11 published in the Trade Registry Gazette dated 08.03.2022 and numbered 10539.

Osman aylı has been appointed as the 3rd Degree Signature Authority with the title of Assistant General Manager and his authorities are published in the Internal Directive of the Board of Directors dated 08.03.2022 and numbered 2022/11 published in the Trade Registry Gazette dated 08.03.2022 and numbered 10539.

Nezih Mekiker has been appointed as the 3rd Degree Signatory Authority with the title of Board Member and his authorizations were published in the Trade Registry Gazette dated 18.04.2023 and numbered 10814, and were subject to the Management Decision dated 10.04.2023 and numbered 2023/16 and the Internal Directive dated 08.03.2022 and numbered 2022/11.

Taner Yıldırım has been appointed as the 3rd Degree Signature Authority with the title of Assistant General Manager and his authorizations have been published in the Internal Directive of the Board of Directors dated 08.03.2022 and numbered 2022/11 published in the Trade Registry Gazette dated 08.03.2022 and numbered 10539.

d) List of Access to Inside Information

Our Company's list of those who have access to inside information is as follows.

Sequence No.	Name Surname	Company Employed	Mission	Date of Access to Insight	Administrative Responsibility (VBT Software Inc.)
1	Birol Basaran	Vbt Software Inc.	Board of Directors President	16.03.2021	There is
2	Nezih Mekiker	Vbt Software Inc.	Board of Directors Member	16.03.2021	There is
3	Selim Selvi	Vbt Software Inc.	Independent Directors Board Member	16.03.2021	No
4	Mustafa Atakay	Vbt Software Inc.	Independent Directors Board Member	24.03.2021	No
5	Tayfun Yurdagul	Vbt Software Inc.	General Manager	16.03.2021	There is
6	Mustafa Turkoglu	Vbt Software Inc.	General Manager Assistant	16.03.2021	There is
7	Osman Çaylı	Vbt Software Inc.	General Manager Assistant	16.03.2021	There is
8	Mehmet Sinan Sword	Vbt Software Inc.	General Manager Assistant	16.03.2021	There is
9	Taner Yildirim	Vbt Software Inc.	General Manager Assistant	03.01.2022	There is
10	Zahide Kocyigit	Vbt Software Inc.	Director	21.11.2022	There is
11	Özlem Nazlı Arikan	Vbt Software Inc.	Investor Relations Manager	03.01.2022	There is

e) Committees

With the decision dated 06.05.2024 and numbered 2024/08, in order to ensure that our Board of Directors fulfills its duties and responsibilities in a healthy manner in accordance with Article 4.5.1 of the Capital Markets Board's Corporate Governance Principles (CGP), which is included in Annex (1) of the Capital Markets Board's Corporate Governance Communiqué (CGD), within our Board of Directors;

- (a) Audit Committee
- (b) Early Detection of Risk Committee and
- (c) Establishment of a Corporate Governance Committee;

Pursuant to Article 4.5.1 of the CG Code, the Board of Directors has also resolved to establish a Nomination Committee and a Remuneration Committee within the Board of Directors and that the duties of these two committees shall be fulfilled by the Corporate Governance Committee and that the members of the committee shall be determined as follows.

Audit Committee Members; Selim Selvi (Chairman), Mustafa Atakay (Member)

Early Detection of Risk Committee; Selim Selvi (Chairman), Mustafa Atakay (Member)

Corporate Governance Committee Selim Selvi (Chairman), Mustafa Atakay (Member), Özlem Nazlı Arıkan

f) Policies Implemented

Within the scope of Corporate Governance Policies, our Company has determined the following policies and published them on the Public Disclosure Platform (PDP) and on the corporate website (www.vbt.com.tr);

- Dividend Distribution Policy
- Donation and Aid Policy
- Remuneration Policy
- Disclosure Policy

Corporate Governance Principles Compliance Report

Our Company is fully committed to the four fundamental principles of Corporate Governance: fairness, transparency, accountability and responsibility.

The Audit, Corporate Governance, Early Detection of Risk Committees and their duties and working principles, as well as profit distribution, disclosure and remuneration policies, have always been established and constituted to realize these objectives, as in all other publicly traded companies. Our Company carries out its activities under the supervision and audit of all regulatory bodies and public authorities, particularly the CMB.

The "Investor Relations Department", which was established as required by the legislation in order to fulfill the obligations arising from the CMB legislation within the framework of the rules determined by the legislation and to carry out the activities more effectively, continues to work in communication with all departments, including the Financial Affairs and Legal departments, in order to protect and facilitate the exercise of shareholders' rights, especially the right to obtain and review information.

In the activity period ending on June 30, 2024, the corporate governance principles included in the annex of the Corporate Governance Communiqué and required to be implemented by the relevant legislation were adopted and implemented by our Company.

Although it is aimed to fully comply with the corporate governance principles that are not mandatory under the relevant legislation, difficulties encountered in practice regarding the distribution of members in the committees in terms of the number of board members, the number of members of the board of directors, liability insurance for board members, disclosure of financial rights of senior executives on an

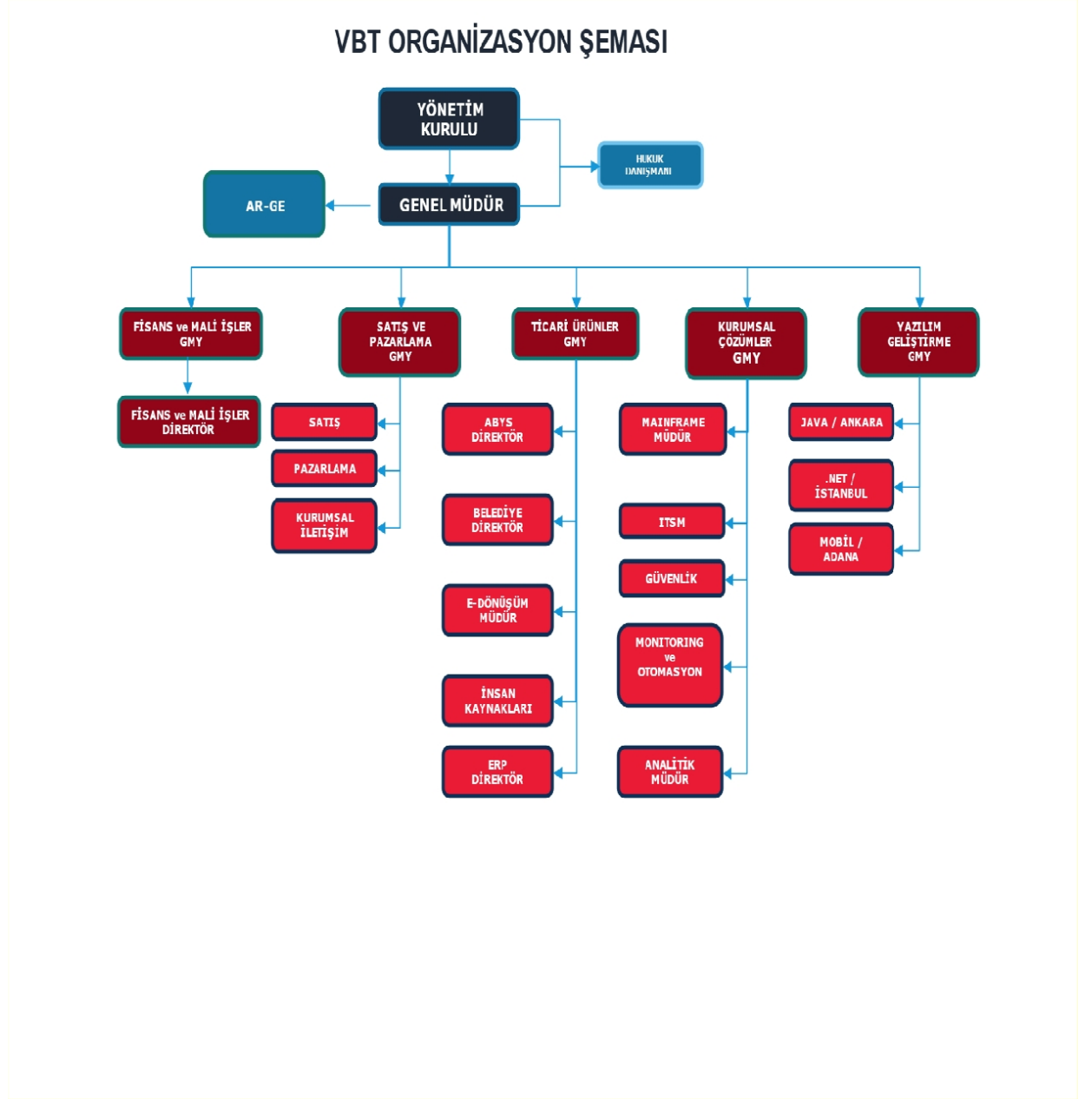
individual basis, and the current structure of the market and the Company and the current structure of some principles.

There are no conflicts of interest between the stakeholders as of the current situation regarding the corporate governance principles that have not yet been fully complied with.

In the future, efforts will continue to improve our corporate governance practices, including the better operation of mechanisms within the framework of these principles and the limited number of voluntary principles that could not be put into practice.

The principles set out in the Corporate Governance Principles Compliance Report published by the Capital Markets Board (CMB) were complied with in the 01.01.2024 - 30.06.2024 operating period.

g) Management and Administrative Structure



III. INFORMATION ON COMPANY ACTIVITIES

a) Information on Shares Acquired

Our Company does not have a "Share Buyback Program" initiated as of the report date.

b) Information on Private and Public Audit

The Company's financial statements and legal declarations prepared in accordance with the Tax Procedure Law are routinely and regularly prepared by Teknik Yeminli Mali Müşavirlik ve Denetim A.Ş., from which we receive consultancy within the scope of Corporate Tax Full Certification.

At the Ordinary General Assembly Meeting held on 07.06.2024, Ecovis Değer Bağımsız Denetim ve Yeminli Mali Müşavirlik A.Ş. was elected as the Independent Audit Firm (Auditor) to carry out the audit and other activities within the scope of the Turkish Commercial Code, Capital Markets Legislation and other relevant legislation for the accounting period of 2024.

c) Information on Ongoing Legal Proceedings

There are no lawsuits filed against the Company that may affect the financial position and operations of the Company.

d) Sanctions Imposed Under the Legislation

There are no administrative or judicial sanctions imposed on the Company or the members of the Board of Directors due to practices contrary to the provisions of the legislation.

e) Donations and Aids

For the period 01.01.2024 - 30.06.2024, there are no donations and grants.

f) Information on the Group to which the Company belongs

Our Company is not affiliated to any group of companies.

g) Legislative changes that may affect the Company's activities

Law No. 7263, which includes amendments regarding R&D and innovation activities in Technology Development Zones and R&D/design centers, was published in the Official Gazette dated 3 February 2021. Accordingly, the incentive periods provided for Technology Development Zones and R&D / design centers have been extended until 31.12.2028.

h) Information on Subsidiaries & Associates VBT

Akademi A.Ş. (100%)

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 Ataşehir - İstanbul.

VBT Akademi A.Ş. has participated in the establishment of STONEİTY Yazılım A.Ş., which was established on 05.04.2021 with a capital of TL 200.000, and made a capital commitment of TL 40.000 corresponding to 20% of the establishment capital. 25% of the committed capital was paid in cash at the establishment.

These associates and subsidiaries are included in the scope of consolidation as of the date of acquisition and consolidated on a line-by-line basis.

Phexum Yazılım A.Ş. (30%)

The Company was established on February 6, 2017 under the name "Phexum Yazılım Limited Şirketi". The company is registered with the Istanbul Trade Registry Office with the registration number 69601-5. 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 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 Mh. Üsküdar-İçerenköy Yolu Cd. Bodur İş Mer. Bl. N:8/11 Ataşehir.

The capital of Phexum Yazılım A.Ş. is divided into 50.000 shares, each with a value of TL 1, with a total value of TL 50.000. VBT Yazılım A.Ş. is a shareholder of Phexum Yazılım A.Ş. with 15.000 shares of TL 1 each, amounting to TL 15.000.

VBT Yazılım A.Ş. owns 30% of the shares of Phexum Yazılım A.Ş. and was consolidated by equity method in prior periods. Since VBT Yazılım A.Ş. has sold its shares in Phexum Yazılım A.Ş. as of June 30, 2024, VBT Yazılım A.Ş. is not included in the consolidation according to the equity method in the current period.

VBT Software UK Limited

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

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

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

The share capital of the Company is GBP 50.000 and VBT Software A.Ş. is 100% owned by VBT Software UK Limited.

has a share in the subsidiary. As of 30.09.2021, the aforementioned subsidiary is consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

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 provide 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.. As of 30.06.2024, no capital commitment payment has been made for this subsidiary.

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.

English Guru LLC

With the decision of the Board of Directors of our Company dated 14.06.2022, a contract was signed for the acquisition of 20% of the shares of ENGLISH GURU LLC, a company established in accordance with the laws of the United States of America, managed from Turkey, headquartered at Woodport RD STE A 336 SPARTA NJ 07871-2611-999, registered with the registration number 32-0646571, operating in the Online Language Sector, for USD 100,000.00.

The Company was established with "0" capital in accordance with the relevant legislation. VBT Yazılım A.Ş. has become a 20% shareholder of the Company for USD 100.000 in accordance with the partnership agreement. The aforementioned

The associate has been included in the scope of consolidation for the first time as of 31.12.2022 and is accounted for using the equity method.

consolidated.

VBT Software DE GmbH

With the decision of the Board of Directors of our Company dated 28.02.2022, it has been decided to establish a company with a capital of EUR 100.000 in Germany with the title of VBT Software DE GmbH in order to develop the software activities of our company, and the subsidiary in question has been included in the scope of consolidation for the first time as of 30.09.2022 and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

16.12.2022, according to the decision of the board of directors taken on 16.12.2022, the capital of VBT Software DE GmbH

EUR 100.000 to EUR500.000 from EUR 100.000. The shareholding rate in VBT Software DE GmbH, a subsidiary of our Company, has been maintained as 100.00%.

Kpay Payment Technologies Consulting San.ve Tic. A.S.

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 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, each consisting of 214.286 shares with a nominal value of TL 1.

VBT Yazılım A.Ş. owns 30% of KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. and consolidated by equity method. Vbt Yazılım A.Ş. has acquired its shares in KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. as of June 30, 2024, Vbt Yazılım A.Ş. is not included in the consolidation according to the equity method in the current period.

Vizyon Teknik San.ve Tic. A.S.



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/İstanbul. The share capital of the Company is TL 50.000 and VBT Yazılım A.Ş. has become a 50% shareholder of Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş., which has a total share capital of TL 25.000 consisting of 500 shares with a nominal value of TL 100 each.

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.

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 consulting activities and data processing and storage activities.

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

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.

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 capital of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. is increased from TL 16.000.000 to TL 20.000.000 with the General Assembly Decision dated June 16, 2022.

It is divided into 20.000.000 shares with a total value of TL 20.000.000. As of December 31, 2022, VBT Yazılım A.Ş. has given shares of TL 1 each to Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. It participates with 10.000.000 shares amounting to TL 10.000.000.

In prior periods, VBT Yazılım A.Ş. has 50% share in Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. and consolidated by equity method.

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 has not been included in the consolidation in the current period since its partnership in the said company has ended.

VBT MEA Computer Software Trading LLC

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

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

The Company's share capital is AED 300.000 and VBT Yazılım A.Ş. owns 100% of the shares of VBT MEA Computer Software Trading LLC. This subsidiary is recognized for the first time as of 30.06.2024.

VBT Yazılım A.Ş. is included in the scope of consolidation and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

i) Amendments to the Articles of Association During the Period

None.

Transactions with Related Parties during the Period A-

Receivables and Payables

Receivables

a-Trade Receivables / Short-Long Term

The Company has no short-term trade receivables from related parties as of the balance sheet date (December 31, 2023-TL 31.792).

a- Trade Receivables / Short-Long Term

Name-Surname/Title	Partnership/Party Qualification	June 30th 2024	December 31 2023
Vizyon Teknik Bilgi Sis. ve İnsan Kay. INC.	Subsidiary	-	31.792

b- Other Receivables

-Short Term

Name-Surname/Title	Partnership/Party Qualification	June 30th 2024	December 31 2023
Birol Basaran	Partner	19.958	30.659.474
Zahide Kocyigit	Partner	-	25.882.427
KPAY Payment Tek. Dan. San.ve Tic. A.S.	Subsidiary	2.935.964	-
Total		2.955.922	56.541.901

Long Term

Name-Surname/Title	Partnership/Party Qualification	June 30th 2024	December 31 2023
Vizyon Teknik Bilgi Sis. ve İnsan Kay. INC.	Subsidiary	735.955	917.990

c-Prepaid Expenses / Short Term



Name-Surname/Title	Partnership/Party Qualification	June 30th 2024	December 31 2023
Personnel Advances	Related Person	3.471.642	5.966.386
Buz İletişim Hiz.San.ve Tic. A.S.	Subsidiary	-	11.396.809
Total		3.471.642	17.363.194

d-Deferred Income / Short Term

<u>Deferred Income from Related Parties</u>	June 30, 2024	December 31, 2023
Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	195.273	-

The Group has no long term prepaid expenses to related parties (December 31, 2023-None).

Payables

The Group has no short-term and long-term payables to related parties as of the balance sheet date (December 31, 2023 - None).

B-Related Party Purchases-Sales

- Service Sales

Name-Surname/Title	Partnership/Party Qualification	01.01.2024-30.06.2024	01.01.2023-30.06.2023
Buz İletişim Hiz.San.ve Tic. A.S.	Subsidiary	-	25.585

- Service Procurement

Name-Surname/Title	Partnership/Party Qualification	01.01-30.6.2024	01.01-30.6.2023
Phexum Yaz. INC.	Subsidiary	2.396.681	3.291.171
Stoneity Software Inc.	Subsidiary	513.575	751.438

Vizyon Teknik Bilgi Sis. and Human Resources A.S.

Subsidiary

1.170.836

-

Total

4.081.091

4.042.609

IV. RESEARCH AND DEVELOPMENT ACTIVITIES

The list of projects carried out by VBT Yazılım A.Ş. within the scope of research and development within the period 01.01.2024 - 30.06.2024 in its Istanbul R&D branch is listed below.

Project Name	Start Date	End Date
Veduline - Online Interactive Education Platform	01.07.2020	30.06.2022

Project Summary / Objective

Veduline is a system developed for distance education and virtual classroom technologies. Designed to serve Turkey's leading institutions, Veduline uses the company's self-developed domestic and national (meetoz) video call infrastructure and is designed as an uninterrupted education tool. Veduline can also be used by companies, staff and schools. With Veduline, you can hold online meetings and webinars, schools can use it as an e-learning environment or organizations can plan in-house staff trainings.

There are no limitations for e-learning on Veduline. You can create as many courses as you want, and content such as documents, videos and presentations can be added to these courses.

Educators, Schools, Institutions can prepare pre-lesson questions and tests and make education more interactive. Veduline, which also offers users the opportunity to assign assignments and tasks specifically for users, also provides opportunities such as announcements, comments and surveys for each lesson.

Veduline is a system that offers digital education and course management in the best way with its cloud technology infrastructure. Developed in accordance with today's education system, Veduline makes e-learning activities of all educational institutions even easier.

Project Name	Start Date	End Date
Doktorv1- Online Interactive Health Platform	01.07.2020	30.06.2022

Project Summary / Objective

Telehealth is the distribution of health-related services and information through electronic information and telecommunication technologies. It enables long-distance patient and clinician contact, care, advice, reminders, education, intervention, monitoring and remote admissions. Instead of telehealth, Telemedicine is sometimes used as a synonym or a more limited

is used to describe remote clinical services such as diagnosis and monitoring. When rural settings, lack of transportation, lack of mobility, reduced funding or staff shortages restrict access to care, telehealth can fill this gap. Telehealth can involve two clinicians discussing a case over video conferencing; robotic surgery via remote access; physical therapy through a combination of digital monitoring tools, live feedings and administration; tests transmitted between facilities for interpretation by a higher specialist; home monitoring through continuous delivery of patient health data; client-to-practitioner online conferencing; or even video telephone interpretation during a consultation. This approach has evolved dramatically over the last decade and has become an increasingly important part of healthcare infrastructure around the world and in our country.

With the impact of COVID-19, remote clinical services have become widely used in the health sector. At this point, we started the development of our product DOKTORVI and brought it to the pilot stage. Designed to serve Turkey's leading institutions DOKTORVI, which uses the company's self-developed domestic and national (meetoz) video call infrastructure, is designed to provide health-related services with remote video and voice communication.

DOKTORVI allows healthcare professionals to assess, diagnose and treat patients remotely using telecommunication technology.

Recognizing this gap in the sector, we have started R&D activities together with COVID-19, and the DOKTORVI pilot application will start its operations in a short time. It is planned to integrate not only health-related services and information as a product through electronic information and telecommunication technologies, but also systems that will enable remote monitoring and control of patients with wearable technologies (IoT), and R&D studies are being carried out on this subject. DOKTORVI aims to bring together healthcare professionals and patients of different languages in different locations and countries online and is conducting R&D studies on live language translations to improve communication quality.

Project Name	Start Date	End Date
Meetoz - Online Video Calling Platform	01.07.2020	30.06.2022

Project Summary / Objective

With the impact of COVID-19, a transition to a new order where sustainable technologies are at the forefront is foreseen all over the world. While creating their future plans, companies will focus on achieving more inclusive and sustainable results, and will prefer to take a proactive role to create long-term value.

Project Name	Start Date	End Date
Flerpi: Enterprise Resource Planning Software (ERP) (Mobile, IoT, Artificial Intelligence)	01.01.2020	30.06.2022

Project Summary / Objective

In today's competitive market conditions, it has become essential for enterprise resource planning software to be competitive and dynamic. In this context, considering that approximately 80% of the software currently used is based on old and static structures, a competitive software developed with the latest technologies, compatible with mobile devices, in current market conditions has become a necessity for almost all companies.

In accordance with these requirements, Flerpi Enterprise Resource Planning software, which is created by blending the experience infrastructure and modern technology, which is indispensable for resource planning software, has been rewritten with the software languages and database structure, which is the most supported, most appreciated for its security and reliability in the world, on a solid accumulation of 16 years, and it is planned to be ready for the appreciation of business circles in a short time.

In the process of the business world's mandatory adaptation to remote working methods after the pandemic, the software, which aims to gain a solid place in the market with its accessibility from any environment, also offers very important advantages in customization by offering development tools within the software to companies with different needs.

Flerpi ERP, which incorporates the indispensable needs of today's competitive conditions such as e-commerce and marketplace integrations, which are almost impossible to manage with traditional software, in a user-friendly manner, stands out one step forward with these features.

Finally, our company, which has one of the most deep-rooted experience in e-transformation in Turkey, has a precise and simple solution for all e needs by carrying these capabilities to enterprise resource planning software.

Project Name	Start Date	End Date
Performance Measurement with Artificial Intelligence in Human Resources	01.07.2020	30.06.2022

Project Summary / Objective

Since the early 21st century, extraordinary advances in technology have increased the diversity of technologies while at the same time facilitating companies' access to technology. While these developments have created an intense competitive environment, they have brought the role of human resources management to a central position.

One of the most important jobs of HR professionals, whose role has become central in achieving the goals of organizations, is to measure the performance of their employees and to increase their effectiveness and efficiency by making the highest possible use of their talents.

In today's competitive environment, it has become inevitable to make analytically supported decisions while aiming to increase productivity by evaluating the performance of employees in an agile, lean and transparent manner. With Artificial Intelligence-based algorithms, not only past performance indicators but also future performances should be modeled and predicted. Performance needs to be monitored in real time, not just at certain times of the year.

With the artificial intelligence-supported performance system, which is among our project plans, it is possible to see real-time performance, make future predictions with machine learning, minimize evaluation periods, and prevent personalization.

Project Name	Start Date	End Date
Software Developer Effort and Quality Analytics Product	01.07.2020	30.06.2022

Project Summary / Objective

With digitalization all over the world, software needs are rapidly increasing in every sector. In order to respond to this demand, software development processes need to be of high quality and fast. A fully automated system is needed to measure and evaluate software development personnel and software standards. Thanks to this software, it is aimed to make this follow-up with a smart system that everyone can follow with big data technologies and visualization tools. One of the most important costs in software projects is maintenance cost. With this system, it is aimed to minimize these costs by producing high standard software.

The main idea is to collect quality and effort metrics from commercially available devops environments and tools to enable continuous review and monitoring of application quality and project standards. For this purpose, a software will be developed that will enable automatic tracking of software developers and software code, accurate performance measurements with full automation and quality measurement of the software written.

Project Name	Start Date	End Date
Testops Software	01.07.2020	30.06.2022

Project Summary / Objective

In the world of software development, speed and quality are words that are becoming more and more important every day. Here, the importance of test operation is increasing day by day. However, due to cost, project duration and human resource limitations, testing is often a problem in projects. We are considering the development of a software that automates the writing of test processes from the beginning to the end and the execution of tests as much as possible.

Internalization of the ones to be used from open source projects working on piecemeal testing in the sector. It is planned to develop an application that enables the creation and execution of unit, functional, performance tests used from a single screen. In almost all of the existing libraries that provide test automation, this process is provided by writing almost a software with the help of scripts. Since this situation consumes a lot of time and resources, test automation scripts cannot be written except for the most critical screens and functions. With the software to be developed, this process is expected to be much faster and can be done by non-software personnel.

Project Name	Start Date	End Date
Open Source (ZOWE) Statistics and Log Collection on Mainframe	01.07.2020	30.06.2022

Project Summary / Objective

Managing today's mainframes has become increasingly complex. Mainframe customers are struggling to meet mission-critical challenges such as better performance and 24/7 availability, while at the same time dealing with challenges such as a shortage of experienced staff.

This product is a forward-looking tool that helps to mitigate problems that occur in mainframe environments before they affect business continuity. With the Machine Learning algorithms used, it detects what is normal, what is abnormal and diagnoses the possible root cause.

Using Machine Learning algorithms, this product detects anomalies and problems that may cause problems in advance, preventing system slowdowns and interruptions. It analyzes many variables at the same time and correlates them with each other. This instant monitoring prevents problems from being overlooked. It also detects false-positive messages and warnings, allowing focus on real problems. Learning time can be reduced with domain experts and data scientists in organizations.

The key features of the product to be developed will be as follows:

- **Proactive Alarm:** Sends notifications about a potential problem before it happens
- **Multivariate Analysis:** Simultaneously collects and analyzes cross-domain metrics so nothing is missed.
- **Domain Expertise:** Data Science and Domain Expertise determines the highest level of detection value and important metrics for making predictions. Instead of collecting and evaluating unnecessary metrics, it enables working with the necessary and correct metrics. This prevents wasting machine capacity (MIPS).
- **Adaptive Learning:** As different data and metrics are collected from different sources in complex systems learning algorithm feeds and produces intelligent results to support you.

Project Name	Start Date	End Date
Sports Equipment Usage Reporting, Forecasting and Optimization	01.07.2020	30.06.2022

Project Summary / Objective

The competitive conditions brought about by globalization require investors to be instantly informed about all technological developments.

and to anticipate and anticipate possible innovations. In this context, accurate demand forecasting at the right time has become one of the most important factors for companies to stand out in a competitive environment.

Demand forecasting is a research method applied in almost all fields, especially in the energy, manufacturing, food, industry, health, agriculture and tourism sectors. It is very important for businesses to forecast demand accurately. Because under-forecasting demand will lead to customer, prestige and financial losses, while over-forecasting demand will lead to different losses such as inventory holding costs. The estimation and optimization of the utilization rates of the equipment in the sports halls, which are the subject of our project, will shed light on the enterprises in terms of making investments and increasing the comfort areas of the customers and minimizing the waiting times of the customers for the equipment.

The use of gyms is becoming more and more popular day by day. In this context, membership rates in the health and fitness market are increasing year by year. In this context, the 2016 EuropeActive European Health and Fitness Market Report (EuropeActive European Health and Fitness Market Report) includes European health and fitness analysis to date. According to the report, Eastern European countries such as Russia, Turkey and Poland are among the top 10 countries in this report, despite the low membership rates and growth rates in the previous period. This shows that they have high growth potential in the medium and long term.

Within the scope of this project, it is aimed to analyze the training habits, training frequencies, equipment usage hours and equipment usage times of customers using a gym in the past dates and to analyze them by estimation method. As a result of this study, it is aimed that businesses can create their business plans in the coming years, prepare their weekly and annual leave plans, and foresee the workforce needed. It is even aimed to increase their revenues by increasing the number of subscribers with advertisements and campaigns in the months with low usage by using the forecasting data to be made within the scope of this study.

V. FINANCIAL INFORMATION

a) Information on Financial Situation and Operations

As of 30.06.2024, total assets of VBT Yazılım A.Ş. is **TL 923.548.840** and shareholders' equity is **TL 664.523.537**. Equity attributable to the parent company is **TL 666,216,193** and non-controlling interests are **TL (1,692,656)**. In the period of 30.06.2024, our Company realized a profit for the period **amounting to TL 41,217,092**, all of which belongs to the Parent Company.

As of 30.06.2024, revenue is **TL 1.101.086.823** and as of 30.06.2023, revenue is **TL 1.912.006.995**.

b) Summary Financial Information

Summary Balance Sheet (TL)	30.06.2024	31.12.2023
Current Assets	717.315.273	681.464.520
Cash and Cash Equivalents	171.832.522	204.569.581
Financial Investments	86.440.303	75.944.956
Trade Receivables	247.420.280	162.939.712
Other Receivables	19.134.984	58.254.467
Stocks	110.289.811	72.427.637
Prepaid Expenses	81.398.444	107.100.287
Current Period Tax Related Assets	359.675	-
Other Current Assets	439.254	227.880
Fixed Assets	206.233.567	270.621.248
Total Assets	923.548.840	952.085.768
Short Term Liabilities	243.881.480	303.893.932
Long Term Liabilities	15.143.823	23.589.201
Equity attributable to Parent Company	666.216.193	625.962.141
Non-controlling Interests	(1.692.656)	(1.359.506)
Total Resources	923.548.840	952.085.768

Summary Income Statement (TL)	30.06.2024	30.06.2023
Revenue	1.101.086.823	1.912.006.995
Gross Profit	263.711.338	122.306.742
Operating Profit	127.598.532	89.455.354
Other Operating Income	25.485.863	63.918.431
Other Operating Expenses	(14.106.626)	(11.914.392)
Before Finance Income/Expense		
Operating Profit (Loss)	135.894.127	82.423.488
Financing Revenues	25.394.969	60.269.491
Finance Expenses	(9.463.040)	(4.609.223)
Net monetary position gains (losses) (+/-)	(112.947.289)	(43.070.394)
CONTINUING OPERATIONS TAX		
PROFIT (LOSS) BEFORE	38.878.767	95.013.362
Tax (Expense) Income from Continuing Operations	2.005.163	(27.111.60)
NET PROFIT (LOSS) FOR THE PERIOD	40.883.93	67.901.761
Parent Company Shares	41.217.092	68.375.952
Non-controlling Interests	(333.162)	(474.190)

c) Information on Dividends

The dividend distribution of our Company is made upon approval by the General Assembly within the framework of the Dividend Distribution Policy determined in accordance with the provisions of the Turkish Commercial Code, Capital Markets Law and relevant legislation and the Articles of Association.

At the Ordinary General Assembly meeting of the Company held on 07.06.2024;

The consolidated financial statements for the accounting period 01.01.2023-31.12.2023, prepared by our Company in accordance with the Capital Markets Board's II.14.1 numbered "Communiqué on Principles Regarding Financial Reporting in Capital Markets" of the Capital Markets Board and independently audited by Kavram Bağımsız Denetim ve Danışmanlık A.Ş. According to our consolidated financial statements for the accounting period 01.01.2023-31.12.2023, which were prepared by our Company in accordance with the "Communiqué on Principles Regarding Financial Reporting in Capital Markets" numbered II.14.1 and independently audited by Kavram Bağımsız Denetim ve Danışmanlık A.Ş., distributable profit after tax is TL 90,556,731.10 and according to our

individual financial statements prepared in accordance with the relevant provisions of the Turkish Commercial Code and Tax Procedure Law No. 213, net profit after tax is TL 182,521,180.10. (The amount consists of amounts not carried forward according to inflation adjustment)

However, by evaluating the conditions stipulated in the Company's dividend distribution policy, and taking into consideration the current economic conjuncture, the Company's long-term strategies, investment, cash flow and financing policies, and the long-term interests of our shareholders, our Company and our employees, it has been resolved at the Ordinary General Assembly meeting not to distribute the distributable profit for the fiscal year 2023 in order to strengthen the financial structure and not to create a new financing need, and to transfer it to the retained earnings account.

VI. RISKS AND BOARD OF DIRECTORS' ASSESSMENT

The risks that may affect our Company and its financial investments are identified as follows.

a) Risks Arising from the Sector

- There are legal regulations and limitations that VBT must comply with. VBT operates in the software sector. There are some privileges and concessions granted by the government to the sector. Over time, these privileges and concessions may be abolished or the privileges and concessions granted to VBT may be reduced or completely eliminated.
- VBT's activities may be adversely affected by economic instability: Political and/or economic instability may occur in the world and in our country. VBT Software and the sector in which it operates may be adversely affected and its activities may slow down.

b) Risks Arising from Operations

- The Issuer operates and sells in the public and private sectors. In 2018 Of the TL 88,621,067 in sales, 62% came from public sector revenues and 38% from private sector revenues. For 2019, these figures were realized as 24% public and 76% private sector. For 2020, these ratios have reached a homogeneous distribution of 48% public and 52% private sector. The Company has no related party sales that would have a significant impact on these ratios. Since the Company works with public institutions, it may be adversely affected by the delay of payments and progress payments in ongoing projects due to the austerity measures that may occur in the public sector due to the economic volatility that may occur in the country and the changes in management that may occur due to political instability. In terms of the private sector, in the event of a possible crisis in the market, the real sector

The economic effects may affect the Company's ability to collect. In addition, the Company may experience loss of turnover and profitability if contracts with existing customers cannot be renewed or new customers cannot be acquired. The bidding phase of the tenders and projects in which the Company participates and the realization periods of the projects may exceed the foreseen periods. VBY Software generates sales revenue mainly by winning tenders or submitting project proposals to its customers. If, due to reasons beyond the control of VBT Software, the processes at the bidding stage are prolonged or the projects are realized in a longer period than the targeted period, the profitability that the company plans to obtain from the project may be adversely affected.

- In the event that qualified personnel leave the Company for a job with better conditions and/or for other reasons, the specialized personnel required for new projects may not be procured in a timely manner. In addition, the competitiveness of the Company directly depends on the currency of the knowledge of these personnel. The aforementioned situations may adversely affect the operations of the Company, which relies on specialized personnel to carry out its business, and the Issuer's operations may be suspended, stopped altogether or the costs of the personnel to be replaced may be higher. This may lead to an increase in operational expenses and a decrease in profitability.
- The Company may not be able to fulfill its obligations under the contracts it has signed in full and on time for various reasons. In this case, the Company may face penal sanctions and its operations, financial position and results of operations may be adversely affected.
- The Company mainly generates sales revenue from tenders and projects. At the end of the contract periods, there is a risk that the Company may not win these tenders again or that the tenders may not be repeated. In accordance with the Public Procurement Law No. 4734, in open tenders to be held in accordance with the Public Procurement Law No. 4734, the company that offers the best price among the companies that qualify wins the tender. If the qualification requirements are not met or lost, participation in tenders will not be possible. There is a risk that the Company may not be awarded the projects again due to reasons such as failure to provide the appropriate price in the tender and/or bidding processes or a possible inaccuracy or deficiency in the documents included in the tender and/or bidding documents. Situations such as prolongation of the processes during the bidding phase or completion of the projects in a longer period of time than the work plan, failure to meet the tender criteria, failure to win the tenders may adversely affect the Company's operations and profitability. In addition, material errors in the evaluation of tender specifications and/or bid preparation processes

The expenses and costs of the work may be miscalculated, and/or the Company may overlook or misjudge items in the specification requirements that it cannot fulfill its commitment with its product or existing organization. These and similar situations may cause the Company to fail to fulfill its commitment, face unforeseen costs, and experience legal and/or financial problems. Failures may occur in the operation of software and business support systems developed by the Company. Failures may occur in the operation of software and business support systems developed by VBT Software. Company personnel may have to work for long periods of time to correct these problems.

c) Other Risks

The Company's activities expose it to various financial risks other than those described above. These risks are collection risk, liquidity risk, cost increase and competition risk.

Collection Risk: Failure to make payments/receipts on time due to financial difficulties in the public and private sectors may adversely affect the Company's financial position. Situations such as concordat and bankruptcy that may be experienced by companies especially in the private sector due to economic problems may affect payments. Contracts may be canceled due to the closure of contracted institutions/organizations or other reasons not caused by the Company. Due to the failure to fully fulfill the conditions specified in the contracts, deductions may be made from the contract prices even after the works are completed. In addition, there is a risk that in case of a possible dispute with the customers in contracts where the work price is not specified in full, there is a risk that the work price cannot be collected in full. These and similar situations may cause problems in the Company's fulfillment of its obligations and may adversely affect its profitability and financial position.

Liquidity Risk: The Company may have to use additional loans in case of insufficient working capital for new software and new investments. If the Company uses loans, the profitability rate may decrease due to the increase in financial expenses. The Company may use foreign resources to make payments on time. In addition, the Company also uses foreign resources for personnel salary payments. The Company may not be able to obtain or use loans for various reasons. Failure to obtain the required external financing or failure to obtain it under the desired conditions may adversely affect the Company's profitability and financial position. As of 2024, the Company has current assets of TL 717,315,273, short-term liabilities of TL 243,881,480 and working capital of TL 473,433,793 (current assets - short-term liabilities).

Cost Risk: The Company's profitability may be adversely affected by additional costs that may arise due to competition in the sector, as well as cost increases that may arise due to exchange rate differences in the software development and support costs offered by the Company and outsourced software and hardware such as database and security licenses.

Competition Risk: The Company operates in the R&D intensive IT sector. Therefore, maintaining its market share in the sector is largely dependent on developing innovative and customized products and services. In the event that competitors develop or launch new technology products developed abroad, the Company may not be able to develop products that can compete with them in a very short period of time. Competition with smaller companies in the sector with lower production costs or aggressive sales policies of competitors may drive down sales prices. In addition, as a result of rapid developments in technology, the technologies used by the Company may become obsolete and the Company may need to make unforeseen new investments for these new technologies. This may increase the Company's general costs and adversely affect its profitability.

d) Risk Management

The Company has risks arising from tenders and contracts. In addition, the Company's risk management program generally focuses on minimizing the potential adverse effects of uncertainty in financial markets on the Company's financial performance.

VII. OTHER MATTERS

Developments During the Period

- Our company VBT Yazılım A.Ş. has reached an agreement with a private bank located in Turkey for the supply of "Data Storage Network Infrastructure Renewal". The total value of the contract is USD 2.800.000,00 + VAT.
- Our company VBT Yazılım A.Ş. has reached an agreement with a private bank located in Turkey for the supply of "Network Infrastructure Hardware". The total value of the contract is USD 2.045.000,00 + VAT.

- The tender for Medula and Insurance Databases Software License Update and Support Maintenance service procurement of the Turkish Social Security Institution (SSI), which is one of the projects that our company participated in the tender, has been concluded and our company was notified with the Decision Letter that we were the company that offered the best price. The cost of the work is 111.370.000 TL + VAT.
- Our company received a support service order from our customer operating in the automotive sector on Automation and Business Solutions software and started to work.
- Our company received a license maintenance order for Automation and Business Solutions software from our customer operating in the automotive industry.
- Our company received a software development project service order from our customer operating in the automotive sector regarding Order Processes and started to work.
- Our company has received a 3-year software renewal order for Server Infrastructure Automation from our customer who provides system and infrastructure support services based in Turkey. The contract value is 330.000 USD + VAT.
- Our Company signed a new protocol with a bank located in Turkey for mainframe support services.
- Our company has received a license maintenance and support services order for business automation software from a bank located in Turkey.

- Our company received a license maintenance order for database software from a defense industry organization in Turkey.
- Our Company received a support service order for human resources software from a subsidiary of a holding company located in Turkey.
- Our company VBT Yazılım A.Ş. has received an order and invoice for "Main System Archive Infrastructure System and Tape Management System Software" from a Private Bank located in Turkey. The total value of the order is 533.871,00 USD.
- Our company VBT Yazılım A.Ş. has made an agreement with a Private Bank located in Turkey for the supply of "Main System Backup and Archive infrastructure Data Storage System". The total value of the contract is USD 1.465.800,00.
- Our company VBT Yazılım A.Ş. has reached an agreement with an airline company based in Turkey for "Capacity Backup Supply" and received an order. The total value of the contract is USD 271.260 + VAT.
- Our company VBT Yazılım A.Ş. has entered into an agreement with a Private Bank located in Turkey for the supply of "Main System Operating System Management Software". The total value of the contract is USD 538,069.41.
- Our company VBT Yazılım A.Ş. has entered into an agreement with a Private Bank in Turkey for "Main System Backup and Archive Infrastructure Tapeless Software Purchase". The total value of the contract is USD 1.540.000,00.

- Our company VBT Yazılım A.Ş. has signed an additional protocol for 3 years with an Airline Company based in Turkey regarding "Main System Software and Technical Support Maintenance Service" with additional capacity and maintenance renewal issues. The total value of the signed Additional Protocol is USD 8.000.000,00.

Developments After the Balance Sheet Date

Ms. Özlem Nazlı Arıkan, our Company's Investor Relations Manager, resigned from her position and Mr. Barış Aslan was appointed to replace her.

VIII. KAP ANNOUNCEMENTS MADE IN THE RELEVANT PERIOD

a) PDP Announcements (01.01.2024-30.06.2024).

Vessel Date	Description Summary
09.01.2024	New Work Relationship
11.01.2024	New Work Relationship
15.01.2024	About Bonus Issue Capital Increase
07.02.2024	Key Personnel Share Transfer
09.02.2024	Approved Issuance Certificate and Amendment to the Articles of Association Regarding Bonus Issue Capital Increase Text
14.02.2024	About the Commencement Date for the Exercise of the Right to Obtain Bonus Shares
19.02.2024	New Work Relationship
23.02.2024	Regarding the Registration and Announcement of the Amendment to the Articles of Association
23.02.2024	About the Articles of Association
02.03.2024	Company General Information Form
05.03.2024	About the Tender Received from the Social Security Institution

14.03.2024	Company General Information Form
18.03.2024	About the Change of Board Member
25.03.2024	VBT Software Inc. Venture Capital Investment Fund
26.03.2024	Company General Information Form
26.03.2024	About Sale of Subsidiary
01.04.2024	New Work Relationship
02.04.2024	New Work Relationship
03.04.2024	New Work Relationship
04.04.2024	New Work Relationship
06.05.2024	Financial Report
06.05.2024	2023 ANNUAL REPORT
06.05.2024	2023 STATEMENT OF RESPONSIBILITY
06.05.2024	2023 CORPORATE GOVERNANCE COMPLIANCE REPORT
06.05.2024	2023 CORPORATE GOVERNANCE INFORMATION FORM
06.05.2024	2023 SUSTAINABILITY COMPLIANCE REPORT
06.05.2024	Participation Finance Principles Information Form
06.05.2024	ABOUT THE 2023 ORDINARY GENERAL ASSEMBLY MEETING
06.05.2024	2023 Dividend Distribution Procedures
08.05.2024	New Work Relationship
13.05.2024	New Work Relationship
22.05.2024	About 2024/1st Period Provisional Tax Declaration
23.05.2024	Selection of Independent Audit Firm
29.05.2024	About Phexum Yazılım Aş Share Sale
29.05.2024	Company General Information Form
06.06.2024	Participation Finance Principles Information Form

07.06.2024	2023 Ordinary General Assembly Results
07.06.2024	2023 Ordinary General Assembly Meeting About Dividend Distribution Procedures
07.06.2024	About Independent Audit Company Selection
14.06.2024	2023 Ordinary General Assembly Meeting Results Registration and Announcement
15.06.2024	Financial Report
15.06.2024	2024 1st Quarter Annual Report
15.06.2024	2024 1st Quarter Statement of Responsibility