

**YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 31 MARCH 2024**

**(CONVENIENCE TRANSLATION INTO ENGLISH OF THE
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN
TURKISH)**

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ORIGINALLY ISSUED IN TURKISH**

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CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2024 AND 31 DECEMBER 2023

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

| | Notes | Unaudited current period 31.03.2024 | Audited prior period 31.12.2023 |
|---|-------|--|--|
| ASSETS | | | |
| Current Assets | | 5.921.754.390 | 5.062.628.334 |
| Cash and Cash Equivalents | 6 | 841.152.436 | 937.195.344 |
| Financial Investments | 7 | 80.820.419 | 782.570 |
| Trade Receivables | 10 | 1.133.279.197 | 606.370.179 |
| <i>Third Parties</i> | 10 | 1.091.878.538 | 580.177.747 |
| <i>Related Parties</i> | 10,38 | 41.400.659 | 26.192.432 |
| Other Receivables | 11 | 66.858.184 | 35.000.239 |
| <i>Third Parties</i> | | 60.185.582 | 28.555.513 |
| <i>Related Parties</i> | | 6.672.602 | 6.444.726 |
| Contract Assets | 12 | 2.540.541.283 | 2.351.329.005 |
| Inventories | 13 | 193.014.981 | 160.123.980 |
| Prepaid Expenses | 15 | 732.210.048 | 587.571.009 |
| Current Income Tax Assets | 26 | 3.346.389 | 1.095.035 |
| Other Current Assets | 27 | 330.531.453 | 383.160.973 |
| Total | | 5.921.754.390 | 5.062.628.334 |
| Non-Current Assets | | 1.765.120.752 | 1.743.807.308 |
| Financial Investments | 7 | 20.749.439 | 14.961.658 |
| Investments Accounted for Using the Equity Method | 16 | 2.911.116 | 1.711.530 |
| Property, Plant and Equipment | 18 | 1.218.417.965 | 1.208.355.258 |
| Intangible Assets | 20 | 351.857.636 | 352.040.830 |
| <i>Other Intangible Assets</i> | 20 | 1.281.867 | 1.465.061 |
| <i>Goodwill</i> | | 350.575.769 | 350.575.769 |
| Right of Use Assets | 19 | 83.117.102 | 87.803.424 |
| Deferred Tax Assets | 36 | 668.134 | 2.759.137 |
| Other Non-Current Assets | 27 | 87.399.360 | 76.175.471 |
| TOTAL ASSETS | | 7.686.875.142 | 6.806.435.642 |

The accompanying notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2024 AND 31 DECEMBER 2023

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

| | Notes | Unaudited current period 31.03.2024 | Audited prior period 31.12.2023 |
|---|-------|--|--|
| LIABILITIES | | | |
| Current Liabilities | | 4.499.424.531 | 3.962.417.331 |
| Short-Term Borrowings | 8 | 141.287.074 | 518.224.144 |
| Short-Term Portion of Long-Term Borrowings | 8 | 490.379.051 | 115.817.611 |
| Lease Liabilities | 8 | 1.784.640 | 1.653.324 |
| Trade Payables | 10 | 1.195.482.216 | 1.175.776.908 |
| <i>Third Parties</i> | 10 | 826.808.894 | 920.650.771 |
| <i>Related Parties</i> | 10,38 | 368.673.322 | 255.126.137 |
| Employee Benefits | 21 | 58.424.842 | 73.421.694 |
| Other Payables | 11 | 433.825.767 | 396.640.229 |
| <i>Third Parties</i> | 11,38 | 120.105.213 | 3.102.956 |
| <i>Related Parties</i> | 11,38 | 313.720.554 | 393.537.273 |
| Deferred Income | 15 | 2.153.550.730 | 1.630.175.776 |
| Current Income Tax Liabilities | 26 | 7.462.462 | 34.706.552 |
| Short-Term Provisions | 23 | 17.227.749 | 16.001.093 |
| <i>Other Short-Term Provisions</i> | | 30.244 | 34.800 |
| <i>Short-Term Provisions for Employee Benefits</i> | | 17.197.505 | 15.966.293 |
| Other Current Liabilities | 26 | - | - |
| Total | | 4.499.424.531 | 3.962.417.331 |
| Non-Current Liabilities | | 1.510.961.582 | 1.388.153.771 |
| Long-Term Borrowings | 8 | 1.028.405.882 | 991.172.502 |
| Lease Liabilities | 8 | 64.850.041 | 72.139.690 |
| Long-Term Provisions | 25 | 14.557.672 | 15.970.086 |
| <i>Long-Term Provisions for Employee Benefits</i> | | 14.557.672 | 15.970.086 |
| Deferred Tax Liabilities | 36 | 403.147.987 | 308.871.493 |
| EQUITY | | 1.676.489.029 | 1.455.864.540 |
| Equity Holders of the Parent | 28 | 1.635.543.967 | 1.417.240.047 |
| Paid-in Share Capital | | 96.000.000 | 96.000.000 |
| Adjustment to Share Capital | | 178.512.156 | 178.512.156 |
| Share Premium | | 137.399.753 | 137.399.753 |
| Other comprehensive income or expenses not to be reclassified to profit or loss | 28 | 58.166.487 | 87.657.246 |
| Other comprehensive income or expenses to be reclassified to profit or loss | | 10.310.745 | 8.836.592 |
| Restricted Reserves | | 9.521.353 | 9.521.353 |
| Retained Earnings | | 899.312.947 | 410.543.449 |
| Profit for the Period | | 246.320.526 | 488.769.498 |
| Non-Controlling Interests | | 40.945.062 | 38.624.493 |
| TOTAL LIABILITIES AND EQUITY | | 7.686.875.142 | 6.806.435.642 |

The accompanying notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

| | | Unaudited current period 01.01.2024 31.03.2024 | Unaudited prior period 01.01.2023 31.03.2023 |
|---|-------|--|--|
| | Notes | | |
| Revenue | 29 | 1.363.014.352 | 937.020.205 |
| Cost of Sales (-) | 29 | (976.480.588) | (752.842.844) |
| Gross Profit from Non-Finance Sector Operations | | 386.533.764 | 184.177.361 |
| GROSS PROFIT | | 386.533.764 | 184.177.361 |
| Marketing, Sales and Distribution Expenses (-) | 30 | (18.819.243) | (16.241.569) |
| General Administrative Expenses (-) | 30 | (44.024.228) | (23.503.165) |
| Research and Development Expenses (-) | 30 | (18.128.353) | (1.820.159) |
| Other Operating Income | 31 | 275.326.062 | 58.544.832 |
| Other Operating Expenses (-) | 31 | (150.826.020) | (53.316.807) |
| OPERATING PROFIT | | 430.061.982 | 147.840.493 |
| Share of profit/loss of investments accounted for using the equity method | | 1.423.657 | 3.173.568 |
| Gains from investment activities | 33 | 13.705.405 | 24.445.119 |
| Losses from investment activities (-) | 33 | - | (317.440) |
| OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE) | | 445.191.044 | 175.141.740 |
| Financial Income | 34 | 55.480.810 | - |
| Financial Expenses (-) | 34 | (83.993.625) | (34.670.356) |
| Monetary Gains/Losses | | (17.816.652) | (26.534.106) |
| PROFIT BEFORE TAX | | 398.861.577 | 113.937.278 |
| Tax income/(expense) | | (158.457.313) | (54.286.976) |
| -Current period tax expense | | (7.050.801) | (23.338) |
| -Deferred income tax | 36 | (151.406.512) | (54.263.638) |
| PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS | | 240.404.264 | 59.650.302 |
| DISCONTINUED OPERATIONS | | | |
| Profit After Tax | | | |
| PROFIT FOR THE PERIOD | | 240.404.264 | 59.650.302 |
| Attributable to | | | |
| Non-Controlling Interests | | (5.916.262) | (3.663.497) |
| Equity Holders of the Parent | | 246.320.526 | 63.313.799 |
| Earnings Per Share | | | |
| Earnings Per Share from Continuing Operations | | 2.5658 | 0.660 |

The accompanying notes form an integral part of these consolidated financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

| | | Unaudited current period | Unaudited prior period |
|--|-----------|-----------------------------|---------------------------|
| | Notes | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
| PROFIT FOR THE PERIOD | 36 | 240.404.264 | 59.650.302 |
| OTHER COMPREHENSIVE INCOME | | | |
| Items not to be reclassified to profit or loss | | (29.490.759) | 912.055 |
| Property, plant and equipment revaluation surplus | | (30.111.372) | - |
| Gains/(losses) on remeasurements of defined benefit plans | 26 | 827.484 | 1.140.068 |
| Taxes relating to other comprehensive income not to be reclassified to profit or loss | 26 | (206.871) | (228.013) |
| -Current period tax expense | | | |
| -Deferred income tax | | (206.871) | (228.013) |
| Items to be reclassified to profit or loss | | 9.710.984 | (3.015.234) |
| Currency translation differences | 28 | 9.710.984 | (3.015.234) |
| OTHER COMPREHENSIVE INCOME | | (19.779.775) | (2.103.179) |
| TOTAL COMPREHENSIVE INCOME | | 220.624.489 | 57.547.123 |
| Attributable to | | | |
| Non-Controlling Interests | | 2.320.569 | (5.293.319) |
| Equity Holders of the Parent | | 218.303.920 | 62.840.442 |

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ISSUED IN TURKISH

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

| Unaudited current period | Notes | Paid-in share capital | Share premium | Adjustment to share capital | Items not to be reclassified to profit or loss | | Items to be reclassified to profit or loss | | Retained earnings | | | | |
|--|-------|-----------------------------|------------------|-----------------------------------|---|--|--|------------------------|------------------------|--------------------------|---------------------------------|----------------------------------|---------------|
| | | | | | Gains/(losses) on remeasurements of defined benefit plans | Gains/(losses) on revaluation and remeasurements | Currency translation differences | Restricted reserves | Prior years' income | Profit for the Period | Equity holders of the parent | Non- controlling interests | Total equity |
| Balances at 1 January 2024 (Beginning of the period) | 28 | 96.000.000 | 137.399.753 | 178.512.156 | (6.005.530) | 93.662.776 | 8.836.592 | 9.521.353 | 410.543.449 | 488.769.498 | 1.417.240.047 | 38.624.493 | 1.455.864.540 |
| Transfers | | - | - | - | - | - | - | - | 488.769.498 | (488.769.498) | - | - | - |
| Total comprehensive income | 28 | - | - | - | 620.613 | (30.111.372) | 1.474.153 | - | - | 246.320.526 | 218.303.920 | 2.320.569 | 220.624.489 |
| - Profit for the period | 28 | - | - | - | - | - | - | - | - | 246.320.526 | 246.320.526 | (5.916.262) | 240.404.264 |
| - Other comprehensive income | 28 | - | - | - | 620.613 | (30.111.372) | 1.474.153 | - | - | - | (28.016.606) | 8.236.831 | (19.779.775) |
| Balances at 31 March 2024 (End of the period) | 28 | 96.000.000 | 137.399.753 | 178.512.156 | (5.384.917) | 63.551.404 | 10.310.745 | 9.521.353 | 899.312.947 | 246.320.526 | 1.635.543.967 | 40.945.062 | 1.676.489.029 |

| Unaudited prior period | Notes | Paid-in share capital | Share premium | Adjustment to share capital | Gains/(losses) on remeasurements of defined benefit plans | Gains/(losses) on revaluation and remeasurements | Currency translation differences | Restricted reserves | Prior years' income | Profit for the Period | Equity holders of the parent | Non- controlling interests | Total equity |
|--|-------|-----------------------------|---------------|-----------------------------------|---|--|--|------------------------|------------------------|--------------------------|---------------------------------|----------------------------------|--------------|
| | | | | | | | | | | | | | |
| Balances at 1 January 2023 (Beginning of the period) | 28 | 96.000.000 | 137.399.753 | 178.512.156 | (2.696.443) | - | 2.997.067 | 7.082.998 | 176.975.684 | 236.005.102 | 832.276.317 | 23.345.457 | 855.621.774 |
| Transfers | | - | - | - | - | - | - | - | 236.005.102 | (236.005.102) | - | - | - |
| Total comprehensive income | 28 | - | - | - | 912.054 | - | (1.385.412) | - | - | 63.313.800 | 62.840.442 | (5.293.319) | 57.547.123 |
| - Profit for the period | 28 | - | - | - | - | - | - | - | - | 63.313.800 | 63.313.799 | (3.663.497) | 59.650.302 |
| - Other comprehensive income | 28 | - | - | - | 912.054 | - | (1.385.412) | - | - | - | (473.358) | (1.629.822) | (2.103.180) |
| Balances at 31 March 2023 (End of the period) | 28 | 96.000.000 | 137.399.753 | 178.512.156 | (1.784.389) | - | 1.611.655 | 7.082.998 | 412.980.786 | 63.313.800 | 895.116.759 | 18.052.138 | 913.168.897 |

The accompanying notes form an integral part of these consolidated financial statements.

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YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED 31 MARCH 2024 AND 2023

(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

| | | Unaudited current period | Unaudited prior period |
|--|-------|-----------------------------|---------------------------|
| | Notes | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
| A) CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| PROFIT FOR THE PERIOD | | 17.265.614 | 209.794.767 |
| Profit for the Period from Continuing Operations | | 240.404.264 | 59.650.302 |
| Adjustments to reconcile profit for the period to cash generated from operating activities | | 261.968.335 | 141.117.227 |
| Depreciation and amortisation | 17,18 | 19.688.930 | 5.573.242 |
| Adjustments for Impairment Loss (Reversal) | | 296.398 | (619.529) |
| Adjustments for Receivables Impairment (Reversal) | 10,11 | 296.398 | (619.529) |
| Adjustments for Provisions | | 4.707.204 | 6.258.795 |
| Adjustments for Provision for Employee Benefits (Reversal) | 24 | 4.707.204 | 6.258.795 |
| Adjustments for interest income and expenses | | 39.052.708 | 24.591.291 |
| Adjustments for Unearned Financial Income from Term Sales | 10 | 25.246.452 | 2.709.326 |
| Adjustments for Deferred Financial Expense from Term Purchases | 10 | (11.692.293) | (4.279.984) |
| Adjustments for Interest Expenses | 33 | 25.498.549 | 26.161.949 |
| Adjustments for undistributed profits of investments accounted for using the equity method | 16 | (1.199.586) | (2.719.108) |
| Adjustments for tax income/expense | 35 | 158.457.313 | 54.286.976 |
| Net monetary position gains/losses | | 40.965.368 | 53.745.560 |
| Changes in Working Capital | | (420.762.243) | 39.611.351 |
| Changes in Financial Investments | 7 | (85.825.630) | 15.168.911 |
| Adjustments for Gains/(Losses) on Trade Receivables | 10 | (552.451.868) | 214.398.188 |
| Third Parties | | (537.243.641) | 209.095.441 |
| Related Parties | | (15.208.227) | 5.302.747 |
| Adjustments for Gains/(Losses) on Other Receivables Related to Operations | 11 | (31.857.945) | 11.783.775 |
| Third Parties | | (31.630.069) | 3.482.268 |
| Related Parties | | (227.876) | 8.301.507 |
| Adjustments for Gains/(Losses) on Contract Assets | 12 | (189.212.278) | (258.504.360) |
| Contract assets from construction contracts in progress | | (189.212.278) | (258.504.360) |
| Changes in Inventories | 13 | (32.891.001) | (122.494.377) |
| Adjustments for gains/(losses) on Trade Payables | 10 | 31.397.601 | 171.648.560 |
| Third Parties | | (82.149.584) | 79.299.027 |
| Related Parties | | 113.547.185 | 92.349.533 |
| Adjustments for Gains/(Losses) on Other Payables Related to Operations | 11 | 37.185.538 | 7.263.208 |
| Third Parties | | 37.185.538 | 7.263.208 |
| Adjustments for gains/(losses) on payables due to employee benefits | 20 | (14.996.852) | 11.567.683 |
| Changes in Prepaid Expenses | 15 | (144.639.039) | (224.397.555) |
| Other adjustments for increase/(decrease) in other working capital | 26 | 39.154.277 | (42.126.794) |
| Gains/(Losses) on Other Assets from Operations | | 39.154.277 | (42.126.794) |
| Changes in Deferred Income | 15 | 523.374.954 | 255.304.112 |
| Cash Flows from Operating Activities | | 81.610.356 | 240.378.880 |
| Income Taxes Refund/Paid | | (34.785.271) | (3.369.920) |
| Interest Received | | (25.498.549) | (26.161.949) |
| Payments within Provisions for Employee Benefits | 22,24 | (4.060.922) | (1.052.244) |
| Cash Flows from Operating Activities | | 17.265.614 | 209.794.767 |
| B) CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cash outflows from purchase of property, plant and equipment and intangible assets | 18,19 | (26.711.198) | (84.890.323) |
| Cash flows from investing activities | | (26.711.198) | (84.890.323) |
| C) CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash inflows from borrowings | | 34.857.750 | 4.418.009 |
| Cash outflows from lease liabilities | | (233.069) | (110.750) |
| Cash flows from financing activities | | 34.624.681 | 4.307.259 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES | | 25.179.097 | 129.211.703 |
| Inflation effect on cash and cash equivalents | | (122.696.158) | (77.908.783) |
| D) EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | | 1.474.153 | (1.385.412) |
| Net Increase/(Decrease) in Cash and Cash Equivalents | | (96.042.908) | 49.917.508 |
| E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD | 6 | 937.195.344 | 164.866.427 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD | 6 | 841.152.436 | 214.783.935 |

The accompanying notes form an integral part of these consolidated financial statements.

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

(Amounts are expressed in Turkish Lira unless otherwise indicated.)

NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Yeo Teknoloji Enerji ve Endüstri Anonim Şirketi (the "Company" or "Yeo Teknoloji") was established on 6 August 2004 in İstanbul, Turkey.

The registered address of Yeo Teknoloji is as follows:

Esentepe Mahallesi, Kelebek Sokak, Marmara Kule Sitesi B Blok No 2/1/1 Kartal/ İSTANBUL

Yeo Teknoloji's business activities include ensuring all kinds of electrical contracting works both in Turkey and abroad, design projects, undertake projects, operating construction, mechanical, assembly and installation works and to provide all kinds of maintenance and operation services. In addition, Yeo Teknoloji undertakes all works related to the design, project planning, all programming of electrical - automation systems of industrial facilities and machines, manufacturing of panels, assembly and commissioning of the relevant systems. Yeo Teknoloji realises the operation of electrical, mechanical and automation works of all kinds of machinery, facilities and places such as factories, shopping malls, hotels and residences.

As of 31 March 2024 and 31 December 2023, the principal shareholders and their respective shareholding rates in Yeo Teknoloji are as follows:

| | 31.03.2024 | | 31.12.2023 | |
|------------------------------------|-------------------|------------|-------------------|------------|
| | Amount | Share (%) | Amount | Share (%) |
| Tolunay Yıldız | 13.336.384 | 13.9 | 13.336.384 | 13.9 |
| Orhan Yıldız | 13.336.384 | 13.9 | 13.336.384 | 13.9 |
| Özbey Yıldız | 13.330.272 | 13.9 | 13.330.272 | 13.9 |
| Barış Esen | 6.112.000 | 6.4 | 6.112.000 | 6.4 |
| Sinan Karahan | 6.112.000 | 6.4 | 6.112.000 | 6.4 |
| Yasin Düven | 6.112.000 | 6.4 | 6.112.000 | 6.4 |
| Caner Karataş | 2.780.960 | 2.9 | 2.780.960 | 2.9 |
| Listed shares (Other) | 34.880.000 | 36.2 | 34.880.000 | 36.2 |
| Total share capital | 96.000.000 | 100 | 96.000.000 | 100 |
| Unpaid share capital | - | | - | |
| Total paid-in share capital | 96.000.000 | | 96.000.000 | |

The subsidiaries ("Subsidiaries") and associates ("Associates") included in the consolidation scope of Yeo Teknoloji, their country of incorporation, their respective business segments and ownership interests are as follows:

| Subsidiaries and Associates | Country of incorporation | Effective ownership interests held by Yeo Teknoloji (%) | | Nature of business |
|---|--------------------------|---|------------------|-----------------------|
| | | 31 March 2024 | 31 December 2023 | |
| | | | | |
| Yeo Energy Industry Solutions (2) | Uzbekistan | 100% | 100% | Energy Production |
| Marınergy Yenilenebilir Enerji İnş.ve Tic. A.Ş. (3) | Turkey | 100% | 100% | Energy Production |
| Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. (4) | Turkey | 50% | 50% | Energy Production |
| Yeo Teknoloji Enerji ve Endüstri A.Ş.-Özbekistan Şube (5) | Uzbekistan | 100% | 100% | Energy Production |
| Nicat Batarya Teknolojileri Kimyasalları Üretim | | | | |
| Yapay Zeka Yazılım Bil. Arge San.ve Tic. A.Ş.(6) | Turkey | 10% | 10% | Battery Technology |
| Yeo Technology and Energy Srl(7) | Romania | 100% | 100% | Energy Production |
| Grid Technologies Llc(8) | Azerbaijan | 50% | 50% | Energy Production |
| Reap Batarya Teknolojileri A.Ş. (9) | Turkey | 100% | 100% | Battery Technology |
| | North | | | |
| Yeo Technology And Energy Industry Doo (10) | Macedonia | 100% | 100% | Energy Production |
| Yeo Tehcnology BV (11) | Netherlands | 100% | 100% | Energy Production |
| Iss Integrated Systems Solutions (12) | Azerbaijan | 99% | 99% | Energy Production |
| Yeo Hydrogen Gmbh (13) | Germany | 75% | 75% | Energy Production |
| Yeo Technologie Energie Gmbh (14) | Germany | 100% | 100% | Energy Production |
| Yeo Energia Poland(19) | Poland | 100% | 100% | Energy Production |
| ION Membran Teknolojileri A.Ş.(24) | Turkey | 5% | 5% | Membrane Solutions |
| Brandit A.Ş.(22) | Turkey | 51% | 51% | Technology Consulting |
| | United | | | |
| ReY Energy Ltd (25) | Kingdom | 50% | 50% | Energy Production |
| Irak Şubesi (26) | Iraq | 100% | 100% | Energy Production |
| Too Yeo Energy Industry Solutions (27) | Kazakhstan | 100% | 100% | Energy Production |
| YEO Energy Industry and Solution LLC (30) | Mongolia | 100% | - | Energy Production |
| Elberton Solar Farm Inc. (31) | United States | 100% | - | Energy Production |
| Ratio Enerji A.S | Turkey | 5% | - | Software |

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| Yeo Enerji Yatırımları A.Ş.(1) | Turkey | 100% | 100% | Energy Production |
|---------------------------------------|---------------|-------------|-------------|--------------------------|
| Bluetech 1 Solar (21) ¹ | Bulgaria | 100% | 100% | Energy Production |
| Bluetech 2 Solar (21) ² | Bulgaria | 100% | 100% | Energy Production |
| Oreon Renewables Ltd (28) | Tanzania | 85% | - | Energy Production |
| Cooma Solar Power Plant Ltd (29) | Zambia | 60% | - | Energy Production |
| Defic Globe Enerji A.Ş. (15) | Turkey | 51% | 51% | Energy Production |
| Defic İtaly Srl (16) | Italy | 100% | 100% | Energy Production |
| Tolalp Energy Srl (17) ¹ | Italy | 100% | 100% | Energy Production |
| Yiltun Energy Srl (17) ² | Italy | 100% | 100% | Energy Production |
| Rb Solar Srl (17) ³ | Italy | 100% | 100% | Energy Production |
| Defic Globe Srl (18) | Romania | 100% | 100% | Energy Production |
| Future PV Srl (20) | Romania | 100% | - | Energy Production |
| Luce Verde (23) | Romania | 100% | - | Energy Production |

(1) Yeo Enerji Yatırımları A.Ş. was established by Yeo Teknoloji Enerji ve Endüstri A.Ş. as a subsidiary of the Company with the effective ownership interest rate of 100% on 13 November 2015. Yeo Enerji Yatırımları's share capital is amounting to TL 50.000.

In accordance with the decision of the General Assembly on 26 September 2022, the current issued share capital of the subsidiary was increased to TL 5.000.000 by increasing TL 4.950.000. The relevant share capital increase has been paid from due from shareholders in cash. The decision of the General Assembly regarding share capital increase was published in Official Gazette on 3 October 2022.

In accordance with the decision of the General Assembly on 31 October 2022, the current issued share capital of the subsidiary was increased to TL 100.000.000 by increasing TL 95.000.000. The share capital amount of TL 23.750 was paid before the registration date and the remaining amount will be paid within 24 months. The decision of the General Assembly regarding share capital increase was published in Official Gazette on 11 November 2022.

In accordance with the decision of the General Assembly on 18 July 2023, the current issued share capital of the subsidiary was increased to TL 200.000.000 by increasing TL 100.000.000. The increased amount of TL 21.986.884,86 has been paid from due from shareholders account and the amount of TL 78.013.115,14 has been paid in cash. The decision of the General Assembly regarding share capital increase was published in Official Gazette on 27 July 2023.

(2) Yeo Teknoloji's effective ownership interest rate has been changed following the acquisition of a subsidiary due to change of control with 100% of Yeo Energy Industry Solutions shares on 1 April 2021 established in Uzbekistan. The issued share capital of the subsidiary is amounting to UZS 520.000.000.

(3) The Company became a subsidiary of Mariner Energy Yenilenebilir Enerji İnşaat following the acquisition of 50% ownership interest which was established on 22 January 2021.

Regarding the acquisition of a total of 20.000 outstanding shares, corresponding to 50% effective ownership interest rate of Mariner Energy Yenilenebilir Enerji İnş. Ve Tic. A.Ş.'s share capital, the associate of the Company, by paying a total amount of TL 67.692 to the acquiree, the "Share Transfer Agreement" was signed between the Company ("Acquirer") and Mariner Energy ("Acquiree"). The aforementioned share transfer agreement and relevant transactions were completed on 9 December 2022. As of the aforementioned date, the effective ownership interest rate has changed following the acquisition of 50% Mariner Energy Yenilenebilir Enerji's shares and total effective ownership interest rate in Mariner Energy Yenilenebilir is 100%.

(4) The Company became a subsidiary of Mikrohes Araştırma Geliştirme İnovasyon Enerji İnşaat Sanayi Ve Ticaret Limited Şirketi following the acquisition of 50% Mikrohes's shares on 21 December 2021. The current issued share capital of Mikrohes is amounting to TL 110.000.

(5) The Company was established a branch regarding operating activities and projects in Uzbekistan with the title of "Yeo Teknoloji Enerji ve Endüstri A.Ş." on 23 August 2021.

(6) The Company became a subsidiary of Nicat Batarya Teknolojileri Kimyasalları Üretim Yapay Zeka Yazılım Bilişim Arge Sanayi ve Ticaret A.Ş. following the acquisition of 10% Nicat Batarya's shares on 16 May 2022.

(7) In accordance with the decision of the General Assembly on 14 November 2022, it was decided to establish a subsidiary with the effective ownership interest rate of 100% in Romania. The current issued share capital of the subsidiary is amounting to RON 30.000. The nature of business of the subsidiary is to carry out development activities and extend Company's nature of business in Romania. As of the balance sheet date, the establishment procedures of the subsidiary were completed but the Company has not started its operations yet.

(8) The Company was decided to establish a subsidiary with the effective ownership interest rate of 50% in Azerbaijan with the title of "Grid Technologies LLC". The current issued share capital of the subsidiary is amounting to AZN 500. The nature of business of the subsidiary is to carry out development activities and extend Company's nature of business in Azerbaijan. As of the balance sheet date, the establishment procedures of the subsidiary were completed but the Company has not started its operations yet.

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(9) In accordance with the decision of the General Assembly on 20 November 2022, it was decided to establish a subsidiary with the effective ownership interest rate of 100% in Kartal-İstanbul/Turkey with the title of “Reap Batarya Teknolojileri Anonim Şirketi”. The current issued share capital of the subsidiary is amounting to TL 20.000.000. Reap Batarya’s business activities include ensuring operations in the fields of research and development, design and engineering, supply and production, operation and maintenance services in energy storage systems. The establishment procedures of the subsidiary were completed. The establishment of Reap Batarya was published in Official Gazette on 29 November 2022.

(10) In accordance with the decision of the General Assembly on 12 December 2022, it was decided to establish a subsidiary with the effective ownership interest rate of 100% in North Macedonia with the title of “Yeo Technology And Energy Srl”. The current issued share capital of the subsidiary is amounting to EUR 25.000. The nature of business of the subsidiary is to carry out development activities and extend Company’s nature of business in North Macedonia. As of the balance sheet date, the establishment procedures of the subsidiary were completed but the Company has not started its operations yet.

(11) In accordance with the decision of the Board of Directors on 7 December 2021, it was decided to establish a subsidiary with the effective ownership interest rate of 100% with the title of “YEO Technology B.V.” in Netherlands to carry out business development activities in Europe and other foreign geographies and to take part more actively in their nature of business. YEO Technology B.V.’s current issued share capital is amounting to EUR 50.000.

(12) In accordance with the decision of the Board of Directors of Yeo Tehcnology BV on 3 February 2022, it was decided to acquire the shares of 99% of Iss Integrated Systems Solution, which was established in Azerbaijan in 2013, by Yeo Tehcnology BV. The relevant acquisition and transfer of shares were realized with a nominal value on 19 February 2022.

(13) In accordance with the decision of the General Assembly on 16 May 2022, it was decided to establish a subsidiary with the effective ownership interest rate of 100% and 75% of the Company and Yeo Tehcnology BV, respectively with the title of “Yeo Hydrogen GmbH” in Germany to carry out business development activities in Europe and other foreign geographies and to take part more actively in their nature of business. Yeo Hydrogen GmbH’s current issued share capital is amounting to EUR 25.000. As of the balance sheet date, the establishment procedures of the subsidiary were completed but the Company has not started its operations yet.

(14) In accordance with the decision of the General Assembly on 16 May 2022, it was decided to establish a subsidiary with the effective ownership interest rate of 100% of the Company and Yeo Tehcnology BV, respectively with the title of “Yeo Technologie Energie GmbH” in Germany to carry out business development activities in Europe and other foreign geographies and to take part more actively in their nature of business. Yeo Technologie Energie GmbH’s current issued share capital is amounting to EUR 25.000. As of the balance sheet date, the establishment procedures of the subsidiary were completed but the Company has not started its operations yet.

(15) The Company was decided to establish a company with the title of DEFIC Globe Enerji on 3 January 2022. DEFIC’s business activities include developing licenses for renewable energy projects abroad, providing turnkey construction to investors, to offer ready-made projects with project licenses, including financing the relevant projects. The Company is the subsidiary of the Yeo Teknoloji and the effective ownership interest held by Yeo Teknoloji is 51%.

(16) The Company was decided to establish a subsidiary with the title of Defic İtaly Srl in 2022 with the effective ownership interest rate of 51% and 100% of the Company and DEFIC Globe Enerji A.Ş., respectively. Defic İtaly’s business activities include carry out business development activities in Italy and other foreign geographies and to take part more actively in their nature of business. The current issued share capital of Defic İtaly is amounting to EUR 10.000.

(17) The Company was decided to establish a 3 (three) subsidiaries with the titles of “Rb Solar Srl (17)”¹ “Totalp Energy Srl(17)”² and “Yıltun Energy Srl (17)”³, in 2022 with the effective ownership interest rate of 51%, 100% and 100% of the Company, DEFIC Globe Enerji A.Ş. and Defic İtaly Srl, respectively. Business activities of the subsidiaries include carry out business development activities in Italy and other foreign geographies and to take part more actively in their nature of business. The current issued share capitals of the subsidiaries are amounting to EUR 10.000.

(18) The Company was decided to establish a subsidiary with the title of Defic Globe Srl on 25 November 2022 with the effective ownership interest rate of 51% and 100% of the Company and DEFIC Globe Enerji A.Ş., respectively. Defic Globe Srl’s business activities include carry out business development activities in Romania and other foreign geographies and to take part more actively in their nature of business. The current issued share capital of Defic Globe Srl is amounting to RON 30.000.

(19) The Company acquired “Yeo Energia Poland” as its subsidiary with 100% effective ownership interest for the purpose of business development and operational activities in Poland amounting to PLN 25.000 on 19 January 2023. As of the balance sheet date, the establishment procedures of the subsidiary were completed but the Company has not started its operations yet.

(20) Defic Globe Enerji, the subsidiary of the Group with 51% effective ownership interest, acquired “Future PV S.R.L.” amounting to TL 48.359.096 for the purpose of business development and operational activities in Caracal/Romania on 1 February 2023. Future PV’s business activities include ensuring electricity production from solar energy.

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(21) The Company established two companies with the titles of “Bluetech 1 Solar” and “Bluetech 2 Solar” which is the company controlled by YEO Enerji Yatırımları with 100% effective ownership interest (Yeo Teknoloji’s effective ownership interest in YEO Enerji Yatırımları is 100%) for the purpose of business development and operational activities in Bulgaria and near geographies on 23 January 2023.

(22) The Group acquired Brandıt Mühendislik Yazılım Ticaret Anonim Şirketi’s 1020 outstanding shares with the nominal value of TL 25.500 representing its 51% effective ownership interest with a total amount of TL 7.000.000 on 13 September 2023. Brandıt Mühendislik’s business activities include ensuring engineering and consultancy activities for energy projects and installation services of industrial process control equipment. Brandıt Mühendislik has total paid-in share capital amounting to TL 50.000.

(23) Defic Globe Enerji, the subsidiary of the Group with 51% effective ownership interest, acquired “Luce Verde S.R.L.” amounting to TL 240.307.315, representing 100% ownership interest, for the purpose of business development and operational activities in Turceni/Romania on 5 September 2023. Luce Verde’s business activities include ensuring electricity production from solar energy.

(24) The Company acquired “ION Membran Teknolojileri Anonim Şirketi” amounting to TL 4.967.956, representing 5% ownership interest, for the purpose of developing and manufacturing membrane solutions for green hydrogen and battery energy storage systems on 20 November 2023.

(25) The Company was decided to establish a company with the title of ReY Energy Ltd in United Kingdom on 5 January 2023. ReY Energy’s business activities include ensuring operations in renewable energy. The Company has not started its operating activities as of the balance sheet date.

(26) The Company was decided to establish a branch in Iraq on 5 February 2023. The Iraq branch’s business activities include ensuring energy production. The Company has not started its operating activities as of the balance sheet date.

(27) The Company was decided to establish a company with the title of “Too Yeo Energy Industry Solutions” in Kazakhstan on 22 December 2023. Too Yeo Energy’s business activities include ensuring energy production. The Company has not started its operating activities as of the balance sheet date.

(28) The Company was decided to establish a company with the title of “Oreon Renewables Ltd” in Tanzania on 16 November 2023. Oreon Renewables’s business activities include ensuring energy production. The Company has not started its operating activities as of the balance sheet date.

(29) The subsidiary of the Company, YEO Enerji Yatırımları Anonim Şirketi with 100% effective ownership interest, was decided to establish a company with the title of “Cooma Solar Power Plant Ltd” as a subsidiary with 60% ownership interest in Zambia on 25 January 2024. Cooma Solar’s business activities include ensuring energy production. The Company has not started its operating activities as of the balance sheet date.

(30) The Company was decided to establish a company with the title of “EO Energy Industry and Solution LLC” as a subsidiary with 100% ownership interest in Mongolia on 8 January 2024. EO Energy Industry’s business activities include ensuring energy production. The Company has not started its operating activities as of the balance sheet date.

(31) The Company was decided to establish a company with the title of “Elberton Solar Farm Incorporation” as a subsidiary with 75% ownership interest in United States on 31 January 2024. Elberton Solar’s business activities include ensuring energy production. The Company has not started its operating activities as of the balance sheet date.

(32) The Company acquired Ratio Enerji Anonim Şirketi’s 2.500 outstanding shares with the nominal value of TL 2.500 representing its 5% effective ownership interest with a total amount of TL 5.029.550 on 28 February 2024 for the purpose of software development activities for energy projects. Ratio Enerji has total paid-in share capital amounting to TL 50.000.

Joint Ventures

| | Effective ownership interests held by Yeo Teknoloji (%) | | | |
|-----------------------------------|---|------------|------------|--------------------|
| | Country of incorporation | 31.03.2024 | 31.12.2023 | Nature of business |
| YEO – HK Enerji Joint Venture (1) | Turkey | 50% | 50% | Energy Production |
| YEO – SEİSO Joint Venture (2) | Turkey | 90% | 90% | Energy Production |
| YEO – HSY Joint Venture (3) | Turkey | 50% | 50% | Energy Production |
| YEO --BEMONİ Joint Venture (4) | Georgia | 50% | - | Energy Production |

(1) In accordance with the joint venture agreement dated 26 February 2021 and numbered 04989 held in Ankara 35th Notary, the Company became the shareholder of “HK Enerji – YEO Joint Venture” following the acquisition of 50% amounting to TL 500.

(2) In accordance with the joint venture agreement dated 15 March 2021 and numbered 13469 held in Kadıköy 18th Notary, the Company became the shareholder of “YEO – SEİSO Joint Venture” following the acquisition of 90% amounting to TL 900.

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(3) In accordance with the joint venture agreement dated 14 September 2021 and numbered 32903 held in Ankara 54th Notary, the Company became the shareholder of “YEO-HSY Joint Venture” following the acquisition of 50% amounting to TL 1.000.

(4) The Group established “Yeo – Bemoni Joint Venture” to operate in the field of development of solar and wind power plant projects in Georgia on 4 August 2023. The relevant joint venture won the tender for the turnkey establishment of Ildiani 500 kV 267 MVA GIS Gas-Insulated Transformer Center and received advance payment for the project. However, the project has not started yet due to changes realised within the scope of the project.

The accompanying consolidated financial statements and related notes to the consolidated financial statements of the Company and its Subsidiaries, Associates and Joint Ventures together hereinafter referred as the “Group”.

Total end of the period and average number of personnel employed by Yeo Teknoloji is 588 (31 December 2023: 661).

Approval of the Consolidated Financial Statements

These consolidated financial statements as of and for the period ended 31 March 2024 have been approved for issue by the Board of Directors (“BOD”) on 21 June 2024. These consolidated financial statements will be finalised following the approval by the General Assembly.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.01 Basis of Presentation

Yeo Teknoloji Enerji ve Endüstri Anonim Şirketi and its Subsidiaries, Associates and Joint Ventures incorporated in Turkey maintains their books of account and prepares their statutory consolidated financial statements in accordance with the Turkish Commercial Code (“TCC”), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance.

Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in TL, which is Yeo Teknoloji’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of other comprehensive income.

Translation of financial statements of subsidiaries and associates operating in foreign countries

Assets and liabilities of subsidiaries operating in foreign countries are translated into TL at the exchange rates prevailing at the balance sheet dates. Comprehensive income items of those subsidiaries are translated into TL using average exchange rates for the period (if the average exchange rates for the period do not reasonably reflect the exchange rate fluctuations, transactions are translated using the exchange rates prevailing at the date of the transaction). Exchange differences arising from using average and balance sheet date rates are included in “currency translation differences” under the equity.

The year-end and average rates for the period end year ended 31 March 2024 and 31 December 2023 can be summarized as below:

| | 31.03.2024 | 31.12.2023 |
|------------------------------------|------------|------------|
| UZS – as of the balance sheet date | 0.00239 | 0.00239 |
| UZS – yearly average | 0.00275 | 0.00312 |
| | 31.03.2024 | 31.12.2023 |
| USD – as of the balance sheet date | 32.2556 | 29.4382 |
| USD – yearly average | 30.8640 | 23.7662 |
| | 31.03.2024 | 31.12.2023 |
| EUR – as of the balance sheet date | 34.8189 | 32.5739 |
| EUR – yearly average | 33.5228 | 25.7022 |
| | 31.03.2024 | 31.12.2023 |
| AZN – as of the balance sheet date | 18.8696 | 17.2196 |
| AZN – yearly average | 18.0535 | 13.9000 |
| | 31.03.2024 | 31.12.2023 |
| RON – as of the balance sheet date | 6.9627 | 6.5113 |

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| | | |
|------------------------------------|-------------------|-------------------|
| RON – yearly average | 6.7023 | 5.1641 |
| | 31.03.2024 | 31.12.2023 |
| MKD – as of the balance sheet date | 0.5651 | 0.5317 |
| MKD – yearly average | 0.5448 | 0.4176 |

Statement of Compliance with TAS

The consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards (“TFRS”)/Turkish Accounting Standards (“TAS”) promulgated by the Public Oversight Accounting and Auditing Standards Authority (“POA”) that are set out in the 5th article of 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 13 June 2013 and published in Official Gazette numbered 28676.

In addition, the accompanying consolidated financial statements and notes to the consolidated financial statements have been prepared in accordance with the TFRS 15 and 16 “TAS Taxonomy” and revised 2019 “TAS Taxonomy” approved by the POA decision dated June 2, 2016 numbered 30.

These consolidated financial statements have been prepared under the historical cost conversion. Historical cost has been determined at the fair value for the amount paid for the assets considered.

2.02 Adjustments of financial statements in hyperinflationary periods

Financial reporting in hyperinflationary economies

Entities applying TFRSs have started to apply inflation accounting under TAS 29 “Financial Reporting in Hyperinflation Economies” as of financial statements for the annual reporting period ending on or after 31 December 2023 with the announcements made by the Public Oversight Accounting and Auditing Standards Authority (“POA”) on 23 November 2023. TAS 29 is applied to the financial statements, including the consolidated financial statements, of any entity whose functional currency is the currency of a hyperinflationary economy.

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of and for the year ended 31 December 2023, on the purchasing power basis as at 31 March 2024.

In accordance with the CMB's resolution number 81/1820 on 28 December 2023, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 beginning with the annual financial statements for the accounting periods ending on 31 December 2023.

The restatement in accordance with TAS 29 has been made by using the adjustment factor derived from the Consumer Price Index (“CPI”) in Turkey published by the Turkish Statistical Institute (“TURKSTAT”). As of 31 March 2024, the indices and adjustment factors used in the restatement of the financial statements are as follows:

| Date | Index | Adjustment coefficient |
|------------|----------|------------------------|
| 31.03.2024 | 2.139,47 | 1 |
| 31.03.2023 | 1.269,75 | 1.68495 |
| 31.12.2023 | 1.859,38 | 1.15064 |
| 31.12.2022 | 1.128,45 | 1.89594 |
| 31.12.2021 | 686,95 | 3.11445 |

The main elements of the Group's adjustment process for financial reporting in hyperinflationary economies are as follows:

- Current period consolidated financial statements prepared in TL are expressed in terms of the purchasing power at the balance sheet date, and amounts from previous reporting periods are also adjusted and expressed in terms of the purchasing power at the end of the reporting period.
- Monetary assets and liabilities are not adjusted as they are already expressed in terms of the current purchasing power at the balance sheet date. In cases where the inflation-adjusted values of non-monetary items exceed their recoverable amount or net realizable value, the provisions of TAS 36 “Impairment of Assets” and TAS 2 “Inventories” are applied, respectively.
- Non-monetary assets and liabilities and equity items that are not expressed in terms of the current purchasing power at the balance sheet date have been adjusted using the relevant adjustment coefficients.
- All items in the comprehensive income statement, except for those that have an impact on the comprehensive income statement of non-monetary items on the balance sheet, have been indexed using the coefficients calculated for the periods when the income and expense accounts were first reflected in the financial statements.

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- . The material influence of inflation on the Group's net monetary asset position in the current period is recognised in the net monetary gain/(loss) account in the consolidated statement of profit or loss.

2.03 Basis of Consolidation

Consolidated financial statements include subsidiaries are the entities controlled directly and indirectly by Yeo Teknoloji. Control is achieved when the Group:

- i) has power over the investee;
- ii) is exposed, or has rights, to variable returns from its involvement with the investee; and
- iii) has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- i) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- ii) potential voting rights held by the Group, other vote holders or other parties;
- iii) rights arising from other contractual arrangements; and
- iv) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings

Subsidiaries are consolidated from the date on which the control is transferred to the Group and are no longer consolidated from the date that the control ceases.

The accounting policies of the subsidiary have been changed when deemed necessary in order to comply with the policies accepted by the Group. In the matter of a reverse balance in non-controlling interests, total comprehensive income has been transferred to the parent company shareholders and non-controlling interests.

Consolidation procedures and eliminations

During the preparation of consolidated financial statements, consolidated financial statements eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Consolidated financial statements offset the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Unrealized losses are eliminated accordingly as unrealized gains, unless there is evidence of impairment.

Consolidated balance sheet and profit or loss restatement principles

Full consolidation method

- The paid-in share capital and balance sheet items of the Group and the subsidiary are aggregated. In the aggregation, the receivables and payables of the subsidiaries in scope of consolidation from each other eliminated in full.

- The paid-in share capital of the consolidated balance sheet is the paid in share capital of the Group; paid in share capital of the subsidiary is not included in the consolidated balance sheet.

- Equity items including paid / issued share capital of the subsidiary within the scope of consolidation, less the amounts corresponding to the shares other than the parent company and subsidiaries presented as the "Non-Controlling Interests" after the equity of the group in the consolidated balance sheet.

- Current and non-current assets acquired by the subsidiaries subject to full consolidation method from each other, in principle, are included in the consolidated balance sheet over carried at cost before the sale, by making adjustments to present these assets at the acquisition cost to the subsidiaries subject to the full consolidation method.

- The profit or loss items of the Group and the subsidiary are aggregated separately and the sales of goods and services made by the subsidiaries subject to the full consolidation method to each other in the aggregation process have been deducted from the total sales amount and cost of goods sold. The profit arising from the purchase and sale of goods between these subsidiaries related to the inventories of the subsidiaries subject to the full consolidation method was deducted from the inventories in the consolidated financial statements and added to the cost of the sold goods, the loss was added to the inventories and deducted from the cost of the goods sold.

Income and expense items resulting from the transactions of the subsidiaries subject to full consolidation method with each other have been offset in the relevant accounts.

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- Net profit or loss of the subsidiary within the scope of consolidation, the part corresponding to the shares other than the subsidiaries subject to the consolidation method has been presented as the “Non-Controlling Interests” after the net consolidated period profit.

- The necessary adjustments have been made for the compliance of the consolidated financial statements of the subsidiary with the accounting principles applied by other intragroups, when deemed necessary.

The subsidiaries (“Subsidiaries”) and associates (“Associates”) included in the consolidation scope of Yeo Teknoloji; their effective ownership interests subject to full consolidation are as follows:

| Subsidiaries and Associates | Country of incorporation | Effective ownership interests held by Yeo Teknoloji (%) | | Nature of business |
|---|--------------------------|---|------------------|--------------------------|
| | | 31 March 2024 | 31 December 2023 | |
| Yeo Energy Industry Solutions (2) | Uzbekistan | 100% | 100% | Energy Production |
| Marnergy Yenilenebilir Enerji İnş.ve Tic. A.Ş. (3) | Turkey | 100% | 100% | Energy Production |
| Yeo Teknoloji Enerji ve Endüstri A.Ş.-Özbekistan Şube (5) | Uzbekistan | 100% | 100% | Energy Production |
| Yeo Technology and Energy Srl(7) | Romania | 100% | 100% | Energy Production |
| Reap Batarya Teknolojileri A.Ş. (9) | Turkey | 100% | 100% | Battery Technology |
| | North | | | |
| Yeo Technology And Energy Industry Doo (10) | Macedonia | 100% | 100% | Energy Production |
| Yeo Tehcnology BV (11) | Netherlands | 100% | 100% | Energy Production |
| Iss Integrated Systems Solutions (12) | Azerbaijan | 99% | 99% | Energy Production |
| Yeo Hydrogen Gmbh (13) | Germany | 75% | 75% | Energy Production |
| Yeo Technologie Energie Gmbh (14) | Germany | 100% | 100% | Energy Production |
| Yeo Energia Poland(19) | Poland | 100% | 100% | Energy Production |
| Brandit A.Ş.(22) | Turkey | 51% | 51% | Technology Consulting |
| Irak Şubesi (26) | Iraq | 100% | 100% | Energy Production |
| Too Yeo Energy Industry Solutions (27) | Kazakhstan | 100% | 100% | Energy Production |
| YEO Energy Industry and Solution LLC (30) | Mongolia | 100% | - | Energy Production |
| Elberton Solar Farm Inc. (31) | United States | 100% | - | Energy Production |
| Yeo Enerji Yatırımları A.Ş.(1) | Turkey | 100% | 100% | Energy Production |
| Bluetech 1 Solar (21) ¹ | Bulgaria | 100% | 100% | Energy Production |
| Bluetech 2 Solar (21) ² | Bulgaria | 100% | 100% | Energy Production |
| Oreon Renewables Ltd (28) | Tanzania | 85% | - | Energy Production |
| Cooma Solar Power Plant Ltd (29) | Zambia | 60% | - | Energy Production |
| Defic Globe Enerji A.Ş. (15) | Turkey | 51% | 51% | Energy Production |
| Defic İtaly Srl (16) | Italy | 100% | 100% | Energy Production |
| Tolalp Energy Srl (17) ¹ | Italy | 100% | 100% | Energy Production |
| Yiltun Energy Srl (17) ² | Italy | 100% | 100% | Energy Production |
| Rb Solar Srl (17) ³ | Italy | 100% | 100% | Energy Production |
| Defic Globe Srl (18) | Romania | 100% | 100% | Energy Production |
| Future PV Srl (20) | Romania | 100% | - | Energy Production |
| Luce Verde (23) | Romania | 100% | - | Energy Production |

Associates are accounted for using the equity method. Associates are companies in which the Group has voting power between 20% and 50% or the Group has power to participate in the financial and operating policy decisions but not control them. Unrealised gains or losses arising from transactions between the Group and its associates are eliminated to the extent of the Group’s interest in the associates.

| Associates | Voting rights (%) | |
|--|-------------------|------------------|
| | 31 March 2024 | 31 December 2023 |
| Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. | 50% | 50% |
| Grid Technologies Llc | 50% | - |

Joint Ventures are companies in respect of which there are contractual arrangements through which an economic activity is undertaken subject to joint control by Yeo Teknoloji and one or more other parties.

Yeo Teknoloji exercises such joint control through direct and indirect voting rights related to the shares held by itself and/or through the voting rights related to the shares held by Yeo Teknoloji and the companies owned by them and applies equity method of accounting in accordance with “TAS 28 Investments in Associates and Joint Ventures”.

“TFRS 11 Joint Arrangements”, requires the application of the equity method for the consolidation of interests in joint ventures in accordance with “TAS 28 Investments in Associates and Joint Ventures”.

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Under the equity method, the investment in a joint venture is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the date of the acquisition. The investor's share of the profit or loss of the investee is recognised in the investor's profit or loss. Distributions (dividends etc.) received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount are necessary for the change in the investor's proportionate interest in the investee arising from changes in the investee's other comprehensive income. For changes in the equity of an investee that do not go through the investee's profit or loss or other comprehensive income, the Group adjusts the carrying value of its investment with a corresponding change in its own equity.

| Joint Ventures | Country of incorporation | Effective ownership interests held by Yeo Teknoloji (%) | | Nature of business |
|-------------------------------|--------------------------|---|------------------|--------------------|
| | | 31 March 2024 | 31 December 2023 | |
| HK Enerji-YEO Joint Venture | Turkey | 50% | 50% | Energy Production |
| YEO-SEİSO Joint Venture | Turkey | 90% | 90% | Energy Production |
| YEO-HSY Joint Venture | Turkey | 50% | 50% | Energy Production |
| YEO -BEMONİ Joint Venture (4) | Georgia | 50% | 50% | Energy Production |

2.04 Comparatives and Adjustment of Prior Periods' Financial Statements

If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods. The nature and amount of a change in the accounting estimate, which has a material influence on the outcome of the current period or is expected to have an impact on subsequent periods, is disclosed in the notes to the consolidated financial statements, except when the estimation of the effect on the future periods is not possible.

The current period consolidated financial statements of the Group include comparative financial information to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, where necessary, to conform to the changes in the presentation of the current period consolidated financial statements.

The Group prepared its consolidated statement of financial position as at 31 March 2024 on a comparative basis with its consolidated statement of financial position as at 31 December 2023; and consolidated statements of profit or loss, comprehensive income, cash flows and changes in equity for the period of 1 January- 31 March 2024 on a comparative basis with the consolidated financial statements for the period of 1 January- 31 March 2023.

2.05 Significant Accounting Judgements, Estimates and Assumptions

Preparation of the consolidated financial statements requires the usage of estimations and assumptions which may affect the reported amounts of assets and liabilities as of the balance sheet date, disclosure of contingent assets and liabilities and reported amounts of income and expenses during the financial period. The accounting assessments, forecasts and assumptions are reviewed continuously considering the past experiences, other factors and the reasonable expectations about the future events under current conditions. Although the estimations and assumptions are based on the best estimates of the management's existing incidents and operations, reflected to the profit or loss and they may differ from the actual results.

Fair value measurement

The accounting policies and related disclosures of the Group require the measurement of financial and non-financial assets and liabilities at fair value.

The classification of the Group's consolidated financial assets and liabilities at fair value is as follows:

Level 1: Inputs are quoted prices in active markets for identical assets and liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices):

Level 3: Inputs are unobservable inputs for the asset or liability.

An entity develops observable inputs for classification using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

Estimates and assumptions that may cause significant adjustments in the book value of assets and liabilities in the next financial reporting period are as follows:

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- a) Provision for employment termination benefits is determined by using actuarial assumptions (discount rates, future salary increases and employee exit rates). These assumptions are reviewed at each balance sheet date and revised accordingly (**Note 24**).
- b) The Group has been used percentage of completion method for the recognition of contracts with customers and determined the total estimated costs of projects and project profitability within in accordance with the TFRS 15, since the ratio of contract expenses realized until a certain date to the estimated total cost of the contract (**Note 12**).
- c) The Group depreciates its property, plant and equipment and intangible assets on a straight-line basis over their useful lives. Expected useful life residual value and amortization method are reviewed every year for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates. (**Note 2.09.03-2.09.04**).
- d) On the provision for lawsuits and allocation of the provisions in the accompanying consolidated financial statements, the probability of losing these cases and the consequences to be faced if these cases are lost evaluated in accordance with the opinions of the Group's legal counsel as of 31 March 2024 and 31 December 2023 (**Note 22**).
- e) Provision for doubtful receivables reflects the amounts that the Group management believes will meet future losses as of the balance sheet date (**Note 10**). Provision for doubtful receivables represents the amounts that the Group believes will compensate future losses of receivables which are present as of the balance sheet date but which are not subject to collection in current economic conditions. The past performance of borrowers assessed for impairment of receivables impairment, credits on the market and their performance from the balance sheet date to the date of approval of the consolidated financial statements are also taken into consideration. As of the balance sheet date, the related provisions are disclosed in **Note 10**.
- f) The physical properties of the inventories and the past are examined in relation to the inventory impairment, the availability of the personnel is determined according to the opinions of the technical personnel and provision is made for the items that are estimated to be unavailable. Average sales prices are used to determine the net realizable value of inventories (**Note 13**).

2.06 Changes in Accounting Policies

Whether there are changes and errors in accounting policies and accounting estimates, the amended significant changes and the identified significant accounting errors are implemented retrospectively and the previous periods Group's consolidated financial statements are adjusted. Whether the changes are amended in accounting policies effect the previous periods, aforementioned policy is implemented retrospectively to the consolidated financial statements as it had been used in. There are no changes in the accounting policies expected to have a material influence on the results of the end of the reporting period except the accounting policies presented below.

2.07 Changes in Accounting Estimates and Errors

Accounting estimates are based on reliable information and reasonable estimation methods. However, estimates are revised as a result of changes in circumstances, estimating new information or additional developments. If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods.

The nature and amount of a change in the accounting estimate, which has an impact on the outcome of the current period or is expected to have an impact on subsequent periods, is disclosed in the notes to the consolidated financial statements, except when the estimation of the effect on the future periods is not possible. There are no changes in the accounting estimates expected to have a material influence on the results of operations in the current period.

2.08 Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.09 Summary of Significant Accounting Policies

Accounting policies used in the preparation of the consolidated financial statements are summarised below:

2.09.01 Revenue Recognition

In accordance with "TFRS 15 Revenue from Contracts with Customers" is that the entity reflects the proceeds to the consolidated financial statements from an amount that reflects the cost that the Group expects to qualify for the transfer of the goods or services it commits to its customers.

Revenue is accounted for in the consolidated financial statements within the scope of the five-step model below in accordance with the TFRS 15.

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- Identification of customer contracts,
- Identification of performance obligations,
- Determination of the transaction price in the contracts,
- Allocation of transaction price to the performance obligations,
- Recognition of revenue when the performance obligations are satisfied

In accordance with TFRS 15, when the entity fulfills its operating obligations, in other words, the control of the goods or services specified in a performance obligation is transferred to the customer; the revenue is recognized in the consolidated financial statements. TFRS 15 provides more guidance on more specific scenarios.

If the Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is not adjusted.

The Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognized over time by measuring the progress towards complete satisfaction of that performance obligation.

When a performance obligation is satisfied by transferring promised goods or services to a customer, the Group recognises the revenue as the amount of the transaction price that is allocated to that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

Following indicators are considered while evaluating the transfer of control of the goods and services:

- a) Presence of Group's collection right of the consideration for the goods or services,
- b) Customer's ownership of the legal title on goods or services,
- c) Physical transfer of the goods or services,
- d) Customer's ownership of significant risks and rewards related to the goods or services,
- e) Customer's acceptance of goods or services.

Contractual commitments

Yeo Teknoloji's business activities include ensuring electrical contractual works in Turkey and abroad, to design, to make projects, construction, mechanical, assembly, installation works and commitments and providing all kinds of maintenance and operation services. In addition, the Group operates works related to the design, projecting, making all the programs of the electrical - automation systems of industrial facilities and machines, manufacturing, assembling and commitments related to the entire electrical system. Furthermore, the Group performs the electrical, mechanical and automation works of all kinds of machinery, facilities and factories, shopping malls, hotels and residences.

Revenue and expenses from contracts with customers are recognized as income and expense when the return of the contract with the customer can be estimated reliably. Revenue is reflected in the consolidated financial statements in accordance with the percentage of completion of the contract. As of the reporting period, the ratio of the total expenses incurred to the total estimated cost of the contract indicates the completion percentage of the contract, and the ratio is used in the consolidated financial statements of the part of the total revenue corresponding to the current period.

Contract costs include all raw materials and supplies, direct and indirect labor costs related to contract performance, materials, repairs and depreciation costs. Sales and general administrative expenses recognized in the period which they incurred. Provisions for estimated losses on incomplete contracts are separated in the periods in which these losses are determined. Changes in estimated profitability due to business performance, business conditions, provisions for compensation for delays or cancellations and final agreements may cause cost and revenue adjustments. The aforementioned adjustments reflected to the consolidated financial statements in the period which they have determined. Customer incentives for revenues are included in the revenue when the occurrence is reasonably estimated.

Contractual assets arising from ongoing contractual commitment indicated how much the revenue reflected in the consolidated financial statements exceeds the invoice amount and contractual liabilities arising from ongoing contractual commitment show how much the invoice amount has exceeded the revenue reflected in the consolidated financial statements.

The Group management has recognized the additional receivables within the scope of compensation that may be subject to litigation, which are not within the scope of the contract, as income when negotiations with the employer regarding the said additional receivables are at the stage of approval of the collection and the collections to be made can be measured reliably.

Business operations and related activities

Gains arising from business operations recognized as a revenue when the Group transfers of all significant risks and gains related to ownership to the buyer, an ongoing administrative involvement associated with ownership and lack of effective control over the

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goods sold, a reliable measurement of the revenue amount, the probability of the flow of economic benefits associated with the transaction to the business, when the conditions for reliable measurement of costs are met. Net sales are presented in the consolidated financial statements less realized returns, discounts, commissions, turnover premiums and taxes.

Interest income

Interest income is accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

2.09.02 Inventories

Inventories are evaluated at either the lower of acquisition cost or net realizable value. Cost of inventories includes; all purchasing costs, covering costs and other costs incurred to make the inventories ready to sell. The covering costs of inventories include costs which are directly related to production such as direct labor expense. Those costs also include systematically distributed costs from fixed and variable general production expenses incurred in covering direct raw material to the goods.

The cost of inventories is determined by the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.09.03 Property, plant and equipment and related depreciation

Property, plant and equipments except land and buildings are carried at cost less accumulated depreciation as of 31 December 2004 for the items purchased before 1 January 2005 and for the items purchased as of 1 January 2005, less the accumulated depreciation.

Historical costs include costs directly related to the acquisition of property, plant and equipment. Costs after date of acquisition date, added to the book value of the asset or recorded as a separate asset only in cases where it is possible that the future economic benefit related to the asset will flow to the Group and the cost of the asset can be measured reliably. Repair and maintenance expenses are charged to the income statements during the period in which they are incurred. Machinery and equipment are capitalised and amortised when their capacity is fully available for use. Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives.

In cases where it is predicted that spare parts can be used more than a period and only in relation to a certain property, plant and equipment item, related spare parts and materials are considered as property, plant and equipment. Spare parts are shown with net book values less the accumulated depreciation calculated over the remaining useful lives of the related property, plant and equipment from the acquisition costs. Buildings, machinery and equipment are capitalised and amortised when their capacity is fully available for use. It is estimated that the residual value of property, plant and equipment is immaterial.

The depreciation rates for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

| Type | Depreciation rate (%) |
|--------------------------------|-----------------------|
| Buildings | 2 |
| Plant, machinery and equipment | 20 |
| Motor vehicles | 20-25 |
| Furniture and fixtures | 5-25 |
| Leasehold improvements | 5 |

Useful life and the depreciation method are constantly reviewed, and accordingly, parallels are sought between the depreciation method and the period and the useful life to be derived from the related asset and accounted prospectively. Land is not depreciated as it is deemed to have an indefinite useful life.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their net carrying amounts and are classified under "gains/(losses) from investing activities" in the current period under consolidated statement of other comprehensive income and profit or loss.

Recoverable amount of the property, plant and equipment is the higher of future net cash flows from the utilisation of this property, plant and equipment or its fair value less cost to sell. Property, plant and equipment are reviewed for possible impairment losses and where the carrying amount of the property, plant and equipment is greater than the estimated recoverable amount, it is written down to its recoverable amount.

2.09.04 Investment Properties

None.

2.09.05 Intangible assets and related amortisation

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Intangible assets acquired before 1 January 2005 are carried at acquisition costs adjusted for inflation; whereas those purchased in and purchased after 2005 are carried forward at their acquisition cost less accumulated amortization.

They are initially recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being recognized for on a prospective basis.

Depreciation is provided for acquired intangible assets on a straight-line basis over their estimated useful lives. Estimated useful live of intangible assets vary over 5 – 20 years.

2.09.06 Leases

Group- as a lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Group considers following indicators for the assessment of whether a contract conveys the right to control the use of an identified asset for a period of time or not:

- The contract includes an identified asset (contract includes a definition of a specified asset explicitly or implicitly),
- A capacity portion of an asset is physically distinct or represents substantially all of the capacity of an asset (if the supplier has a substantive right to substitute the asset and obtain economic benefits from use of the asset, then the asset is not an identified asset),
- Group has the right to obtain substantially all of the economic benefits from use of the identified asset,
- Group has the right to direct the use of an identified asset. Group has the right to direct how and for what purpose the asset is used throughout the period of use or relevant decisions about how and for what purpose the asset is used are predetermined: Group has the right to direct the use of the asset throughout the period of use only if either:

i. Group has the right to operate the asset (or to direct others to operate the asset in a manner that it determines) throughout the period of use, without the supplier having the right to change those operating instructions; or

ii. Group designed the asset (or specific aspects of the asset) in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

Right-of-use asset Group - as a lessee

Group recognises a right-of-use asset and a lease liability at the commencement date of the lease following the consideration of the above-mentioned factors.

At the commencement date, the Group measures the right-of-use asset at cost. The cost of the right-of-use asset comprises:

- a) The amount of the initial measurement of the lease liability,
- b) Any lease payments made at or before the commencement date, less any lease incentives received,
- c) Any initial direct costs incurred by the Group, and
- d) An estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease (unless those costs are incurred to produce inventories).

When applying the cost model, Group measures the right-of-use asset at cost:

- a) Less any accumulated depreciation and any accumulated impairment losses; and
- b) Adjusted for any remeasurement of the lease liability.

Group applies the depreciation requirements in TAS 16 “Property, Plant and Equipment” in depreciating the right-of-use asset. In the event that the supplier transfers the ownership of the underlying asset to the Group at the end of the lease term or if the cost of use rights indicates that the Group will use a purchase option, the Group depreciates the right of use asset from the effective date of the lease to the end of the useful life of the underlying asset. In other cases, the Group depreciates the right of use assets on the basis of the shorter of the useful life or the lease term of the asset, starting from the effective date of the lease.

Group applies TAS 36 “Impairment of Assets” to determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Lease Liability

At the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease, if that rate can be readily determined, or by using the Group’s incremental borrowing rate.

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The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- a) Fixed payments, less any lease incentives receivable,
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- c) The Group is reasonably certain that it will use the purchase option, the exercise price of this option and
- d) Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After the commencement date, Group measures the lease liability by:

- b) Reducing the carrying amount to reflect the lease payments made, and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

The interest on the lease liabilities for each period in the lease term is the amount found by applying a fixed periodic interest rate to the remaining balance of the lease liabilities. The periodic interest rate, if easily determined, is the implied interest rate on the lease. If this rate cannot be easily determined, the Group uses the Group's incremental borrowing interest rate.

After the effective date of the lease, the Group remeasures the lease liabilities to reflect changes in lease payments. The Group reflects the remeasurement amount of the lease liabilities to the consolidated financial statements as an adjustment to the right of use assets.

The Group remeasures its lease liabilities by deducting the adjusted lease payments at a revised discount rate if either of the following conditions occurs:

- (a) A change in the lease term. The Group determines adjusted lease payments based on the adjusted lease term.
- (b) Changes in the assessment of the option to purchase the underlying asset. The Group determines adjusted lease payments to reflect the change in the amounts payable under the purchase option.

The Group calculates the adjusted discount rate for the remainder of the lease term if the implicit interest rate in the lease can be easily determined; if it cannot be easily determined, the Group determines the alternative borrowing interest rate at the date of the revaluation.

The Group remeasures its lease liabilities by reducing the adjusted lease payments if either of the following conditions incurred:

- (a) Changes in the amounts expected to be paid under a residual value commitment. The Group determines the adjusted lease payments to reflect the change in the amounts expected to be paid under the residual value commitment.
- (b) A change in these payments as a result of an index or rate change used to determine future lease payments. The Group remeasures the lease liabilities to reflect the adjusted lease payments only when there is a change in cash flows.

The Group determines the adjusted lease payments for the remaining lease term based on the adjusted contractual payments. In this case, the Group uses an unchanged discount rate.

The Group recognizes the restructuring of the lease as a separate lease if both of the following conditions are met:

- (a) The restructuring shall extend the scope of the lease by adding the right of use on one or more underlying assets; and
- (b) The increase in the lease amount by the appropriate price adjustment to reflect the price of the increase alone and the terms of the relevant contract.

Group - as a lessor

The Group classifies each of the leases as operating leases or finance leases.

A lease is classified as a finance lease when all risks and gains of ownership of the underlying asset are substantially transferred. A lease is classified as an operating lease if all risks and gains of ownership of the underlying asset are not substantially transferred.

For a contract that includes one or more additional leasing components or not carrying a component, the Group distributes the contractual value by applying TFRS 15, "Revenue from Contracts with Customers".

2.09.07 Impairment of Assets

Assets with an indefinite useful life, such as goodwill, are not subject to amortization. An impairment test is applied to these assets each year. For assets subject to amortization, impairment test is applied if the book value cannot be recovered. An impairment loss is recognized if the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for

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which there are separately identifiable cash flows. Non-financial assets except goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.09.08 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, one that takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. When the Group borrows funds specifically for the purpose of the qualifying assets, the amount of borrowing costs eligible for capitalization is the actual borrowing costs incurred on that borrowing during the period less any investment income on the temporary investment of those borrowings. Borrowing costs that are not in this scope are recognised directly in the income statement. All other borrowing costs recognized in the statement of profit or loss in which period they incurred.

2.09.09 Financial Instruments

A financial asset or a financial liability is recognized in the statement of financial position only when it is a party to the contractual provisions of the instrument. Normal purchases or sales of financial instruments are recognized in the consolidated financial statements or excluded from the consolidated financial statements by using one of the accounting methods on the transaction date or delivery date. Trading transactions are accounted for at the date of delivery with the initial recognition and classification of financial instruments depends on the contractual terms and the relevant business model. A financial asset or financial liability other than TFRS 15 "Revenue from Contracts with Customers" is measured at fair value when first recognized in the consolidated financial statements. Transaction costs directly attributable to the acquisition or the issuance of financial assets and liabilities, except for the fair value changes recognized in profit or loss, are also added to the fair value or deducted from the fair value.

The classification of financial instruments during the initial recognition depends on the characteristics of the contractual cash flows.

Financial assets and liabilities under TFRS 9 are as follows:

Financial assets

Financial investments are recognized and derecognized on a trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the time frame established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Investments are recorded or derecognized on the date of the transaction on the basis of a contract with the condition of delivery of the investment instruments in accordance with the period determined by the relevant market.

Financial assets classified as "financial assets at fair value through profit or loss", "financial assets at amortized cost" and "financial assets at fair value through other comprehensive income".

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss; are financial assets held for trading and not acquired for trading purposes but recognized in this category at initial recognition. When a financial asset is acquired for the purpose of disposal in the short term, it is classified in that category. Derivative financial instruments which are not designated as effective hedging instruments are also classified as financial assets measured at fair value through profit or loss. Financial assets are carried at fair value and any gains or losses arising from the valuation are recognized in profit or loss.

Financial assets at amortized cost

"Financial assets at amortised cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets carried at amortised cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortised cost are accounted for under the statement of income. Interest income from financial assets held to maturity recognized under statement of profit or loss.

Financial assets at fair value through other comprehensive income

"Financial assets at fair value through other comprehensive income" are assets that are either equity securities or debt securities. The Group measures related financial assets at fair value. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognised in other comprehensive income, except for foreign exchange gains and losses. When an equity security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to retained earnings. When a debt security is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

Subsequent valuation of financial assets measured at fair value through other comprehensive income is carried at fair value. However, if the fair value cannot be determined reliably, for those with a fixed maturity, discounted price is calculated using the

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internal rate of return method; for those who do not have a fixed maturity, fair value is valued using pricing models or discounted cash flow techniques. Unrealized gains or losses arising from changes in the fair values of financial assets at fair value through other comprehensive income and expressing the difference between the amortized cost and fair value of the securities calculated using the effective interest method, are included in the “Financial Assets Under Management Fund” which is recognized in equity. When the financial assets at fair value through profit or loss are disposed of, the value in equity resulting from the application of fair value is reflected to the period profit / loss.

Repurchase and resale transactions

Funds attributed to financial assets as reverse repo are recorded as receivables from reverse repo under cash and cash equivalents in the consolidated financial statements. A discount income is calculated by using the internal discount rate method for the current year portion of the difference between the sale and purchase price of these reverse repo agreements and accounted by adding to the cost of the reverse repo.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held in banks with maturities of 3 months or less, government bonds/treasury bills classified as available for sale financial assets with original maturities of 3 months or less, other short-term liquid investments and blocked deposits.

Impairment of financial assets / expected credit loss

At each reporting date, it is evaluated whether there is a significant increase since the financial instrument within the scope of the impairment has been included in the consolidated financial statements for the first time. When making this assessment, the change in the risk of default of the financial instrument is taken into consideration. The expected credit loss estimate is unbiased, weighted according to probabilities, and includes information that can be supported about past events, current conditions, and forecasts for future economic conditions.

In all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of a provision account, the impairment is offset directly from the carrying amount of the related financial asset. In the event that the trade receivable cannot be collected, the said amount is offset from the provision account. Fair value difference other than equity instruments reflected in other comprehensive income, if the impairment loss is reduced in the subsequent period and if the impairment can be attributed to an event that occurred after the recognition of the impairment loss, an impairment loss recognized in advance if the impairment of the investment has never been recognized at the time the impairment loss is reversed will not exceed the amount of amortized cost in the statement of profit or loss is reversed.

An increase in the fair value of the equity instruments reflected in other comprehensive income after the impairment loss, recognized directly in equity.

Trade receivables and provision for doubtful receivables

Trade receivables that the Group does not expect to have cash flow for the future are written off from the assets.

It accounted for at amortized cost in the consolidated financial statements and do not contain a significant financing component (less than 1 year as short term) value within the scope of trade receivables impairment calculations applied “simplified approach”. In cases where trade receivables are not impaired due to certain reasons (except for realized impairment losses), provisions for losses related to trade receivables “is measured from an equal amount of lifetime expected credit losses”.

In case of collecting all or part of the receivable amount that is impaired following the provision for impairment, the collected amount is deducted from the main activities to other income by offset the amount deducted from the provision for impairment.

Financial liabilities

The Group’s financial liabilities and equity instruments are classified according to the contractual agreements entered into and the definition of financial liability and equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all the liabilities. Accounting policies determined for the financial liabilities and the financial instruments based on equity are explained below. Financial liabilities are classified as either “Financial liabilities at fair value through profit or loss” or “Other financial liabilities”.

Other financial liabilities

Other financial liabilities are initially recognized with their fair values free from transaction costs.

Other financial liabilities are recognized over their amortized costs using the effective interest method and with interest costs calculated over effective interest rate in subsequent periods.

The effective interest method is the calculation of the amortized costs of the financial liabilities and the distribution of the related interest expenses to related periods. The effective interest rate is the rate that exactly discounts estimated future cash payments

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through the expected life of the financial liability, or, where appropriate, a shorter period to the net present value of the financial liability.

Recognition and derecognition of financial assets and liabilities

The Group reflects the financial assets or liabilities in the statement of financial position when it becomes a party to the related financial instrument contracts. The Group writes off a financial asset or a portion of its financial asset only when it loses its control over the rights arising from the contract. The Group derecognizes a financial liability only if the obligation defined in the contract is eliminated, canceled or expired.

2.09.10 Foreign Currency Translation

Foreign currency transactions are translated into Turkish Lira using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Turkish Lira using the exchange rates at the balance sheet date. Foreign exchange gains and losses resulting from trading activities (trade receivables and payables) denominated in foreign currencies of the Group operating in the non-finance sectors, have been accounted for under “other operating income/(expenses)” in the consolidated statement of profit or loss.

The consolidated financial statements are presented in TL, which is Yeo Teknoloji’s functional and presentation currency. Transactions in currencies other than functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign currency indexed monetary assets and liabilities are recorded at the rates of exchange prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency as Turkish Lira using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Currency translation differences recognized as profit or loss in the period which they incurred.

2.09.11 Earnings Per Share

Earnings per share disclosed in the income statement are determined by dividing net income attributable to equity holders of the parent by the weighted average number of shares outstanding during the period concerned.

In Turkey, companies can increase their share capital through a pro-rata distribution of shares (“bonus shares”) to existing shareholders from retained earnings and inflation adjustment to equity. For the purpose of earnings per share computations, the weighted average number of shares in existence during the period has been adjusted in respect of bonus share issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period as if the event had occurred at the beginning of the earliest period reported.

2.09.12 Events After the Reporting Period

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the consolidated financial statements are authorised for issue. The Group adjusts the amounts recognised in its financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the consolidated financial statements, they are disclosed in the notes to the consolidated financial statements.

2.09.13 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Contingent liabilities are consistently reviewed prior to the probability of any cash out-flow. In case of the cash outflow is probable, provision is allocated in the consolidated financial statements of the year the probability of contingent liability accounts is changed. A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and reliable estimate can be made for the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are not included in the consolidated financial statements and treated as contingent assets or liabilities.

2.09.14 Related Parties

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Related parties are individuals or entities that are related to the entity that is preparing its consolidated financial statements (reporting entity).

a) An individual or a close family member is considered related party of the reporting entity when the following criteria are met: If a certain individual,

- i) Has control or joint control over the reporting entity,
- ii) Has significant influence over the reporting entity,
- iii) Is a key management personnel of the reporting entity or a parent company of the reporting entity.

b) An entity is considered related party of the reporting entity when the following criteria are met:

- i) If the entity and the reporting entity is within the same group (meaning every parent company, subsidiary and other subsidiaries are considered related parties of others.
 - ii) If the reporting entity is a subsidiary or a joint venture of another entity (or of another entity that the entity is within the same group).
 - iii) If both of the entities are a joint venture of a third party.
 - iv) If one of the entities are a joint venture of a third party while the other entity is a subsidiary of this third party.
 - v) If entity has plans of post employment benefits for employees of reporting entity or a related party of a reporting entity. If the reporting entity has its own plans, sponsor employers are also considered as related parties.
 - vi) If the entity is controlled or jointly controlled by an individual defined in the article (a).
 - vii) If an individual defined in the clause (i) of article (a) has significant influence over the reporting entity or is a key management personnel of this certain entity (or a parent company of the entity)
- Related party transaction is the transfer of resources, services or liabilities regardless of whether a price is charged or not.

2.09.15 Taxes on Income

Income tax expense (or income) is the sum of the current tax expense and the deferred tax expense (or income).

Current tax

Current year tax liability is calculated over the taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it excludes items that cannot be taxed or deducted. The Group's liability for current tax is calculated using legal statutory tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax assets and liabilities are determined by calculating the temporary differences between the amounts shown in the consolidated financial statements and the amounts considered in the statutory tax base in accordance with the balance sheet method. Deferred tax liabilities are recognized for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences 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. Deferred tax liability or asset is not calculated in respect of temporary timing differences arising from the initial recognition of assets or liabilities other than goodwill or business combinations and which do not affect both commercial and financial profit /loss.

Deferred tax liabilities are calculated for all taxable temporary differences related to the investments in subsidiaries and associates and shares in joint ventures, except in cases where the Group is able to control the discontinuation of temporary differences and in the near future it is unlikely that such difference will be eliminated. Deferred tax assets resulting from taxable temporary differences related to such investments and shares are calculated on the condition that it is highly probable that future taxable profit will be available and that it is probable that future differences will be eliminated.

The carrying amount of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that financial profit will be available to allow the benefit of some or that entire amount.

Deferred tax assets and liabilities are calculated over the tax rates that are expected to be valid in the period when the assets are realized or the liabilities are fulfilled and legalized or substantially legalized as of the balance sheet date (tax regulations). During the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Group expects to recover or settle the carrying amount of the assets as of the balance sheet date are taken into consideration

Deferred tax assets and liabilities are recognized when there is a legal right to offset current tax assets and current tax liabilities, or if such assets and liabilities are associated with the income tax collected by the same tax authority, or if the Group intends to pay off the current tax assets and liabilities.

Current and deferred tax for the period

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The deferred tax, other than those directly attributable to debt or liability recognized in equity (in which case deferred tax is recognized directly in equity) or deferred tax, other than those arising from initial recognition of business combinations, is recognized as income or expense in the income statement. In business combinations, the tax effect is taken into consideration in the calculation of goodwill or in determining the part of the purchaser that exceeds the acquisition cost of the share of the acquiree's identifiable assets, liabilities and contingent liabilities in the fair value.

The taxes included in the consolidated financial statements include current period tax and the change in deferred taxes. The Group calculates current and deferred tax on the results for the period.

Offsetting in tax assets and liabilities

The amount of corporate tax payable is netted because it is related to prepaid corporate tax amounts. Deferred tax assets and liabilities are also offset in the same way.

2.09.16 Employee Benefits

Unused vacation rights

In accordance with the existing labor law in Turkey, the Group is required to pay to the employee, whose employment is terminated due to any reasons, the wage of the deserved and unused vacation days over the gross prevailing wage and other benefits subject to contract at the date the contract is terminated. Unused leave provisions are the earned and unused vacation rights of its employees of the Group, and measured on an undiscounted basis and are recognised in profit or loss as the related service is provided. Liabilities arising from unused vacation rights accrued in the period which they incurred.

Provision for employment termination benefits

The provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Group arising from the retirement of its employees based on the actuarial projections. TAS 19 "Employee Benefits" requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligation for employment termination benefits. The effects of differences between the actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains/losses reflected to the accompanying consolidated financial statements. Actuarial gains and losses recognized under consolidated statement of other comprehensive income.

Defined benefit plans

The Group obliged to pay compulsory social security premiums to the Social Insurance Institution in Turkey. The Group has no other obligations as long as it pays these premiums. The aforementioned premiums charged to the personnel expenses in the period which they accrued.

2.09.17 Statement of Cash Flow

Cash and cash equivalents are carried at cost in the consolidated statement of financial position. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, including cash on hand, bank deposits with an original maturity of more than three months and highly-liquid investments. Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements. Cash flows from operating activities represent the cash flows generated from the Group's activities.

Cash flows from investing activities represent the cash flows that are used in or provided from the investing activities of the Group (tangible and intangible assets and financial assets).

Cash flows from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds.

2.09.18 Government Grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants are recognized in profit or loss on a systematic basis over periods in which the Group recognizes as expense the related costs for which the grants are intended to compensate.

2.10 Going Concern

As of 31 March 2024, the Group has prepared its consolidated financial statements with the assumption on the Group's ability to continue its operations in the foreseeable future as a going concern basis of accounting.

2.11 New and Revised Turkish Financial Reporting Standards

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The new standards, amendments, and interpretations

The accounting policies adopted in the preparation of the consolidated financial statements as of 31 March 2024 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards (“TFRS/TAS”) and interpretations effective as of 1 January 2023 and thereafter. The effects of these standards and interpretations on the Group’s financial position and performance have been disclosed in the related paragraphs.

The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective as of 31 March 2024 are as follows:

Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

On 15 January 2021, the POA issued amendments to TAS 1 “Presentation of Financial Statements”. The amendments issued to TAS 1 which are effective for periods beginning on or after 1 January 2023, clarify the criteria for the classification of a liability as either current or non-current. Amendments must be applied retrospectively in accordance with TAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. Early application is permitted.

The Group is in the process of assessing the material influence of the amendments on the financial position or performance of the Group.

Amendments to TAS 8 - Definition of Accounting Estimates

In August 2021, the POA issued amendments to TAS 8, in which it introduced a new definition of “accounting estimates”. The amendments issued to TAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the commencement of the effective date. Earlier application is permitted. The amendments did not have a significant material influence on the financial position or performance of the Group.

Amendments to TAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, the POA issued amendments to TAS 12, which narrows the scope of the initial recognition exception under TAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgment (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognized in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgment is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized. The amendments did not have a significant material influence on the financial position or performance of the Group.

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, the POA issued amendments to TAS 12, which introduced a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. This amendment introduces a temporary exception to the accounting for deferred tax assets and liabilities related to Pillar Two income taxes. However, certain disclosure requirements are not required to be applied for any interim period ending on or before 31 December 2023. The amendments did not have a significant material influence on the financial position or performance of the Group.

Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Group will make the necessary changes if not indicated otherwise, which will affect the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

Amendment to TAS 1 – Non-current liabilities with covenants

The standard is effective from annual periods beginning on or after 1 January 2024. These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve the information an entity provides related to liabilities subject to these conditions.

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Amendments to TAS 7 and TFRS 7 on Supplier finance arrangements

The standard is effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's ("International Accounting Standards Board") response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

Amendment to TFRS 16 – Leases on sale and leaseback

The standard is effective from annual periods beginning on or after 1 January 2024. These amendments include requirements for sale and leaseback transactions in TFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

TFRS S1, 'General requirements for disclosure of sustainability-related financial information

TSRS 1 sets out overall requirements for sustainability-related financial disclosures to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

TSRS 2 Climate-related Disclosures

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

NOTE 3 - BUSINESS COMBINATIONS

As of 31 March 2024 and 31 December 2023, the details of the goodwill are as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|-----------------------------|--------------------|--------------------|
| Opening balance – 1 January | 350.575.768 | - |
| Additions | - | 350.575.768 |
| Closing balance | 350.575.768 | 350.575.768 |

As of 31 March 2024, the Group has no business combinations.

As of 31 December 2023, the details of the business combinations realised during the period are as follows:

The Group acquired Brandıt Mühendislik Yazılım Ticaret Anonim Şirketi's 1020 outstanding shares with the nominal value of TL 25.500 representing its 51% effective ownership interest with a total amount of TL 7.000.000 on 13 September 2023. Brandıt Mühendislik's business activities include ensuring engineering and consultancy activities for energy projects and installation services of industrial process control equipment. Brandıt Mühendislik has total paid-in share capital amounting to TL 50.000.

Since the determination of the fair value of identifiable assets and acquired liabilities related to abovementioned acquisition is in progress, the amount was recognised "temporarily" in the accompanying consolidated financial statements as "provisional fair value" for the year ended 31 December 2023. In accordance with TFRS 3 "Business Combinations", the acquirer shall adjust the provisional amounts recognized at the acquisition date within 12 months to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. As a result of the recognition of the relevant acquisition, it is assumed that there will be adjustments in the fair values of the identifiable assets and liabilities assumed acquired and, accordingly, in the amount of goodwill.

| Account Name | Fair value (TL) |
|---------------------------|-----------------|
| Cash and cash equivalents | 300.598 |
| Trade receivables | 6.396.487 |
| Other receivables | 209.198 |
| Inventories | 1.506.785 |
| Prepaid expenses | 11.669 |
| Non-current assets | 204.804 |
| Short-term borrowings | (257.001) |
| Trade payables | (5.921.528) |
| Employee benefits | (3.846.888) |

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| | |
|--|--------------------|
| Other payables | (40.069) |
| Deferred income | (176.878) |
| Provisions | (715.452) |
| Net fair value of the identifiable assets | (2.328.275) |
| Profit for the period | 217.143 |
| Net fair value of the identifiable assets | (2.545.418) |
| Non-controlling interests | (1.140.855) |
| Identifiable assets acquired | (1.404.563) |
| Consideration transferred | 8.189.894 |
| Goodwill, net – 31 December 2023 | 9.594.457 |

Defic Globe Enerji, the subsidiary of the Group, acquired “Future PV S.R.L.” amounting to TL 48.359.096 for the purpose of business development and operational activities in Caracal/Romania on 1 February 2023. Future PV’s business activities include ensuring electricity production from solar energy.

Since the determination of the fair value of identifiable assets and acquired liabilities related to abovementioned acquisition is in progress, the amount was recognised “temporarily” in the accompanying consolidated financial statements as “provisional fair value” for the year ended 31 December 2023. In accordance with TFRS 3 “Business Combinations”, the acquirer shall adjust the provisional amounts recognized at the acquisition date within 12 months to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. As a result of the recognition of the relevant acquisition, it is assumed that there will be adjustments in the fair values of the identifiable assets and liabilities assumed acquired and, accordingly, in the amount of goodwill.

| Account Name | Fair value (TL) |
|--|---------------------|
| Cash and cash equivalents | 2.279.505 |
| Trade receivables | 11.346.887 |
| Other current assets | 78.082.791 |
| Property, plant and equipment | 503.761.473 |
| Intangible assets | 62.047.240 |
| Prepaid expenses | 1.943.302 |
| Deferred tax assets | 1.222.518 |
| Trade payables | (105.622.241) |
| Other payables | (1.662.860) |
| Short-term borrowings | (156.206) |
| Long-term borrowings | (633.337.372) |
| Net fair value of the identifiable assets | (80.094.963) |
| Profit for the period | (70.354.161) |
| Net fair value of the identifiable assets | (9.740.802) |
| Identifiable assets acquired | (9.740.802) |
| Consideration transferred | 55.643.910 |
| Goodwill, net – 31 December 2023 | 65.384.712 |

Defic Globe Enerji, the subsidiary of the Group, acquired “Luce Verde S.R.L.” amounting to TL 240.307.315 for the purpose of business development and operational activities in Turceni/Romania on 5 September 2023. Luce Verde’s business activities include ensuring electricity production from solar energy.

Since the determination of the fair value of identifiable assets and acquired liabilities related to abovementioned acquisition is in progress, the amount was recognised “temporarily” in the accompanying consolidated financial statements as “provisional fair value” for the year ended 31 December 2023. In accordance with TFRS 3 “Business Combinations”, the acquirer shall adjust the provisional amounts recognized at the acquisition date within 12 months to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. As a result of the recognition of the relevant acquisition, it is assumed that there will be adjustments in the fair values of the identifiable assets and liabilities assumed acquired and, accordingly, in the amount of goodwill.

| Account Name | Fair value (TL) |
|--|-----------------|
| Cash and cash equivalents | 14.180.370 |
| Other current assets | 736.375 |
| Property, plant and equipment | 5.815.836 |
| Prepaid expenses | 273.463 |
| Trade payables | (2.137.361) |
| Other payables | (18.396.178) |
| Net fair value of the identifiable assets | 472.506 |
| Profit for the period | (438.104) |
| Net fair value of the identifiable assets | 910.610 |
| Identifiable assets acquired | 910.610 |

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | |
|---|--------------------|
| Consideration transferred | 276.507.209 |
| Goodwill, net – 31 December 2023 | 275.596.599 |

NOTE 4 - DISCLOSURE OF INTERESTS IN OTHER ENTITIES

The disclosures of interests of the Group include associates and joint ventures under common control and Group has the authority over joint control on financial and operating policies. In the accompanying consolidated financial statements, disclosure of interests in other entities have been accounted for using the equity method and disclosed in notes to the consolidated financial statements in Note 16: Investments Accounted for Using the Equity Method.

Information regarding the Associates and Joint Ventures accounted for using the equity method is as follows:

| Associates and Joint Ventures | Effective ownership interests (%) | 31 March 2024 Net balance sheet position | 31 December 2023 Net balance sheet position |
|--|-----------------------------------|---|--|
| Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. | 50% | - | - |
| HK Enerji – YEO Joint Venture | 50% | 2.693.501 | 1.357.415 |
| YEO – HSY Joint Venture | 50% | 121.079 | 296.972 |
| Grid Technologies Llc | 50% | 96.536 | 57.143 |
| Total | | 2.911.116 | 1.711.530 |

NOTE 5 - OPERATING SEGMENTS

As of 31 March 2024 and 2023, the functional breakdown of the reportable segments of the Group is as follows:

01.01.2024-31.03.2024

| | Commitments | Operating activities | Total |
|--|--------------------|----------------------|--------------------|
| Revenue | 1.172.054.235 | 190.960.117 | 1.363.014.352 |
| Cost of sales (-) | (852.227.127) | (124.253.461) | (976.480.588) |
| Gross profit from non-finance sector operations | 319.827.108 | 66.706.656 | 386.533.764 |
| GROSS PROFIT | 319.827.108 | 66.706.656 | 386.533.764 |

01.01.2023-31.03.2023

| | Commitments | Operating activities | Total |
|--|--------------------|----------------------|--------------------|
| Revenue | 846.789.258,80 | 90.230.946 | 937.020.205 |
| Cost of sales (-) | (676.966.865) | (75.875.979) | (752.842.844) |
| Gross profit from non-finance sector operations | 169.822.394 | 14.354.967 | 184.177.361 |
| GROSS PROFIT | 169.822.394 | 14.354.967 | 184.177.361 |

NOTE 6 - CASH AND CASH EQUIVALENTS

As of 31 March 2024 and 31 December 2023, the functional breakdown of cash and cash equivalents is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|---------------------------------------|--------------------|--------------------|
| Cash on hand | 1.475.976 | 1.448.683 |
| Banks | 826.250.571 | 934.054.197 |
| - Demand deposits | 512.156.448 | 491.786.069 |
| - Time deposits | 98.970.431 | 148.212.238 |
| - Blocked deposits | 215.123.692 | 294.055.891 |
| Derivatives market collaterals | 13.425.889 | 1.692.463 |
| Cash and cash equivalents, net | 841.152.436 | 937.195.343 |

The functional breakdown of demand deposits in terms of foreign currencies and Turkish Lira is as follows:

| Currency | 31.03.2024 | 31.12.2023 |
|----------|-------------|-------------|
| TL | 23.529.346 | 8.297.134 |
| USD | 241.100.476 | 221.563.196 |
| EUR | 227.382.695 | 241.611.251 |
| CHF | 36.892 | - |
| RON | 14.495.371 | 17.322.522 |
| UZS | 1.163.477 | 1.277.882 |
| MKD | 179.968 | 249.320 |
| PLN | 202.848 | 181.223 |

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | | |
|--------------|--------------------|--------------------|
| MNT | 2.706.335 | - |
| AZN | 1.359.040 | 1.283.541 |
| Total | 512.156.448 | 491.786.069 |

The functional breakdown of time deposits in terms of foreign currencies and Turkish Lira is as follows:

| Currency | 31.03.2024 | 31.12.2023 |
|--------------|-------------------|--------------------|
| TL | 98.970.171 | 145.156.309 |
| USD | 260 | 3.055.928 |
| Total | 98.970.431 | 148.212.238 |

The functional breakdown of blocked deposits in terms of foreign currencies and Turkish Lira is as follows:

| Currency | 31.03.2024 | 31.12.2023 |
|--------------|--------------------|--------------------|
| USD | 215.123.692 | 294.055.891 |
| Total | 215.123.692 | 294.055.891 |

As of 31 March 2024 and 31 December 2023, the annual effective interest rates of time deposits denominated in foreign currencies and Turkish Lira are as follows:

| | 31.03.2024 | | 31.12.2023 | |
|--------------|--------------------------|--------------------------------|--------------------------|--------------------------------|
| Currency | Original currency amount | Annual effective interest rate | Original currency amount | Annual effective interest rate |
| TL | 98.970.171 | 15%-50% | 145.156.309 | 15%-42% |
| USD | 260 | 12% | 3.055.928 | 12%-24% |
| Total | | | 148.212.238 | |

NOTE 7 - FINANCIAL INVESTMENTS

As of 31 March 2024 and 31 December 2023, the detailed analysis of financial investments measured at amortised cost is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|--------------|-------------------|----------------|
| Funds | 80.820.419 | 782.570 |
| Total | 80.820.419 | 782.570 |

As of 31 March 2024 and 31 December 2023, the Group has no short-term financial investments at fair value through profit or loss.

As of 31 March 2024 and 31 December 2023, the detailed analysis of financial investments accounted for as equity instruments in the accompanying consolidated financial statements is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|--|-------------------|-------------------|
| Nicat Batarya Teknolojileri Ticaret A.Ş. | 9.001.853 | 9.001.853 |
| Ion Membran Teknolojileri A.Ş. | 5.959.805 | 5.959.805 |
| Ratio Enerji A.S. | 5.787.781 | - |
| Total | 20.749.439 | 14.961.658 |

NOTE 8 – BORROWINGS

As of 31 March 2024 and 31 December 2023, the breakdown of short-term borrowings are as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|---|--------------------|--------------------|
| Bank borrowings | 126.671.823 | 504.516.724 |
| Leasing | 14.615.251 | 13.707.420 |
| Principal and interest installments of long-term borrowings | 490.379.051 | 115.817.611 |
| Lease liabilities | 1.784.640 | 1.653.324 |
| Short-term borrowings, net | 633.450.765 | 635.695.079 |

As of 31 March 2024 and 31 December 2023, the breakdown of long-term borrowings are as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|----------------------------------|----------------------|----------------------|
| Bank borrowings | 1.012.495.164 | 971.317.364 |
| Leasing | 15.910.718 | 19.855.138 |
| Lease liabilities | 64.850.041 | 72.139.690 |
| Long-term borrowings, net | 1.093.255.923 | 1.063.312.192 |

As of 31 March 2024 and 31 December 2023, redemption schedule of bank borrowings is as follows:

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| Maturity schedule | 31.03.2024 | 31.12.2023 |
|-------------------|----------------------|----------------------|
| 0-3 months | 126.671.823 | 421.157.691 |
| 4-12 months | 490.379.051 | 167.972.563 |
| 1 year and over | 1.043.021.133 | 1.036.084.003 |
| Total | 1.660.072.007 | 1.625.214.257 |

The annual effective interest rates of bank borrowings are as follows:

31.03.2024

| Type | Original currency amount | TL equivalent | Annual effective interest rate (%) |
|--------------|--------------------------|----------------------|------------------------------------|
| TL | 326.251.767 | 326.251.767 | 17%-43% |
| USD | 13.930.326 | 451.931.583 | 8%-12% |
| EUR | 82.908.287 | 881.888.657 | 7%-14% |
| Total | | 1.660.072.007 | |

31.12.2023

| Type | Original currency amount | TL equivalent | Annual effective interest rate (%) |
|--------------|--------------------------|----------------------|------------------------------------|
| TL | 391.828.166 | 391.828.166 | 17%-43% |
| USD | 7.129.312 | 346.829.707 | 8%-12% |
| EUR | 16.469.481 | 886.556.385 | 7%-14% |
| Total | | 1.625.214.257 | |

NOTE 9 - OTHER FINANCIAL LIABILITIES

None.

NOTE 10 - TRADE RECEIVABLES AND PAYABLES

As of 31 March 2024 and 31 December 2023, the breakdown of short-term trade receivables is as follows. The Group has no long-term trade receivables as of the end of the reporting periods.

| Account Name | 31.03.2024 | 31.12.2023 |
|--|----------------------|--------------------|
| Trade receivables from third parties | 1.091.878.538 | 580.177.747 |
| -Customers | 1.085.465.070 | 573.691.403 |
| -Notes receivables | 47.795.400 | 22.621.824 |
| -Discount on notes receivables (-) | (41.381.932) | (16.135.480) |
| - Doubtful trade receivables | 6.977.714 | 7.699.535 |
| - Provision for doubtful trade receivables (-) | (6.977.714) | (7.699.535) |
| Trade receivables from related parties (Note 37) | 41.400.659 | 26.192.432 |
| Short-term trade receivables, net | 1.133.279.197 | 606.370.179 |

Trade receivables are performed without obtaining collaterals and guarantees and average turnover period for trade receivables is 40 days (31 December 2023: 23 days). Annual effective interest rate applied on trade receivables is 43.63% (31 December 2023: 43.63%).

The nature and level of risks of trade receivables are disclosed in **Note 39**.

As of 31 March 2024 and 31 December 2023, the breakdown of short-term trade payables is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|---|----------------------|----------------------|
| Trade payables to third parties | 826.808.894 | 920.650.771 |
| -Suppliers | 761.392.710 | 533.225.597 |
| - Notes payable | 112.930.770 | 422.826.344 |
| - Discount on notes payable | (49.229.153) | (37.536.860) |
| - Other | 1.714.567 | 2.135.690 |
| Trade payables to related parties (Note 37) | 366.991.079 | 255.126.137 |
| Short-term trade payables, net | 1.193.799.973 | 1.175.776.908 |

Average turnover period for trade payables is 67 days (31 December 2023: 41 days). Annual effective interest rate applied on trade payables is 43.63% (31 December 2023: 43.63%).

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

As of 31 March 2024 and 31 December 2023, the Group has no long-term trade payables.

The nature and level of risks of trade payables are disclosed in **Note 39**.

NOTE 11 - OTHER RECEIVABLES AND PAYABLES

As of 31 March 2024 and 31 December 2023, the breakdown of short-term other receivables is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|--|-------------------|-------------------|
| Other receivables from third parties | 60.185.582 | 28.555.513 |
| - Deposits and guarantees given | 10.076.816 | 695.907 |
| - Due from employees | 151.148 | 173.917 |
| - Other | 49.957.618 | 27.685.689 |
| Other receivables from related parties (Note 37) | 6.672.602 | 6.444.726 |
| Short-term other receivables, net | 66.858.184 | 35.000.239 |

As of 31 March 2024 and 31 December 2023, the breakdown of short-term other payables is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|---------------------------------------|--------------------|--------------------|
| Other payables to third parties | 120.105.213 | 3.102.956 |
| - Taxes payable | 120.105.213 | 3.102.956 |
| Other payables to related parties | 313.720.554 | 393.537.273 |
| Short-term other payables, net | 433.825.767 | 396.640.229 |

As of 31 March 2024 and 31 December 2023, the Group has no long-term other receivables and payables.

NOTE 12 - CUSTOMER CONTRACTS

The functional breakdown of contract assets and liabilities from commitment contracts with customers is as follows:

| | 31.03.2024 | 31.12.2023 |
|--------------------------------------|----------------------|----------------------|
| Revenue under TFRS (A) | 8.353.741.545 | 8.122.433.233 |
| Accumulated costs (B) | (6.034.792.800) | (6.007.917.662) |
| Profit/loss under TFRS (C=A+B) | 2.318.948.745 | 2.114.515.571 |
| Less: Incurred progress payments (D) | 5.813.200.262 | 5.771.104.228 |
| Contract assets (A-D) | 2.540.541.283 | 2.351.329.005 |

As of 31 March 2024 and 31 December 2023, the breakdown of receivables from contracts with customers denominated in foreign currencies and Turkish Lira is as follows:

31.03.2024

| Type | Original currency amount | TL equivalent |
|------------------------------|--------------------------|----------------------|
| TL | 123.315.417 | 123.315.417 |
| USD | 70.771.208 | 2.284.876.756 |
| EUR | 3.802.884 | 132.349.110 |
| Contract assets (A-D) | | 2.540.541.283 |

31.12.2023

| Type | Original currency amount | TL equivalent |
|------------------------------|--------------------------|----------------------|
| TL | 63.465.101 | 73.025.484 |
| USD | 62.246.174 | 2.108.457.510 |
| EUR | 4.531.543 | 169.846.011 |
| Contract assets (A-D) | | 2.351.329.005 |

NOTE 13 – INVENTORIES

As of 31 March 2024 and 31 December 2023, the details of inventories are as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|--------------------------------|-------------|-------------|
| Raw materials and supplies | 189.636.775 | 155.306.758 |
| Semi-finished goods | 1.227.351 | 1.291.971 |
| Merchandise | 2.779.697 | 4.154.093 |
| Less: Provision for impairment | (628.842) | (628.842) |

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | | |
|--------------|--------------------|--------------------|
| Total | 193.014.981 | 160.123.980 |
|--------------|--------------------|--------------------|

As of 31 March 2024, the Group has no pledged inventories (31 December 2023: None).

NOTE 14 – BIOLOGICAL ASSETS

None.

NOTE 15 - PREPAID EXPENSES AND DEFERRED INCOME

As of 31 March 2024 and 31 December 2023, the functional breakdown of prepaid expenses and deferred income is as follows:

Short-term prepaid expenses

| Account Name | 31.03.2024 | 31.12.2023 |
|---|--------------------|--------------------|
| Prepaid expenses to third parties | 732.210.048 | 587.571.009 |
| - Short-term prepaid expenses (*) | 135.946.696 | 112.669.805 |
| - Advances given (**) | 596.263.352 | 474.901.204 |
| Short-term prepaid expenses, net | 732.210.048 | 587.571.009 |

(*) In accordance with the paragraphs 91-94 of TFRS 15 “Revenue from Contracts with Customers”, short-term prepaid expenses include additional costs (sales commissions) incurred to make contracts with customers.

(**) Includes advances paid to the suppliers for the purchases of goods and services.

Long-term prepaid expenses

None.

Short-term deferred income

| Account Name | 31.03.2024 | 31.12.2023 |
|--|----------------------|----------------------|
| Deferred income from third parties | 2.153.550.730 | 1.630.175.776 |
| - Advances received | 2.153.550.730 | 1.630.175.776 |
| Short-term deferred income, net | 2.153.550.730 | 1.630.175.776 |

Advances received include short-term advances obtained regarding current contracts with customers.

Long-term deferred income

None.

NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Information regarding the Associates and Joint Ventures accounted for using the equity method is as follows:

| Associates and Joint Ventures | Effective ownership interests (%) | 31 March 2024 Net balance sheet position | 31 December 2023 Net balance sheet position |
|--|--|---|--|
| Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. | 50% | - | - |
| HK Enerji – YEO Joint Venture | 50% | 2.693.501 | 1.357.415 |
| Yeo – Hsy Joint Venture | 50% | 121.079 | 296.972 |
| Grid Technologies Llc | 50% | 96.536 | 57.143 |
| Total | | 2.911.116 | 1.711.530 |

NOTE 17 - INVESTMENT PROPERTIES

None.

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

As of 31 March 2024 and 2023, the movements for property, plant and equipment, and related depreciation are as follows:

31.03.2024

| Cost | Opening balance – 1 January 2024 | Additions | Disposals | Revaluation surplus (-) | Currency translation | Closing balance – 31 March 2024 |
|-------------|---|------------------|------------------|------------------------------------|---------------------------------|--|
|-------------|---|------------------|------------------|------------------------------------|---------------------------------|--|

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | | | | | differences (+/-) | |
|--------------------------------|----------------------|-------------------|--------------------|---------------------|----------------------|----------------------|
| Land | 2.458.792 | 1.478.800 | - | - | - | 3.937.592 |
| Buildings | 86.758.256 | - | - | (3.608.256) | - | 83.150.000 |
| Plant, machinery and equipment | 536.610.625 | - | (18.642) | - | (34.198.459) | 502.393.524 |
| Motor vehicles | 105.651.409 | 316.954 | (1.737.254) | - | 132.294 | 104.363.403 |
| Furniture and fixtures | 72.015.055 | 5.864.104 | (66.818) | - | 755.711 | 78.568.053 |
| Leasehold improvements | 6.930.467 | - | - | - | - | 6.930.467 |
| Constructions in progress | 467.722.891 | 83.890.829 | - | (36.540.240) | 10.442.176 | 525.515.655 |
| Total | 1.278.147.495 | 91.550.687 | (1.822.715) | (40.148.496) | (22.868.278) | 1.304.858.693 |

| Accumulated depreciation (-) | Opening balance – 1 January 2024 | Current period depreciation | Disposals | Revaluation surplus | Currency translation differences (+/-) | Closing balance – 31 March 2024 |
|--------------------------------|-------------------------------------|-----------------------------|------------------|------------------------|--|------------------------------------|
| Buildings | 3.866.530 | 374.607 | - | - | - | 4.241.137 |
| Plant, machinery and equipment | 7.908.614 | 8.309.120 | (570) | - | (98.278) | 16.118.886 |
| Motor vehicles | 31.880.705 | 4.817.634 | (738.708) | - | 13.097 | 35.972.728 |
| Furniture and fixtures | 21.702.376 | 3.665.409 | (2.342) | - | 294.385 | 25.659.828 |
| Leasehold improvements | 4.434.011 | 14.140 | - | - | - | 4.448.151 |
| Total | 69.792.237 | 17.180.909 | (741.620) | - | 209.204 | 86.440.729 |
| Net book value | 1.208.355.259 | | | | | 1.218.417.965 |

31.03.2023

| Cost | Opening balance – 1 January 2023 | Additions | Disposals | Closing balance – 31 March 2023 |
|--------------------------------|-------------------------------------|-------------------|-----------|------------------------------------|
| Land | 103.010.843 | - | - | 103.010.843 |
| Buildings | 70.465.685 | 4.308.413 | - | 74.774.098 |
| Plant, machinery and equipment | 1.131.224 | 17.474 | - | 1.148.698 |
| Motor vehicles | 61.211.861 | 4.044.652 | - | 65.256.513 |
| Furniture and fixtures | 37.195.668 | 3.225.437 | - | 40.421.105 |
| Leasehold improvements | 6.930.464 | - | - | 6.930.464 |
| Constructions in progress | 7.220.608 | 73.294.347 | - | 80.514.955 |
| Total | 287.166.353 | 84.890.323 | - | 372.056.676 |

| Accumulated depreciation (-) | Opening balance – 1 January 2023 | Current period depreciation | Disposals | Closing balance – 31 March 2023 |
|--------------------------------|-------------------------------------|-----------------------------|-----------|------------------------------------|
| Buildings | (2.293.195) | (364.123) | - | (2.657.318) |
| Plant, machinery and equipment | (1.055.089) | (17.426) | - | (1.072.515) |
| Motor vehicles | (15.423.062) | (3.192.435) | - | (18.615.497) |
| Furniture and fixtures | (12.085.969) | (1.474.143) | - | (13.560.111) |
| Leasehold improvements | (3.995.613) | (88.414) | - | (4.084.026) |
| Total | (34.852.928) | (5.136.540) | - | (39.989.468) |
| Net book value | 252.313.425 | | | 332.067.208 |

The Group has no property, plant and equipment acquired through finance lease. Total insurance coverage on assets and pledges and mortgages on property, plant and equipment are disclosed in **Note 23**.

The fair value of the property, plant and equipment of the Group has been determined by independent appraisal firms. The independent appraisal firms are authorised by the Capital Markets Board (the “CMB”) and their nature of business is providing valuation services.

The fair value of the buildings and construction in progress of the Group has been determined as of 31 March 2024. The fair value of buildings and construction in progress has been determined by the independent appraisal firm “Aden Gayrimenkul Değerleme ve Danışmanlık Anonim Şirketi” and the amounts determined by Aden Gayrimenkul recognised in the accompanying consolidated financial statements in accordance with the report prepared by Aden Gayrimenkul on 29 March 2024.

As of 31 March 2024, the summary financial information and the fair value hierarchy of the buildings and construction in progress are as follows:

| | Level 1 | Level 2 | Level 3 |
|--------------------------|---------|--------------------|---------|
| Buildings | - | 83.150.000 | - |
| Construction in progress | - | 287.150.000 | - |
| Total | | 370.300.000 | |

| Property, plant and equipment | Method | Immeasurable factor | Sensitivity analysis |
|-------------------------------------|-----------------|---|--|
| Buildings-Constructions in progress | Market approach | Estimates of appraisal expert and depreciation rates are used | The decision, based on past experience, has the material influence on the fair value of the motor vehicles |

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| | | |
|--|-----------------------------------|---|
| | determining the appraisal report. | and furniture and fixtures. A change in the exchange rate or inflation index will cause the change in fair value. |
|--|-----------------------------------|---|

The financial information regarding the fair values and the dates of the independent appraisal reports estimated by independent appraisal experts for the buildings and constructions in progress are as follows:

31.03.2024

| Type | Buildings | Constructions in progress |
|---------------------|--|--|
| Fair value | 83.150.000 | 287.150.000 |
| Carrying value | 86.758.256 | 323.690.240 |
| Revaluation surplus | (3.608.256) | (36.540.240) |
| Deferred tax (-) | 902.064 | 9.135.060 |
| Report date | 29.03.2024 | 29.03.2024 |
| Appraisal firm | Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. | Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. |

The functional breakdown of depreciation and amortization charges on property, plant and equipment is disclosed in **Note 31**.

NOTE 19 - RIGHT OF USE ASSETS

As of 31 March 2024 and 2023, the movements for right of use assets, and related depreciation are as follows:

31.03.2024

Cost

| Account Name | Opening balance – 1 January 2024 | Additions | Disposals | Currency translation differences | Closing balance – 31 March 2024 |
|---------------------|-------------------------------------|-----------|-----------|--|------------------------------------|
| Right of use assets | 95.145.775 | - | - | (4.468.480) | 90.677.295 |
| Total | 95.145.775 | - | - | (4.468.480) | 90.677.295 |

Accumulated depreciation (-)

| Account Name | Opening balance – 1 January 2024 | Current period depreciation (-) | Disposals | Currency translation differences | Closing balance – 31 March 2024 |
|-----------------------|-------------------------------------|---------------------------------|-----------|--|------------------------------------|
| Right of use assets | (7.342.351) | (290.175) | - | 72.333 | (7.560.193) |
| Total | (7.342.351) | (290.175) | - | 72.333 | (7.560.193) |
| Net book value | 87.803.425 | | | | 83.117.102 |

31.03.2023

Cost

| Account Name | Opening balance – 1 January 2023 | Additions | Disposals | Currency translation differences | Closing balance – 31 March 2023 |
|---------------------|-------------------------------------|------------|-----------|--|------------------------------------|
| Right of use assets | 13.041.358 | 13.532.224 | - | - | 26.573.582 |
| Total | 13.041.358 | - | - | - | 26.573.582 |

Accumulated depreciation (-)

| Account Name | Opening balance – 1 January 2023 | Current period depreciation (-) | Disposals | Currency translation differences | Closing balance – 31 March 2023 |
|-----------------------|-------------------------------------|---------------------------------|-----------|--|------------------------------------|
| Right of use assets | (2.328.437) | (1.587.655) | - | - | (3.916.092) |
| Total | (2.328.437) | (1.587.655) | - | - | (3.916.092) |
| Net book value | 10.712.921 | | | | 22.657.490 |

NOTE 20 - INTANGIBLE ASSETS

As of 31 March 2024 and 2023, the movements for intangible assets, and related depreciation are as follows:

31.03.2024

| Cost | Opening balance – 1 January 2024 | Additions | Disposals | Closing balance – 31 March 2024 |
|--------------|-------------------------------------|-----------|-----------------|------------------------------------|
| Rights | 4.383.792 | - | (35.486) | 4.348.306 |
| Total | 4.383.792 | - | (35.486) | 4.348.306 |

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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| Accumulated depreciation (-) | Opening balance – 1 January 2024 | Current period depreciation | Disposals | Closing balance – 31 March 2024 |
|------------------------------|-------------------------------------|-----------------------------|-----------|------------------------------------|
| Rights | 2.918.731 | 147.708 | - | 3.066.439 |
| Total | 2.918.731 | 147.708 | - | 3.066.439 |
| Net book value | 1.369.851 | - | - | 1.177.800 |

31.03.2023

| Cost | Opening balance – 1 January 2023 | Additions | Disposals | Closing balance – 31 March 2023 |
|--------------|-------------------------------------|-----------|------------------|------------------------------------|
| Rights | 3.878.338 | - | (404.957) | 3.473.381 |
| Total | 3.878.338 | - | (404.957) | 3.473.381 |

| Accumulated depreciation (-) | Opening balance – 1 January 2023 | Current period depreciation | Disposals | Closing balance – 31 March 2023 |
|------------------------------|-------------------------------------|-----------------------------|-----------|------------------------------------|
| Rights | (1.698.430) | (219.707) | - | (1.918.137) |
| Total | (1.698.430) | (219.707) | - | (1.918.137) |
| Net book value | 2.179.908 | - | - | 1.555.244 |

Total insurance coverage on intangible assets are disclosed in **Note 22**.

The functional breakdown of depreciation and amortization charges on intangible assets is disclosed in **Note 30**.

Goodwill

As of 31 March 2024 and 31 December 2023, the details of the goodwill are as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|-----------------------------|--------------------|--------------------|
| Opening balance – 1 January | 350.575.768 | - |
| Additions | - | 350.575.768 |
| Closing balance | 350.575.768 | 350.575.768 |

NOTE 21 - EMPLOYEE BENEFITS

As of 31 March 2024 and 31 December 2023, the breakdown of employee benefits is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|----------------------------------|-------------------|-------------------|
| Due to employees | 20.689.950 | 24.280.889 |
| Taxes payable | 17.209.804 | 29.286.146 |
| Social security premiums payable | 18.055.048 | 17.294.840 |
| Other liabilities | 578.926 | 295.377 |
| Deferred liabilities | 1.891.114 | 2.264.442 |
| Total | 58.424.842 | 73.421.694 |

NOTE 22 - GOVERNMENT GRANTS

None.

NOTE 23 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) *Other short-term provisions*

| Account Name | 31.03.2024 | 31.12.2023 |
|-------------------------------|-------------------|-------------------|
| Provision for lawsuits | 30.244 | 34.800 |
| Provision for unused vacation | 17.197.505 | 15.966.293 |
| Total | 17.227.749 | 16.001.093 |

ii) *Contingent liabilities and contingent assets*

Contingent events

The Group has allocated provision for doubtful receivables that cannot be collected even though they are overdue and/or are transferred to the execution stage. As of 31 March 2024, the Group has doubtful receivables amounting to TL 6.977.714 (31 December 2023: TL 7.699.535). In addition, the Group has allocated provision for lawsuits amounting to TL 30.244 for possible cash outflow from the Group during the period (31 December 2023: TL 34.800).

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iii) Commitments, mortgages and guarantees not included in the liability

| | | 31.03.2024 | | 31.12.2023 | |
|--|----------|--------------------------|----------------------|--------------------------|----------------------|
| | Currency | Original currency amount | TL equivalent | Original currency amount | TL equivalent |
| Letter of guarantee given | TL | 299.406.018 | 299.406.018 | 344.508.541 | 344.508.541 |
| Letter of guarantee given | USD | 75.812.083 | 2.231.771.274 | 75.812.083 | 2.567.965.299 |
| Letter of guarantee given | EUR | 2.368.081 | 77.137.636 | 2.368.081 | 88.757.649 |
| Total letter of guarantee given | | 377.586.182 | 2.608.314.928 | 377.586.182 | 3.001.231.489 |
| Mortgages given | TL | 46.000.000 | 46.000.000 | 52.929.440 | 52.929.440 |
| Total mortgages given | | 46.000.000 | 46.000.000 | 46.000.000 | 52.929.440 |
| Pledges given | TL | 444.000 | 444.000 | 510.884 | 510.884 |
| Total pledges given | | 444.000 | 444.000 | 510.884 | 510.884 |

iv) Ratio of guarantees and mortgages to equity

As of 31 March 2024 and 31 December 2023, the Group's collateral/pledge/mortgage/bill of guarantee ("C&P&M&B") position is as follows:

| Collaterals, Pledges, Mortgages and Bill of Guarantees Given by the Group | 31.12.2023 | 31.12.2022 |
|--|----------------------|----------------------|
| A. Total amount of CPMB's given in the name of its own legal personality | 2.654.758.928 | 3.054.671.813 |
| B. Total amount of CPMB's given on behalf of the fully consolidated subsidiaries | - | - |
| C. Total amount of CPMB's given on behalf of third parties for ordinary course of business | - | - |
| D. Total amount of other CPMB's given | - | - |
| i) Total amount of CPMB's given on behalf of the majority shareholder | - | - |
| ii) Total amount of CPMB's given to on behalf of other group companies which are not in scope of B and C | - | - |
| iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C | - | - |
| Total | 2.654.758.928 | 3.054.671.813 |

As of 31 March 2024, the ratio of guarantees and mortgages to equity given by the Group is 0% (31 December 2023: 0%).

v) Total insurance coverage on assets

As of 31 March 2024, total insurance coverage on the assets of the Group is amounting to USD 3.811.904,13 and TL 35.119.043 (31 December 2023: USD 3.999.942 and TL 40.409.375,64).

NOTE 24 - COMMITMENTS

None.

NOTE 25 – PROVISIONS FOR EMPLOYEE BENEFITS

| Long-term | 31.03.2024 | 31.12.2023 |
|---|-------------------|-------------------|
| Provision for employment termination benefits | 14.557.672 | 15.970.086 |
| Total | 14.557.672 | 15.970.086 |

Under Turkish Labour Law, Yeo Teknoloji and its subsidiaries, associates and joint ventures are required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, who is called up for military service, dies or retires after completing 25 years of service (20 years for women) and reaches the retirement age (58 for women and 60 for men). As of 31 March 2024, the amount payable consists of one month's salary limited to a maximum of TL 19.982,83 (31 December 2023: TL 19.982,83) for each year of service.

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. TAS 19 ("Employee Benefits") requires actuarial valuation methods to be developed to estimate the entity's obligation under defined benefit plans. Accordingly, the following actuarial assumptions are used in the calculation of total liabilities:

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

The movements in the provision for employment termination benefits are as follows:

| 01.01.2024 | 01.01.2023 |
|------------|------------|
| 31.03.2024 | 31.03.2023 |

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | | |
|--|-------------------|------------------|
| Beginning of the period – 1 January | 21.873.005 | 8.217.765 |
| Payments during the period (-) | (4.060.922) | (1.818.173) |
| Service costs | 3.667.610 | 4.596.741 |
| Actuarial losses/(gains) | 840.149 | (764.976) |
| Adjustments for inflation – TAS 29 | (7.762.170) | (273.327) |
| End of the period – 31 March | 14.557.672 | 9.958.031 |

NOTE 26 - TAX ASSETS AND LIABILITIES

As of 31 March 2024 and 31 December 2023, the detailed analysis of current income tax assets is as follows:

| | | |
|---------------------------------------|-------------------|-------------------|
| Account Name | 31.03.2024 | 31.12.2023 |
| Prepaid taxes | 3.346.389 | 1.095.035 |
| Current income tax assets, net | 3.346.389 | 1.095.035 |

As of 31 March 2024 and 31 December 2023, the detailed analysis of current income tax liabilities is as follows:

| | | |
|--|-------------------|-------------------|
| Account Name | 31.03.2024 | 31.12.2023 |
| Current income tax liabilities | 7.541.181 | 45.777.041 |
| Less: Prepaid taxes (-) | (78.719) | (11.070.489) |
| Current income tax liabilities, net | 7.462.462 | 34.706.552 |

NOTE 27 - OTHER ASSETS AND LIABILITIES

As of 31 March 2024 and 31 December 2023, the detailed analysis of other current assets is as follows:

| | | |
|----------------------------------|--------------------|--------------------|
| Account Name | 31.03.2024 | 31.12.2023 |
| Deferred VAT | 325.518.007 | 376.269.426 |
| Cash advances | 3.552.323 | 5.525.741 |
| Advances given to employees | 1.461.123 | 1.330.898 |
| Other | - | 34.908 |
| Other current assets, net | 330.531.453 | 383.160.973 |

As of 31 March 2024 and 31 December 2023, the detailed analysis of other non-current assets is as follows:

| | | |
|---|-------------------|-------------------|
| Account Name | 31.03.2024 | 31.12.2023 |
| Long-term income tax withholding allowances | 87.399.360 | 76.175.471 |
| Other non-current assets, net | 87.399.360 | 76.175.471 |

As of 31 March 2024 and 31 December 2023, the Group has no other current and non-current liabilities.

NOTE 28 - EQUITY

i) Non-controlling interests

Equity items of the subsidiaries within the scope of consolidation, including paid-in/issued share capital, the amounts corresponding to the shares other than the parent company and subsidiaries are deducted and presented in under equity of the consolidated balance sheet as “Non-Controlling Interest”.

As of 31 March 2024 and 31 December 2023, the details of other comprehensive income or expenses to be reclassified to profit or loss are as follows:

| | | |
|----------------------------------|-------------------|-------------------|
| Account Name | 31.03.2024 | 31.12.2023 |
| Currency translation differences | 10.310.745 | 8.836.592 |
| Total | 10.310.745 | 8.836.592 |

ii) Share capital

As of 31 March 2024, paid-in share capital of the Group is amounting to TL 96.000.000. Yeo Teknoloji has not been adopted the registered share capital system. As of 31 March 2024 and 31 December 2023, the principal shareholders and their respective shareholding rates in Yeo Teknoloji are as follows:

| | 31.03.2024 | | 31.12.2023 | |
|----------------|-------------------|------------------|-------------------|------------------|
| | Amount | Share (%) | Amount | Share (%) |
| Tolunay Yıldız | 13.336.384 | 13.9 | 13.336.384 | 13.9 |
| Orhan Yıldız | 13.336.384 | 13.9 | 13.336.384 | 13.9 |
| Özbey Yıldız | 13.330.272 | 13.9 | 13.330.272 | 13.9 |

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | | | | |
|------------------------------------|-------------------|------------|-------------------|------------|
| Bariş Esen | 6.112.000 | 6.4 | 6.112.000 | 6.4 |
| Sinan Karahan | 6.112.000 | 6.4 | 6.112.000 | 6.4 |
| Yasin Düven | 6.112.000 | 6.4 | 6.112.000 | 6.4 |
| Caner Karataş | 2.780.960 | 2.9 | 2.780.960 | 2.9 |
| Listed shares (Other) | 34.880.000 | 36.2 | 34.880.000 | 36.2 |
| Total share capital | 96.000.000 | 100 | 96.000.000 | 100 |
| Unpaid share capital | - | - | - | - |
| Total paid-in share capital | 96.000.000 | | 96.000.000 | |

Capital increases during the period

None.

Registered share capital

In accordance with the provisions of the Capital Markets Board (the “CMB”) numbered 6362, Yeo Teknoloji adopted the registered share capital system on 3 June 2021 and numbered 29/839. The registered capital ceiling of the Group is amounting to TL 100.000.000 each with a par value of TL 1 representing 100.000.000 shares outstanding. The registered capital ceiling authorised by the CMB and it is effective for the 2021-2025 period.

iii) Restricted reserves

The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Group’s historical paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the historical paid-in share capital. Under TCC, the legal reserves are not available for distribution unless they exceed 50% of the historical paid-in share capital but may be used to offset losses in the event that historical general reserve is exhausted.

As of 31 March 2024 and 31 December 2023, the breakdown of restricted reserves is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|----------------|------------------|------------------|
| Legal reserves | 9.521.353 | 9.521.353 |
| Total | 9.521.353 | 9.521.353 |

iv) Retained earnings

Retained earnings include and other retained earnings and extraordinary reserves. The breakdown of retained earnings as of 31 March 2024 and 31 December 2023, is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|-------------------|--------------------|--------------------|
| Retained earnings | 899.312.947 | 410.543.449 |
| Total | 899.312.947 | 410.543.449 |

As of 31 March 2024 and 31 December 2023, the comparative information of the relevant equity items presented as inflation-adjusted in the consolidated financial statements with the inflation-adjusted amounts in the financial statements prepared in accordance with the Tax Procedure Law (“TPL”) is as follows:

31.03.2024

| Account Name | Statutory records recognised in accordance with TPL | Amounts adjusted for inflation in the consolidated financial statements prepared in accordance with TFRS | Retained earnings, net |
|-----------------------------|---|--|------------------------|
| Adjustment to share capital | 167.256.290 | 178.512.156 | (11.255.866) |
| Share premium | 65.944.070 | 137.399.753 | (71.455.683) |
| Legal reserves | 6.073.743 | 9.521.353 | (3.447.610) |
| Total | 239.274.103 | 325.433.262 | (86.159.159) |

31.12.2023

| Account Name | Statutory records recognised | Amounts adjusted for inflation in the | Retained earnings, net |
|--------------|------------------------------|---------------------------------------|------------------------|
|--------------|------------------------------|---------------------------------------|------------------------|

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| | in accordance with TPL | consolidated financial statements prepared in accordance with TFRS | |
|-----------------------------|---------------------------|--|---------------------|
| Adjustment to share capital | 167.256.290 | 178.512.156 | (11.255.866) |
| Share premium | 65.944.070 | 137.399.753 | (71.455.683) |
| Legal reserves | 6.073.743 | 9.521.353 | (3.447.610) |
| Total | 239.274.103 | 325.433.262 | (86.159.159) |

v) *Share premium*

| Account Name | 31.03.2024 | 31.12.2023 |
|---------------|--------------------|--------------------|
| Share premium | 137.399.753 | 137.399.753 |
| Total | 137.399.753 | 137.399.753 |

vi) *Other comprehensive income or expenses not to be reclassified to profit or loss*

As of 31 March 2024 and 31 December 2023, the breakdown of other comprehensive income or expenses not to be reclassified to profit or loss recognized in equity is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|---|-------------------|-------------------|
| Gains/(losses) on remeasurements of defined benefit plans | (5.384.917) | (6.005.530) |
| Gains/(losses) on revaluation and remeasurements | 63.551.404 | 93.662.776 |
| Total | 58.166.487 | 87.657.246 |

vii) *Other*

As of 31 March 2024 and 31 December 2023, the breakdown of equity items is as follows:

| Account Name | 31.03.2024 | 31.12.2023 |
|---|----------------------|----------------------|
| Paid-in share capital | 96.000.000 | 96.000.000 |
| Adjustment to share capital | 178.512.156 | 178.512.156 |
| Share premium | 137.399.753 | 137.399.753 |
| Other comprehensive income or expenses not to be reclassified to profit or loss | 58.166.487 | 87.657.246 |
| Other comprehensive income or expenses to be reclassified to profit or loss | | |
| Currency translation differences | 10.310.745 | 8.836.592 |
| Restricted reserves | 9.521.353 | 9.521.353 |
| Retained earnings | 899.312.947 | 410.543.449 |
| Profit for the period | 246.320.526 | 488.769.498 |
| Equity holders of the parent | 1.635.543.967 | 1.417.240.047 |
| Non-controlling interests | 40.945.062 | 38.624.493 |
| Total equity | 1.676.489.029 | 1.455.864.540 |

NOTE 29 - REVENUE AND COST OF SALES

As of 31 March 2024 and 2023, the functional breakdown of revenue and cost of sales is as follows:

| | 01.01.2024 | 01.01.2023 |
|--------------------------|----------------------|----------------------|
| Account Name | 31.03.2024 | 31.03.2023 |
| Domestic sales | 1.106.417.494 | 545.825.980 |
| Foreign sales | 239.891.902 | 463.164.380 |
| Other revenue | 16.704.956 | 898.714 |
| Sales returns (-) | - | (72.868.869) |
| Net sales | 1.363.014.352 | 937.020.205 |
| Cost of sales (-) | (976.480.588) | (752.842.844) |
| Gross profit | 386.533.764 | 184.177.361 |

NOTE 30 – GENERAL ADMINISTRATIVE EXPENSES AND MARKETING SALES AND DISTRIBUTION EXPENSES

As of 31 March 2024 and 2023, the functional breakdown of operating expenses is as follows:

| | 01.01.2024 | 01.01.2023 |
|--|--------------|--------------|
| Account Name | 31.03.2024 | 31.03.2023 |
| Research and development expenses (-) | (18.128.353) | (1.820.159) |
| Marketing, sales and distribution expenses (-) | (18.819.243) | (16.241.569) |
| General administrative expenses (-) | (44.024.228) | (23.503.165) |

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | | |
|-------------------------------------|---------------------|---------------------|
| Total operating expenses (-) | (80.971.824) | (41.564.893) |
|-------------------------------------|---------------------|---------------------|

NOTE 31 - EXPENSES BY NATURE

As of 31 March 2024 and 2023, the functional breakdown of research and development expenses, marketing, sales and distribution expenses and general administrative expenses recognized under expenses by nature is as follows:

| Account Name | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
|---|----------------------------------|----------------------------------|
| Research and Development Expenses (-) | (18.128.353) | (1.820.159) |
| Personnel Expenses | (13.866.924) | (1.038.214) |
| Outsourcing Expenses | (4.261.429) | (781.945) |
| Marketing, Sales and Distribution Expenses (-) | (18.819.243) | (16.241.569) |
| Fair, Travel and Accomodation Expenses | (1.403.120) | (656.237) |
| Personnel Expenses | (7.665.780) | (1.742.447) |
| Outsourcing Expenses | (319.107) | (207.973) |
| Storage Expenses | (576.343) | (513.802) |
| Transportation and Distribution Expenses | (154.558) | (63.743) |
| Other | (402.908) | - |
| Motor Vehicle Expenditures | (429.032) | (516.307) |
| Consultancy Expenses | (3.372.643) | (67.509) |
| Advertisement and Promotion Expenses | (1.435.635) | (1.713.736) |
| Rent Expenses | (420.301) | (87.424) |
| Food and Beverage Costs | (206.703) | (313.795) |
| Commission Expenses | (2.433.113) | (10.358.596) |
| General Administrative Expenses (-) | (44.024.228) | (23.503.165) |
| Personnel Expenses | (12.185.721) | (3.258.142) |
| Depreciation and Amortisation Charges | (6.074.797) | (4.494.301) |
| Consultancy Expenses | (1.774.464) | (476.607) |
| Motor Vehicle Expenditures | (1.534.718) | (1.211.658) |
| Employment Termination Benefits | (473.856) | (1.274.137) |
| Grants and Donations | (1.177.976) | (991.819) |
| Taxes, Duties and Charges | (1.219.822) | (590.619) |
| Other | (8.450.884) | (4.123.834) |
| Maintenance and Repair Expenses | (51.983) | (31.728) |
| Fair, Travel and Accomodation Expenses | (402.301) | (753.109) |
| Food and Beverage Costs | (811.397) | (680.676) |
| Rent Expenses | (184.839) | (69.140) |
| Furniture and Fixture Costs | (64.019) | (829.012) |
| Outsourcing Expenses | (5.169.883) | (515.305) |
| Transportation and Distribution Expenses | (196.490) | (33.519) |
| Stationery Expenses | (205.851) | (194.216) |
| Vacation Rights | (1.838.410) | (1.927.300) |
| Audit and Litigation Fees and Charges | (1.164.400) | (205.909) |
| Information Systems and Communication Expenses | (270.467) | (90.254) |
| Daily Allowance Fees and Charges | (771.950) | (1.751.880) |
| Total operating expenses, net (-) | (80.971.824) | (41.564.893) |

The functional breakdown of depreciation and amortisation charges recognized under consolidated statement of profit or loss is as follows:

| Account Name | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
|---|----------------------------------|----------------------------------|
| General administrative expenses | (6.074.797) | (4.494.301) |
| Service costs | (13.614.133) | (1.078.941) |
| Depreciation and amortisation charges, net | (19.688.930) | (5.573.242) |

NOTE 32 - OTHER OPERATING INCOME/(EXPENSES)

As of 31 March 2024 and 2023, the breakdown of other operating income and expenses is as follows:

| Account Name | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
|--|----------------------------------|----------------------------------|
| Other operating income | 275.326.062 | 58.544.832 |
| Provisions no longer required (Doubtful receivables) | - | 625.224 |
| Discount income | 50.985.157 | 11.379.985 |

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| | | |
|---|----------------------|---------------------|
| Reversal of discounts | 14.523.250 | 6.321.238 |
| Foreign exchange gains | 206.425.779 | 35.515.728 |
| Other | 3.391.876 | 4.702.657 |
| Other operating expenses (-) | (150.826.020) | (53.316.807) |
| Provision for doubtful receivables | (296.398) | - |
| Discount expenses | (42.858.026) | (9.891.170) |
| Reversal of discounts | (33.786.241) | (6.212.921) |
| Foreign exchange losses | (73.522.665) | (35.037.027) |
| Other | (362.690) | (2.175.689) |
| Other operating income/(expenses), (net) | 124.500.042 | 5.228.025 |

NOTE 33 - GAINS/ (LOSSES) FROM INVESTMENT ACTIVITIES

As of 31 March 2024 and 2023, the breakdown of gains and losses from investment activities is as follows:

| Account Name | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
|---|--------------------------|--------------------------|
| Gains from investment activities | 13.705.405 | 24.445.119 |
| Interest income | 8.814.851 | 2.933.083 |
| Gain on bargain purchases | - | 11.882 |
| Gain on sale of securities | 4.890.554 | 21.500.154 |
| Losses from investment activities (-) | - | (317.440) |
| Other | - | (317.440) |
| Gains/(losses) from investment activities, (net) | 13.705.405 | 24.127.679 |

NOTE 34 - FINANCIAL INCOME/(EXPENSES)

As of 31 March 2024 and 2023, the breakdown of financial income and expenses is as follows:

| Account Name | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
|--------------------------------------|----------------------------------|----------------------------------|
| Foreign exchange gains | 55.480.810 | - |
| Financial income, net | 55.480.810 | - |
| Account Name | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
| Bank commissions, fees and charges | (7.359.151) | (1.152.309) |
| Letter of guarantee fees and charges | (7.419.943) | (1.037.166) |
| Interest expenses | (25.498.549) | (26.161.949) |
| Foreign exchange losses | (43.715.982) | (6.318.932) |
| Financial expenses, net | (83.993.625) | (34.670.356) |

NOTE 35 – NON-CURRENT ASSETS HELD FOR SALE

None.

NOTE 36 – INCOME TAXES

The Group's tax expense (or income) consists of current period's corporate tax expense and deferred tax expense (or income). As of 31 March 2024 and 2023, the breakdown and detailed analysis of income taxes are as follows:

| | 01.01.2024 31.03.2024 | 01.01.2023 31.03.2023 |
|-----------------------------------|--------------------------|--------------------------|
| Current period tax expense | (7.050.801) | (23.338) |
| Deferred income tax | (151.406.512) | (54.263.638) |
| Total tax income/(expense) | (158.457.313) | (54.286.976) |

i) Corporate tax

As of 31 March 2024, the effective corporate tax rate applied in Turkey is 20%. However, in accordance Temporary Article 13 of regulation with the Law No. 7316 on the Procedure for the Collection of Public Receivables and the Law Amending Certain Laws published in the Official Gazette dated April 22, 2021 and numbered 31462, the corporate tax rate will be 25% for 2021 and 23% for 2022 corporate earnings. These rates will be applied to the earnings of the accounting period starting 1 January 2021 for the institutions with a special accounting period as of 1 July 2021.

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According to “Turkish Corporate Tax Law”, losses can be carried forward to offset the future taxable income for a maximum period of 5 years. On the other hand, such losses cannot be carried back to offset prior years’ profits.

According to corporate tax law numbered 5520 and article numbered 24, the corporate tax is imposed by the taxpayer’s tax returns. Companies file their corporate tax returns between 1-25 April following the close of the accounting year. In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns by the 25th of the fourth month following the close of the financial year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

Income withholding tax

In addition to the corporate tax, it is required to calculate income tax withholding on any dividends, except for those distributed to all taxpayer entities and Turkish branches of foreign companies gaining dividend for such distribution and declaring these dividends within the corporate profit. The rate of income withholding tax implemented as 10% between 24 April 2003 and 22 July 2006. The rate of withholding tax has been increased from 10% to 15% upon the Cabinet decision No: 2006/10731, which was published in Official Gazette on July 23, 2006.

ii) Deferred tax

Yeo Teknoloji, its Subsidiaries, Associates and Joint Ventures, recognise deferred tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with TAS and the Turkish tax legislations. These differences usually due to the recognition of revenue and expenses in different reporting periods for the TAS and tax purposes, the differences explained as below.

Temporary differences arising from the differences between the years in the income and expenses recognised for accounting and tax purposes.

As of the each reporting date, the Group reviews the deferred tax receivables and withdraws the deferred tax receivables that are determined not to be deductible from taxable income in the following years.

The breakdown of cumulative temporary differences and deferred tax assets and liabilities provided using principal tax rates are as follows:

| | 31.03.2024 | | 31.12.2023 | |
|---|----------------------------------|-----------------------------------|----------------------------------|-----------------------------------|
| | Cumulative temporary differences | Deferred tax assets/(liabilities) | Cumulative temporary differences | Deferred tax assets/(liabilities) |
| Discount on Notes Receivables | 40.108.032 | 10.027.008 | 16.135.480 | 4.033.870 |
| Provision for Doubtful Receivables | 4.139.544 | 1.034.886 | 4.433.820 | 1.108.455 |
| Receivables from Contracts with Customers | 1.370.266.800 | (342.566.700) | 1.063.297.332 | (265.824.333) |
| Property, Plant and Equipment | 79.685.460 | (19.921.365) | 53.502.540 | (13.375.635) |
| Intangible Assets | 103.350.472 | (25.837.618) | 114.071.956 | (28.517.989) |
| Right of Use Assets | 17.726.376 | (4.431.594) | 15.214.664 | (3.803.666) |
| Inventories | 298.156 | (74.539) | 39.884 | 9.971 |
| Prepaid Expenses | 12.608.468 | (3.152.117) | 12.900.312 | 3.225.078 |
| Provision for Lawsuits | 30.244 | 7.561 | 34.800 | 8.700 |
| Leasing | 264.392 | 66.098 | 879.356 | 219.839 |
| Loans | 4.848.252 | 1.212.063 | 21.772.224 | 5.443.056 |
| Discount on Notes Payable | 48.351.380 | (12.087.845) | 37.536.860 | (9.384.215) |
| Short-Term Prepaid Expenses | 30.224.548 | (7.556.137) | 37.443.868 | (9.360.967) |
| Employment Termination Benefits | 13.409.424 | 3.352.356 | 15.274.324 | 3.818.581 |
| Provision for Unused Vacation | 16.619.340 | 4.154.836 | 15.919.312 | 3.979.828 |
| Currency Translation Differences | 1.150.428 | (287.607) | 22.017.200 | 5.504.300 |
| Other | 25.676.556 | (6.419.139) | 12.788.916 | (3.197.229) |
| Deferred tax assets/(liabilities), (net) | | (402.479.853) | | (306.112.356) |

Movements in deferred tax assets/(liabilities) are as follows:

| | 01.01.2024 | 01.01.2023 |
|--|----------------------|----------------------|
| | 31.03.2024 | 31.03.2023 |
| Beginning of the period - 1 January | (306.112.356) | (101.289.867) |
| Charge to equity | 10.092.331 | (90.801) |
| Charge to profit or loss | (151.406.512) | (54.263.638) |
| Net monetary gains/losses | 44.964.186 | 13.146.550 |
| Currency translation differences | (17.502) | - |
| End of the period – 31 March | (402.479.853) | (142.497.756) |

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NOTE 37 - EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Accordingly, the weighted average number of shares used in earnings per share calculation as of 31 March 2024 and 2023, which is as follows:

| Earnings per share | 31.03.2024 | 31.03.2023 |
|-----------------------------------|---------------|---------------|
| Profit for the period | 246.320.526 | 63.313.799 |
| Weighted average number of shares | 96.000.000 | 96.000.000 |
| Earnings per share | 2.5658 | 0.6595 |

NOTE 38 - RELATED PARTY DISCLOSURES

The Group has transactions with related parties during its operations. Related party transactions are performed without obtaining guarantee.

a) Related party balances are as follows:

| | Receivables | | Payables | |
|--|-------------------|-------------------|--------------------|--------------------|
| | Trade Receivables | Other Receivables | Trade Payables | Other Payables |
| 31.03.2024 | | | | |
| Yılmaz İnşaat Mak. Elek. San. Tic. Ltd. Şti. | 23.764.858 | - | - | - |
| Yeo Contracting I.l.c | 15.082.566 | - | - | - |
| Yeo Teknoloji -Hk Enerji Joint Venture | - | - | - | - |
| Yeo Teknoloji - Hsy Yapı Joint Venture | 2.553.235 | - | - | - |
| Yeo-Bemoni Partnership | - | - | 360.543.652 | - |
| Mikrohes Tekn.Tic A.Ş. | - | 4.634.592 | - | - |
| Yaşar Tuncer | - | 2.038.010 | - | - |
| Seiso Enerji Sist. Müh. San. Tic. A.Ş. | - | - | - | - |
| Emsolt Investments | - | - | - | 313.720.554 |
| Other | | | 8.129.670 | |
| Total | 41.400.659 | 6.672.602 | 368.673.322 | 313.720.554 |

| | Receivables | | Payables | |
|--|-------------------|-------------------|--------------------|--------------------|
| | Trade Receivables | Other Receivables | Trade Payables | Other Payables |
| 31.12.2023 | | | | |
| Yılmaz İnşaat Mak. Elek. San. Tic. Ltd. Şti. | 6.028.381 | - | - | - |
| Mikrohes A.Ş. | - | 3.950.209 | - | - |
| Yeo Contracting I.l.c | 12.909.780 | - | - | - |
| Hk Endüstri Enerji İnşaat San. Ve Dış Tic. A.Ş | 610.395 | - | - | - |
| Yeo-Bemoni Partnership (*) | - | - | 254.723.234 | - |
| Emsolt Investments | - | - | - | 393.537.273 |
| Yaşar Tuncer | - | 2.494.516 | - | - |
| Nicat batarya Tekn Tic A.Ş. | 326.688 | - | - | - |
| Yeo Teknoloji -Hk Enerji Joint Venture | 4.119.924 | - | - | - |
| Yeo Teknoloji - Hsy Yapı Joint Venture | 2.197.263 | - | - | - |
| Other | - | - | 402.903 | - |
| Total | 26.192.432 | 6.444.725 | 255.126.137 | 393.537.273 |

b) Related party transactions are as follows:

31.03.2024

Sales

| Related parties | Goods and services | Rent income | Other | Total |
|-------------------------|--------------------|-------------|----------|------------------|
| Seiso Enerji Sist. A.Ş. | 7.610.457 | - | - | 7.610.457 |
| Total | 7.610.457 | - | - | 7.610.457 |

Purchases

| Related parties | Goods and services | Rent expenses | Other | Total |
|-----------------|--------------------|---------------|-------|---------|
| Orhan Yıldız | - | 903.750 | - | 903.750 |

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| | | | | |
|--------------|----------|----------------|----------|----------------|
| Total | - | 903.750 | - | 903.750 |
|--------------|----------|----------------|----------|----------------|

31.03.2023

Sales

| Related parties | Goods and services | Rent income | Other | Total |
|-------------------------|---------------------------|--------------------|--------------|------------------|
| Seiso Enerji Sist. A.Ş. | 9.032.073 | - | - | 9.032.073 |
| Total | 9.032.073 | - | - | 9.032.073 |

| Purchases | Goods and services | Rent expenses | Other | Total |
|------------------------|---------------------------|----------------------|--------------|------------------|
| Related parties | | | | |
| Yeo Contracting I.L.c | 1.282.075 | - | - | 1.282.075 |
| Orhan Yıldız | - | 810.882 | - | 810.882 |
| Total | 1.282.075 | 810.882 | - | 2.092.957 |

c) Key management compensation

Total key management compensation incurred by Yeo Teknoloji as of 31 March 2024 amounted to TL 2.027.656 (31 December 2023: TL 9.961.596).

NOTE 39 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

The Group, while trying to maintain the continuity of its activities in capital management on one hand, aims to increase its profitability by using the balance between debts and equity on the other hand. The capital structure of the Group consists of borrowings including the loans in Note 8, cash and cash equivalents in Note 6 and equity items containing respectively issued share capital, capital reserves, profit reserves and retained earnings in Note 27. Risks, associated with each capital class, and the senior management evaluates the capital cost. It is aimed that the capital structure will be stabilized by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the senior management evaluations.

The Group monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes borrowings and finance leases as disclosed in the consolidated statement of financial position). Total capital is calculated as equity, as presented in the consolidated statement of financial position, plus net debt. General strategy based on the Group's equity does not differ from the prior period. The Group's risk management policy mainly focuses on the unpredictability and volatility of financial markets, and it is aimed to minimize potential adverse effects with the policies implemented.

Consolidated net financial debt/invested capital ratio as of 31 March 2024 and 31 December 2023 is as follows:

| | 31.03.2024 | 31.12.2023 |
|--|----------------------|----------------------|
| Total borrowings | 1.726.706.688 | 1.625.214.257 |
| Less: Cash and cash equivalents | (841.152.436) | (937.195.344) |
| Net financial debt | 885.554.252 | 688.018.913 |
| Equity | 1.676.489.029 | 1.455.864.540 |
| Invested capital | 2.562.043.281 | 2.143.883.453 |
| Net financial debt/invested capital ratio | 34.56% | 32.09% |

Foreign exchange risk

The Group is exposed to foreign exchange risk due to changes in exchange rates used in the translation of foreign currency denominated assets and liabilities to Turkish Lira. The difference between the foreign currency denominated and foreign currency indexed assets and liabilities for USD, EUR and other foreign currencies of the Group are defined as the "Net foreign currency position" and it is the basis of the foreign exchange risk. The Group management evaluates and monitors the balance of the assets and liabilities including borrowings, trade receivables and payables denominated in foreign currencies as Turkish Lira open positions. The Group also uses derivative financial instruments to hedge against foreign exchange risk. Assets and liabilities denominated in foreign currencies are as follows:

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(Amounts are expressed in Turkish Lira unless otherwise indicated.)

| | Foreign Exchange Position | | | | | | | |
|---|---------------------------|--------------------|-------------------|----------------------|----------------------|-------------------|-------------------|------------------------|
| | 31.03.2024 | | | | 31.12..2023 | | | |
| | TL equivalent | USD | EUR | Other | TL equivalent | USD | EUR | Other |
| 1. Trade Receivables | 955.041.788 | 16.317.426 | 12.211.457 | 460.527 | 600.098.566 | 14.753.732 | 2.535.594 | 709.086 |
| 2a. Monetary Financial Assets | 3.350.837.295 | 94.672.198 | 8.149.997 | 8.210.443 | 2.968.862.593 | 72.860.479 | 10.907.377 | 467.437.430 |
| 2b. Non-Monetary Financial Assets | 19.937.029 | - | - | 5.945.765 | 227.873 | - | - | 5.664 |
| 3. Other | - | - | - | - | - | - | - | - |
| 4. Total Current Assets (1+2+3) | 4.325.816.112 | 110.989.624 | 20.361.454 | 14.616.736 | 3.569.189.032 | 87.614.211 | 13.442.972 | 468.152.180 |
| 5. Trade Receivables | - | - | - | - | - | - | - | - |
| 6a. Monetary Financial Assets | - | - | - | - | - | - | - | - |
| 6b. Non- Monetary Financial Assets | - | - | - | - | - | - | - | - |
| 7. Other | - | - | - | - | - | - | - | - |
| 8. Total Non-Current Assets (5+6+7) | - | - | - | - | - | - | - | - |
| 9. Total Assets (4+8) | 4.325.816.112 | 110.989.624 | 20.361.454 | 14.616.736 | 3.569.189.032 | 87.614.211 | 13.442.972 | 468.152.180 |
| 10. Trade Payables | 645.315.399 | 12.142.812 | 6.723.916 | 36.292.331 | 203.128.519 | 3.464.069 | 1.778.134 | 90.311.517 |
| 11. Financial Liabilities | 287.848.762 | 4.258.430 | 4.320.509 | - | 196.774.370 | - | 5.250.000 | - |
| 12a. Other Monetary Liabilities | 586.293.329 | 18.037.569 | 113.044 | 3.513.984 | 1.048.632.551 | 25.827.227 | 4.529.743 | 1.459.721.810 |
| 12b. Other Non- Monetary Liabilities | - | - | - | - | - | - | - | - |
| 13. Total Current Liabilities (10+11+12) | 1.519.457.490 | 34.438.811 | 11.157.469 | 39.806.315 | 1.448.535.440 | 29.291.296 | 11.557.877 | 1.550.033.327 |
| 14. Trade Payables | - | - | - | - | - | - | - | - |
| 15. Financial Liabilities | 1.172.359.340 | 14.798.147 | 5.250.000 | 73.516.858 | 103.595.881 | - | - | 13.827.234 |
| 16a. Other Monetary Liabilities | - | - | - | - | - | - | - | - |
| 16b. Other Non- Monetary Liabilities | - | - | - | - | - | - | - | - |
| 17. Total Non-Current Liabilities (14+15+16) | 1.172.359.340 | 14.798.147 | 5.250.000 | 73.516.858 | 103.595.881 | - | - | 13.827.234 |
| 18. Total Liabilities (13+17) | 2.691.816.830 | 49.236.958 | 16.407.469 | 113.323.173 | 1.552.131.321 | 29.291.296 | 11.557.877 | 1.563.860.561 |
| 19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b) | - | - | - | - | - | - | - | - |
| 19a. Total Asset Amount of Hedged | - | - | - | - | - | - | - | - |
| 19b. Total Liabilities Amount of Hedged | - | - | - | - | - | - | - | - |
| 20. Net Foreign Exchange Asset / (Liability) Position (9-18+19) | 1.633.999.282 | 61.752.665 | 3.953.985 | -98.706.437 | 2.017.057.712 | 58.322.916 | 1.885.095 | -1.095.708.381 |
| 21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a) | 1.614.062.253 | 61.752.665 | 3.953.985 | (104.652.202) | 2.213.604.209 | 58.322.916 | 1.885.095 | (1.095.714.045) |
| 22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge | - | - | - | - | - | - | - | - |
| 23. Foreign Exchange Hedged Portion Amount of Assets | - | - | - | - | - | - | - | - |
| 24. Foreign Exchange Hedged Portion Amount of Liabilities | - | - | - | - | - | - | - | - |
| 25. Export | 70.138.022 | 2.245.987 | 3.076.254 | - | 280.552.086 | 8.983.947 | 12.305.016 | 8.280 |
| 26. Import | 25.362.916 | 980.637 | 2.796.773 | 784.236 | 101.451.665 | 3.922.547 | 11.187.091 | 3.136.944 |

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The following table details the Group's foreign currency sensitivity as at 31 March 2024 and 31 December 2023 for the changes at the rate of 10%:

| Foreign Exchange Sensitivity Analysis | | |
|--|----------------------------------|----------------------------------|
| 31.03.2024 | | |
| | Profit/Loss | |
| | Appreciation of Foreign Currency | Depreciation of Foreign Currency |
| Change in USD against TL by 10% | | |
| 1- USD Net Asset / Liability | 199.370.950 | (199.370.950) |
| 2- Hedged portion of USD Risk (-) | - | - |
| 3- USD Net Effect (1+2) | 199.370.950 | (199.370.950) |
| Change in EUR against TL by 10% | | |
| 4- EUR Net Asset / Liability | 13.760.779 | (13.760.779) |
| 5- Hedged portion of EUR Risk (-) | - | - |
| 6- EUR Net Effect (4+5) | 13.760.779 | (13.760.779) |
| Change in Other currencies against TL by 10% | | |
| 7- Other Currencies Net Asset / Liability | (49.731.801) | 49.731.801 |
| 8- Hedged portion of Other Currencies Risk (-) | - | - |
| 9- Other Currencies Net Effect (7+8) | (49.731.801) | 49.731.801 |
| TOTAL | 163.399.928 | (163.399.928) |

| Foreign Exchange Sensitivity Analysis | | |
|--|----------------------------------|----------------------------------|
| 31.12.2023 | | |
| | Profit/Loss | |
| | Appreciation of Foreign Currency | Depreciation of Foreign Currency |
| Change in USD against TL by 10% | | |
| 1- USD Net Asset / Liability | 197.555.873 | (197.555.873) |
| 2- Hedged portion of USD Risk (-) | - | - |
| 3- USD Net Effect (1+2) | 197.555.873 | (197.555.873) |
| Change in EUR against TL by 10% | | |
| 4- EUR Net Asset / Liability | 7.065.493 | (7.065.493) |
| 5- Hedged portion of EUR Risk (-) | - | - |
| 6- EUR Net Effect (4+5) | 7.065.493 | (7.065.493) |
| Change in Other currencies against TL by 10% | | |
| 7- Other Currencies Net Asset / Liability | (2.915.595) | 2.915.595 |
| 8- Hedged portion of Other Currencies Risk (-) | - | - |
| 9- Other Currencies Net Effect (7+8) | (2.915.595) | 2.915.595 |
| TOTAL | 201.705.771 | (201.705.771) |

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group's credit risk arises from trade receivables. Trade receivables of the Group is trying to be managed as the credit risk by limiting the transactions with certain parties and continuously evaluating the reliability of the related parties. Trade receivables are evaluated by taking into consideration the Group's accounting policies and procedures. Total credit risk of the Group is presented in the consolidated statement of financial position less provision for doubtful receivables (**Note 10**).

As of 31 March 2024 and 31 December 2023, the exposure of consolidated financial assets to credit risk is as follows:

CREDIT RISK DETAILS IN RESPECT OF FINANCIAL INSTRUMENT TYPES

| 31.03.2024 | Receivables | | | | | | |
|---|-------------------|---------------|-------------------|------------|---------------|-------------|-------|
| | Trade Receivables | | Other Receivables | | Bank Deposits | | |
| | Related Party | Other | Related Party | Other | Notes | | Notes |
| | | | | | | | |
| Maximum exposure to credit risk as of reporting date (A+B+C+D+E) | 41.400.659 | 1.091.878.538 | 6.672.602 | 60.185.582 | 10-11 | 826.250.571 | 6 |
| - Maximum risk secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| A. Net book value of neither past due nor impaired financial assets | 41.400.659 | 1.091.878.538 | 6.672.602 | 60.185.582 | 10-11 | 826.250.571 | 6 |

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| | | | | | | | |
|---|--------------------------|--------------------|--------------------------|-------------------|--------------|----------------------|--------------|
| B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets | - | - | - | - | 10-11 | - | 6 |
| C. Net book value of past due but not impaired financial assets | - | - | - | - | 10-11 | - | 6 |
| - Secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| D. Net book value of impaired assets | - | - | - | - | 10-11 | - | 6 |
| - Past due (gross book value) | - | 6.977.714 | - | 203.954 | 10-11 | - | 6 |
| - Impairment (-) | - | (6.977.714) | - | 203.954 | 10-11 | - | 6 |
| - Secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| - Not past due (gross book value) | - | - | - | - | 10-11 | - | 6 |
| - Impairment (-) | - | - | - | - | 10-11 | - | 6 |
| - Secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| E. Off-balance sheet expected credit losses (-) | - | - | - | - | 10-11 | - | 6 |
| 31.12.2023 | | | | | | | |
| Receivables | | | | | | | |
| | Trade Receivables | | Other Receivables | | Notes | Bank Deposits | |
| | Related Party | Other | Related Party | Other | | | Notes |
| Maximum exposure to credit risk as of reporting date (A+B+C+D+E) | 26.192.433 | 580.177.747 | 6.444.727 | 28.555.513 | 10-11 | 934.054.197 | 6 |
| - Maximum risk secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| A. Net book value of neither past due nor impaired financial assets | 26.192.433 | 580.177.747 | 6.444.727 | 28.555.513 | 10-11 | 934.054.197 | 6 |
| B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets | - | - | - | - | 10-11 | - | 6 |
| C. Net book value of past due but not impaired financial assets | - | - | - | - | 10-11 | - | 6 |
| - Secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| D. Net book value of impaired assets | - | - | - | - | 10-11 | - | 6 |
| - Past due (gross book value) | - | 7.699.535 | - | 234.678 | 10-11 | - | 6 |
| - Impairment (-) | - | (7.699.535) | - | 234.678 | 10-11 | - | 6 |
| - Secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| - Not past due (gross book value) | - | - | - | - | 10-11 | - | 6 |
| - Impairment (-) | - | - | - | - | 10-11 | - | 6 |
| - Secured with guarantees and collaterals | - | - | - | - | 10-11 | - | 6 |
| E. Off-balance sheet expected credit losses (-) | - | - | - | - | 10-11 | - | 6 |

Liquidity risk

Liquidity risk is the risk that a Group will be unable to meet its funding needs. Prudent liquidity risk management is to provide sufficient cash and cash equivalents, to enable funding with the support of credit limits provided by reliable credit institutions and to close funding deficit. The Group provides funding by balancing cash inflows and outflows through the provision of credit lines in the business environment.

Liquidity risk statements

Prudent liquidity risk management signifies maintaining sufficient cash, the utility of fund sources by sufficient credit transactions and the ability to close out market positions. The ability to fund existing and prospective debt requirements is managed by maintaining the availability of adequate and high-quality lenders.

Undiscounted contractual cash flows of the derivative and non-derivative consolidated financial liabilities in TL as of 31 March 2024 and 31 December 2023 are as follows:

| 31.03.2024 | | | | | |
|---|-----------------------|--|---------------------------------|--------------------|------------------------|
| Contractual maturities | Carrying Value | Total Contractual Cash Outflows | Demand or up to 3 months | 3-12 months | 1 year and over |
| Non-Derivative Financial Liabilities | | | | | |
| Financial Liabilities (Borrowings) | 1.629.546.038 | 1.660.072.007 | 126.671.823 | 490.379.051 | 1.043.021.133 |
| Leasing | 30.525.969 | 33.865.127 | 5.665.427 | 8.949.824 | 19.249.876 |
| Lease Liabilities | 66.634.681 | 220.683.855 | 1.832.436 | 5.497.308 | 213.354.111 |
| Trade Payables | 1.293.940.522 | 1.343.169.675 | 1.343.169.675 | - | - |
| Other Payables | 433.825.767 | 433.825.767 | 433.825.767 | - | - |
| | 3.454.472.977 | 3.691.616.431 | 1.911.165.128 | 504.826.183 | 1.275.625.120 |
| 31.12.2023 | Carrying | | Demand or | 3-12 months | 1 year and over |

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| Contractual maturities | Value | Total Contractual Cash Outflows | up to 3 months | | |
|---|----------------------|---------------------------------|----------------------|--------------------|----------------------|
| Non-Derivative Financial Liabilities | | | | | |
| Financial Liabilities (Borrowings) | 1.591.651.699 | 1.734.156.685 | 432.917.447 | 208.322.554 | 1.092.916.684 |
| Leasing | 33.562.558 | 40.280.006 | 3.674.341 | 6.123.902 | 30.481.763 |
| Lease Liabilities | 73.793.014 | 244.391.157 | 2.029.288 | 6.087.865 | 236.274.004 |
| Trade Payables | 1.175.776.908 | 1.213.313.768 | 1.213.313.768 | - | - |
| Other Payables | 396.640.229 | 396.640.229 | 396.640.229 | - | - |
| | 3.271.424.408 | 3.628.781.846 | 2.048.575.074 | 220.534.320 | 1.359.672.452 |

Interest rate risk

The Group is exposed to interest rate risk arising from the rate changes on interest-bearing liabilities and assets. The Group manages this risk by balancing the repricing terms of interest-bearing assets and liabilities with fixed-floating interest and short-long-term nature of borrowings.

Interest Position

| Fixed-interest rate financial instruments | 31.03.2024 | 31.12.2023 |
|--|-------------------|-------------------|
| Financial assets | 920.496.879 | 148.212.238 |
| Financial liabilities | 1.660.072.007 | 1.625.214.257 |
| Floating- interest rate financial instruments | 31.03.2024 | 31.12.2023 |
| Financial assets | - | - |
| Financial liabilities | - | - |

Fair value of financial assets and liabilities

Fair value is the amount for which a financial asset could be exchanged, or a liability settled between, willing parties during current transaction, other than in a forced sale or liquidation, and is best evidenced through a quoted market price, if one exists. Financial assets and liabilities denominated in foreign exchanges have been translated at the exchange rates prevailing at the balance sheet date.

The following methods and assumptions are used to estimate the fair values of financial instruments:

Financial assets

The carrying values of cash and cash equivalents including cash on hand and demand deposits, accrued interests and other financial assets are considered to approximate their respective carrying values due to their short-term nature and insignificant credit risk. The carrying values of trade receivables less provision for doubtful receivables are considered to approximate their respective carrying values.

Financial liabilities

The fair values of trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. Bank borrowings are carried at cost and transaction costs are included in initial costs of borrowings. Since the interest rates on it are updated considering the changing market conditions, it is considered to approximate their respective carrying values. The carrying values of trade payables are considered to approximate their respective carrying values due to their short-term nature.

NOTE 40 - FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING)

The fair values of financial instruments are considered to approximate their respective carrying values due to their short-term nature.

Financial risk management

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk, fair value interest rate risk and price risk) cash flow interest rate risk and liquidity risk. The Group's overall risk management strategy focuses on the unpredictability of financial markets and targets to minimise potential adverse effects on the Group's financial performance. The Group also uses derivative instruments and forward contracts to hedge risk exposures.

Fair value of financial instruments

The fair value of financial instruments is determined using valuation techniques based on observable market data, market comparable approach that reflects recent transaction prices for similar properties and discounted cash flows. Estimated fair values of financial

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instruments have been determined by the Group by using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data. Accordingly, estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market exchange. The following methods and assumptions are used to estimate the fair values of financial instruments:

Monetary assets

The fair values of certain financial assets carried at cost including cash and cash equivalents and other financial assets are considered to approximate their respective carrying values due to their short-term nature. The carrying values of trade receivables less provision for doubtful receivables are considered to approximate their respective carrying values.

Monetary liabilities

The fair value of short-term bank borrowings and other financial liabilities are considered to approximate their respective carrying values due to their short-term nature.

Fair value is the amount for which a financial instrument could be exchanged, or a liability settled between, willing parties during current transaction, other than in a forced sale or liquidation, and is best evidenced through a quoted market price, if one exists.

The Group determined fair value of financial instruments by using available market information and appropriate valuation methods. However, evaluating the market information and forecasting the real values requires interpretation. As a result, the estimates presented herein are not necessarily indicative of the amounts the Group could realize in a current market exchange.

Financial assets

The carrying values of financial assets carried at amortised cost including cash and cash equivalents and other financial assets are considered to approximate their respective carrying values due to their short-term nature and insignificant credit risk.

The fair value of debt and equity securities are determined based on the market prices.

Within the framework of the methods and assumptions explained above, the carrying values and estimated fair values of financial assets as of 31 March 2024 and December 2023 are presented in the table below:

| 31.03.2024 | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------|---------|-------|
| Financial assets | - | - | - | - |
| Financial assets at fair value through profit or loss | - | - | - | - |
| 31.12.2023 | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | - | - | - | - |
| Financial assets at fair value through profit or loss | - | - | - | - |

The classification of the Group's consolidated financial assets and liabilities at fair value is as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities: The fair value of financial assets and financial liabilities are determined with reference to quoted market prices.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices):

Level 3: Inputs for the asset or liability that are not based on observable market data.

NOTE 41 - EVENTS AFTER THE REPORTING PERIOD

None.

NOTE 42 - THE OTHER MATTERS WHICH SUBSTANTIALLY AFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR ARE REQUIRED TO BE DESCRIBED IN TERMS OF MAKING THE CONSOLIDATED FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.