

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

**CONSOLIDATED FINANCIAL STATEMENTS  
AT 31 DECEMBER 2021  
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT**

**(CONVENIENCE TRANSLATION INTO ENGLISH OF THE  
INDEPENDENT AUDITORS' REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS  
ORIGINALLY ISSUED IN TURKISH)**

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ORIGINALLY ISSUED IN TURKISH**

**YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş. AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 1 JANUARY - 31 DECEMBER 2021**

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**COVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT  
ORIGINALLY ISSUED IN TURKISH**

**INDEPENDENT AUDITOR'S REPORT**

**To the Board of Directors of Yeo Teknoloji Enerji ve Endüstri Anonim Şirketi;**

**Audit of the Consolidated Financial Statements**

**Opinion**

We have audited the accompanying consolidated financial statements of **Yeo Teknoloji Enerji ve Endüstri A.Ş. (the "Company")** and its subsidiaries (**collectively referred to as the "Group"**) which comprise the consolidated statement of balance sheets as at 31 December 2021 and consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash-flow for the year then ended and the notes to the consolidated financial statements, which include a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2021 and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS/TAS").

**Basis for Opinion**

Our audit was conducted in accordance with the International Standards on Auditing ("ISAs") that are part of Turkish Standards on Auditing issued by the Public Oversight Accounting and Auditing Standards Authority (the "POA"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We hereby declare that we are independent of the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants ("IESBA Code") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the consolidated financial statements. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code and regulations. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

**Key Audit Matters**

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

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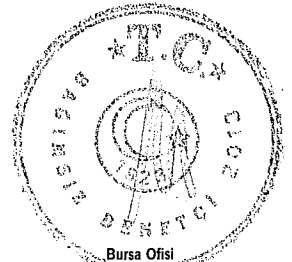
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Revenue	
Please refer to notes 2.09.01 and 28 to the consolidated financial statements	
Key audit matters	How our audit addressed the key audit matter
<p><b>Revenue recognition</b></p> <p>Consolidated financial statements for the period 1 January - 31 December 2021 include total revenue of the Group which represents project commitment agreement with the portion of 90% in 2021.</p> <p>The Group has been determined the amount and timing of revenue generated from project commitment contracts in accordance with the TFRS 15 "Revenue from Contracts with Customers". The complex measurement of the standard and progress towards the fulfillment of the performance obligation arising from customer contracts is made using the "input method". In accordance with the input method, revenue is recognized in the consolidated financial statements by comparing the costs incurred by the Group for the fulfillment of the performance obligation for a project with the total costs expected to fulfill the performance obligation.</p> <p>Relevant recognition of revenue is material to consolidated financial statements. In addition, significant judgments and estimates are used for the determination of the results of contracts that include project-specific conditions within the scope of the recognition revenue, especially the estimation of the cost to be incurred for the completion of the projects, the effect of the contract revenue from the uncertainties due to the results of future events, and the accounting of the amounts related to the project change requests.</p> <p>Recognition of revenue from project commitments and the level of judgements and estimations made by the management have significant material impact on the consolidated financial statements. Therefore, this area considered as key audit matter.</p>	<p>We performed the following procedures in relation to the testing recognition of revenue:</p> <ul style="list-style-type: none"> <li>- We have evaluated the accounting policy, audit procedures, internal controls and procedures and detailed analysis in relation to the recognition of revenue in the consolidated financial statements,</li> <li>- We have assessed the terms and conditions of significant contracts with customers to evaluate the estimates and judgements used by the management and to determine whether they are recognized in the relevant and correct periods.</li> <li>- We have evaluated the demands and requests for changes in the project are included in the contract transaction price in accordance with the relevant accounting policies and the effects of these changes on the project costs incurred.</li> <li>- We have tested the costs incurred by the Group to fulfill ongoing contracting projects, those selected by sampling method with the supporting documents and files.</li> <li>- We have tested and assessed the mathematical accuracy of the revenue amounts obtained from the contracts with customer calculated according to the progress towards complete satisfaction of performance obligation by applying the revaluation method.</li> <li>- We have examined and evaluated the cost budgets and prospective estimates of the contracts with customer are reasonable by comparing them with the results of the prior periods, including the current assumptions and judgements of the management regarding the progress towards complete satisfaction of performance obligation and the change in the expected contract costs.</li> <li>- We have tested the disclosures in the consolidated financial statements in relation to revenue recognition of such disclosures for TFRS requirements.</li> </ul> <p>We had no material findings related to recognition of revenue as a result of these procedures.</p>

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## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Responsibilities of independent auditors in an independent audit are as follows:

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

As part of an independent audit conducted in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence. We also communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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**Other Responsibilities Arising from Regulatory Requirements**

1) No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Group's bookkeeping activities concerning the period from 1 January to 31 December 2021 period are not in compliance with the TCC and provisions of the Group's articles of association related to financial reporting.

2) In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is METİN ETKİN.

**GÜRELİ YEMİNLİ MALİ MÜŞAVİRLİK VE BAĞIMSIZ DENETİM HİZMETLERİ A.Ş.**  
An independent Member of BAKER TILLY INTERNATIONAL



**Metin Etkin**  
Partner, CPA

**İstanbul, 10.03.2022**

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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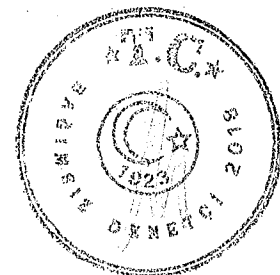
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş. AND ITS SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS

AT 31 DECEMBER 2021 AND 2020

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

	Notes	Audited Current Period 31.12.2021	Audited Prior Period 31.12.2020
<b>ASSETS</b>			
<b>Current Assets</b>		<b>438.699.370</b>	<b>246.499.688</b>
Cash and Cash Equivalents	6	155.119.798	53.117.914
Financial Investments	7	185.036	18.511.227
Trade Receivables	10	83.256.088	69.593.494
<i>Trade Receivables From Non-Related Parties</i>		70.454.283	67.053.347
<i>Trade Receivables From Related Parties</i>		12.801.805	2.540.147
Receivables from Finance Sector Operations	12		
Other Receivables	11	3.755.705	544.741
<i>Other Receivables From Non-Related Parties</i>		3.755.705	544.741
<i>Other Receivables From Related Parties</i>		-	-
Receivables from Contracts with Customers	12	111.782.750	52.341.833
Inventories	13	11.810.384	1.302.431
Prepaid Expenses	15	55.596.723	42.205.906
Current Income Tax Assets	25	1.007.615	1.630.362
Other Current Assets	26	16.185.271	7.251.780
<b>Total</b>		<b>438.699.370</b>	<b>246.499.688</b>
 Assets Held for Sale	34	-	-
 <b>Non-Current Assets</b>		<b>25.210.183</b>	<b>10.312.234</b>
Trade Receivables	10	-	-
Receivables from Finance Sector Operations	12	-	-
Other Receivables	11	-	-
Financial Investments	7	-	-
Investments Accounted for Using the Equity Method	16	1.722.945	-
Biological Assets	14	-	-
Investment Properties	17	-	-
Property, Plant and Equipment	18	22.719.804	10.206.169
Intangible Assets	19	767.434	106.065
<i>Other Intangible Assets</i>		55.473	86.667
<i>Right of Use Assets</i>		711.961	19.398
Prepaid Expenses	15	-	-
Deferred Tax Assets	35	-	-
Other Non-Current Assets	26	-	-
 <b>TOTAL ASSETS</b>		<b>463.909.553</b>	<b>256.811.922</b>

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



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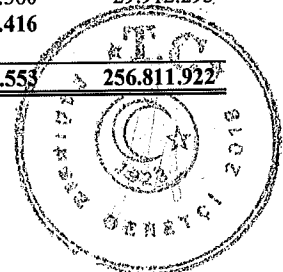
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CONSOLIDATED BALANCE SHEETS

AT 31 DECEMBER 2021 AND 2020

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

	Notes	Audited Current Period 31.12.2021	Audited Prior Period 31.12.2020
<b>LIABILITIES</b>			
<b>Current Liabilities</b>		<b>240.403.553</b>	<b>170.175.858</b>
Short-Term Borrowings	8	40.812.054	38.738.583
Short Term Portion of Long Term Borrowings		69.306.550	8.475.518
Lease Liabilities	8	35.631	23.982
Trade Payables	10	79.793.054	30.006.755
Trade Payables To Non-Related Parties		78.121.720	28.473.405
Trade Payables To Related Parties		1.671.334	1.533.350
Employee Benefits	20	4.921.792	953.850
Other Payables	11	113.224	-
Other Payables To Non-Related Parties		113.224	-
Other Payables To Related Parties		-	-
Liabilities from Contracts with Customers	12	-	-
Deferred Income	15	42.919.136	91.048.498
Current Income Tax Liabilities	25	1.119.762	599.682
Short Term Provisions	22	1.382.350	298.990
Other Short Term Provisions		275.217	12.008
Short Term Provisions for Employee Benefits		1.107.133	286.982
Other Current Liabilities	26	-	30.000
<b>Total</b>		<b>240.403.553</b>	<b>170.175.858</b>
Liabilities Related to Assets Held for Sale	34	-	-
<b>Non-Current Liabilities</b>		<b>28.802.550</b>	<b>23.139.789</b>
Long Term Borrowings	8	7.096.827	11.774.265
Lease Liabilities	8	723.482	-
Trade Payables	10	-	-
Other Payables	11	-	-
Derivative Instruments	12	-	-
Deferred Income	12	-	-
Long Term Provisions	23	1.844.575	739.417
Other Long Term Provisions		-	-
Long Term Provisions for Employee Benefits		1.844.575	739.417
Current Income Tax Liabilities	24	-	-
Deferred Tax Liabilities	35	19.137.666	10.626.107
Other Non-Current Liabilities	26	-	-
<b>EQUITY</b>		<b>194.703.450</b>	<b>63.496.275</b>
<b>Equity Holders of the Parent</b>	27	<b>193.744.034</b>	<b>63.496.275</b>
Paid in Share Capital		24.000.000	20.000.000
Adjustment to Share Capital		-	-
Repurchased Shares (-)		-	-
Capital Adjustments due to Cross Ownership (-)		-	-
Share Premiums On Capital Stock		71.187.816	-
Cancellation of Share Premium		-	-
Other comprehensive income/expense not to be reclassified to profit or loss	27	(767.724)	(175.442)
Other comprehensive income/expense to be reclassified to profit or loss		3.780.865	-
Restricted Reserves		-	-
Retained Earnings		43.671.717	13.759.424
Net Profit for the Period		51.871.360	29.912.293
<b>Non-Controlling Interests</b>		<b>959.416</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>463.909.553</b>	<b>256.811.922</b>

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 AND ITS SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş. AND ITS SUBSIDIARIES

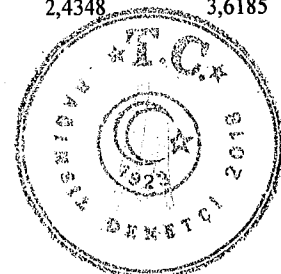
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE YEARS ENDED 31 DECEMBER 2021 AND 2020  
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Audited Current Period 01.01.2021 31.12.2021	Audited Prior Period 01.01.2020 31.12.2020
Revenue	28	441.509.331	253.465.754
Cost of Sales (-)	28	(308.751.591)	(168.556.666)
<b>Gross Profit from Non-Finance Sector Operations</b>		<b>132.757.740</b>	<b>84.909.088</b>
Revenue from Finance Sector Operations		-	-
Cost of Finance Sector Operations (-)		-	-
<b>Gross Profit from Finance Sector Operations</b>		<b>-</b>	<b>-</b>
<b>GROSS PROFIT</b>		<b>132.757.740</b>	<b>84.909.088</b>
Marketing, Sales and Distribution Expenses (-)	29	(52.558.696)	(37.798.236)
General Administrative Expenses (-)	29	(10.392.578)	(3.780.381)
Research and Development Expenses (-)	29	(1.540.726)	-
Other Operating Income	31	44.419.564	31.440.728
Other Operating Expenses (-)	31	(23.452.735)	(25.680.591)
<b>OPERATING PROFIT</b>		<b>89.232.569</b>	<b>49.090.608</b>
Share of profit/loss of investments accounted for using the equity method		57.945	-
Gains from investment activities	32	28.521.380	1.541.952
Losses from investment activities (-)	32	(6.786.509)	(1.160.557)
<b>OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)</b>		<b>111.025.385</b>	<b>49.472.003</b>
Financial Income	33	-	-
Financial Expense (-)	33	(39.803.675)	(11.787.653)
<b>PROFIT BEFORE TAX</b>		<b>71.221.710</b>	<b>37.684.350</b>
<b>Tax income/(expense)</b>		<b>(18.390.934)</b>	<b>(7.772.057)</b>
- Current income tax expense		(10.616.620)	(1.927.269)
- Deferred tax income/expense	35	(7.774.314)	(5.844.788)
<b>PROFIT FOR THE PERIOD</b>		<b>52.830.776</b>	<b>29.912.293</b>
<b>DISCONTINUED OPERATIONS</b>		<b>-</b>	<b>-</b>
<b>Profit After Tax from Discontinued Operations</b>		<b>-</b>	<b>-</b>
<b>PROFIT FOR THE PERIOD</b>		<b>52.830.776</b>	<b>29.912.293</b>
<b>Attributable to:</b>			
Non-Controlling Interests		959.416	-
Equity Holders of the Parent		51.871.360	29.912.293

**Earnings Per Share**  
Earnings Per Share from Continuing Operations

2,4348 3,6185

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 AND ITS SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

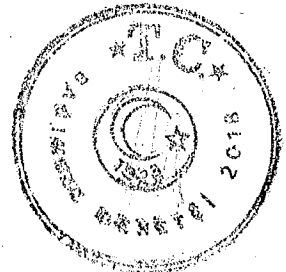
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME  
FOR THE YEARS ENDED 31 DECEMBER 2021 AND 2020

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

		Audited Current Period 01.01.2021 31.12.2021	Audited Prior Period 01.01.2020 31.12.2020
	Notes		
<b>PROFIT FOR THE PERIOD</b>	<b>36</b>	<b>52.830.776</b>	<b>29.912.293</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items not to be reclassified to profit/loss		(592.282)	(228.077)
Property, plant and equipment revaluation surplus		-	-
Intangible assets revaluation surplus		-	-
Gains/(losses) on remeasurements of defined benefit plans	24	(740.352)	(186.948)
Share of other comprehensive income/(expenses) of investments accounted for using the equity method		-	-
Other		-	-
Taxes relating to other comprehensive income not to be reclassified to profit/loss	24	148.070	(41.129)
- Current income tax expense		-	-
- Deferred tax income/expense		148.070	(41.129)
Items to be reclassified to profit/loss		3.780.865	-
Currency translation differences	27	(402.492)	-
Gains/losses on revaluation and reclassification of financial assets available for sale		-	-
Gains/(losses) on cash flow hedges	27	5.295.389	-
Gains/(losses) on hedges of net investments in foreign operations		-	-
Taxes relating to other comprehensive income to be reclassified to profit/loss		(1.112.032)	-
- Current income tax expense		-	-
- Deferred tax income/expense		(1.112.032)	-
<b>OTHER COMPREHENSIVE INCOME (AFTER TAX)</b>		<b>3.188.583</b>	<b>(228.077)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>56.019.359</b>	<b>29.684.216</b>
Attributable to:			
Non-Controlling Interests		959.416	-
Equity Holders of the Parent		55.059.943	29.684.216

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 AND ITS SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

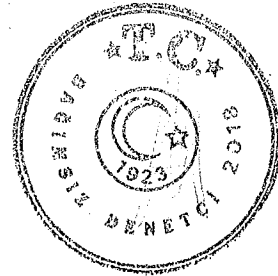
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş. AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED 31 DECEMBER 2021 AND 2020  
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

	Notes	Paid in share capital	Share Premiums On Capital Stock	Gains/(losses) on remeasurement of defined benefit plans	Other gains/losses	Other comprehensive income items to be reclassified to profit or loss		Prior years income	Net profit for the period	Equity holders of the parent	Non-controlling interests	Total Equity
						Gains/(losses) on cash flow hedges	Currency translation differences					
<b>Current Period (Audited)</b>												
<b>Balances at 01.01.2021</b>	27	20,000,000	-	(175,442)	-	-	-	13,759,424	29,912,293	63,496,275	-	63,496,275
Transfers												
Business combinations under common control	27	-	-	-	-	-	-	29,912,293	(29,912,293)	-	-	-
Gains/losses on transactions with Subsidiaries without loss of control		-	-	-	-	-	-	-	-	-	-	-
Capital increases		4,000,000	-	-	-	-	-	-	-	4,000,000	-	4,000,000
Share premium		-	71,187,816	-	-	-	-	-	-	71,187,816	-	71,187,816
Total Comprehensive Income		-	-	(592,282)	-	4,183,357	(402,492)	-	51,871,360	55,059,943	959,416	56,019,359
- Net Profit for the Period	27	-	-	(592,282)	-	4,183,357	(402,492)	-	51,871,360	51,871,360	959,416	52,830,776
- Other Comprehensive Income (Expense)		-	-	-	-	-	-	-	-	3,188,583	-	3,188,583
<b>Balances at 31.12.2021</b>	27	24,000,000	71,187,816	(767,724)	-	4,183,357	(402,492)	43,671,717	51,871,360	193,744,034	959,416	194,703,450
<b>Balances at 01.01.2020</b>	27	5,000,000	-	52,635	-	-	-	(512,269)	17,688,653	22,229,019	-	22,229,019
Transfers												
Business combinations under common control	27	3,416,960	-	-	-	-	-	14,271,693	(17,688,653)	-	-	-
Gains/losses on transactions with Subsidiaries without loss of control		-	-	-	-	-	-	-	-	-	-	-
Capital increases		11,583,040	-	-	-	-	-	-	-	11,583,040	-	11,583,040
Share premium		-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income		-	-	(228,077)	-	-	-	-	29,912,293	29,684,216	-	29,684,216
- Net Profit for the Period	27	-	-	(228,077)	-	-	-	-	29,912,293	29,912,293	-	29,912,293
- Other Comprehensive Income (Expense)		-	-	-	-	-	-	-	-	(228,077)	-	(228,077)
<b>Balances at 31.12.2020</b>	27	20,000,000	-	(175,442)	-	-	-	13,759,424	29,912,293	63,496,275	-	63,496,275

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



CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS  
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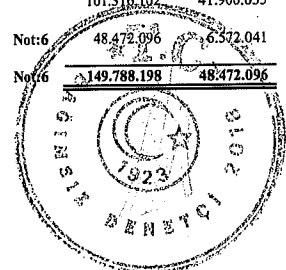
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş. AND ITS SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED 31 DECEMBER 2021 AND 2020  
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

		Audited Current Period	Audited Prior Period
	Notes	01.01.2021 31.12.2021	01.01.2020 31.12.2020
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>(17.060.788)</b>	<b>7.306.320</b>
<b>PROFIT FOR THE PERIOD</b>		<b>51.871.360</b>	<b>29.912.293</b>
Profit for the Period from Continuing Operations		51.871.360	29.912.293
Profit for the Period from Discontinued Operations		-	-
<b>Adjustments to reconcile profit for the period to cash generated from operating activities:</b>		<b>27.315.551</b>	<b>13.244.219</b>
Depreciation and amortisation	17,18	1.509.848	855.225
Adjustments for Fair Value gains/losses		5.295.389	-
Gains/losses on fair value of derivative instruments		5.295.389	-
Adjustments for Impairment Loss (Reversal)		(1.931.836)	3.030.256
Adjustments for Receivables Impairment (Reversal)	10,11	(1.303.379)	1.910.880
Adjustments for Inventory Impairment (Reversal)	13	(397.907)	1.119.376
Adjustments for Other Financial Assets or Investments Impairment (Reversal)	7	(230.550)	-
Adjustments for Provisions		1.509.851	8.035
Adjustments for Provision for Employee Benefits (Reversal)	24	1.246.642	8.035
Adjustments for Provision for Litigations or Lawsuits, Penalties (Reversal)	22	18.236	-
Adjustments for Other Provisions (Reversal)	22	244.973	-
Adjustments for interest income and expenses		4.264.310	1.816.623
Adjustments for Unearned Financial Income from Term Sales	10	(565.641)	650.711
Adjustments for Deferred Financial Expense from Term Purchases	10	531.293	(354.736)
Adjustments for Interest Income	10	-	-
Adjustments for Interest Expenses	33	4.298.658	1.520.648
Adjustments for losses/(gains) on disposal of non-current assets	32	-	(237.977)
Adjustments for losses/(gains) on disposal of property, plant and equipment	32	-	(237.977)
Adjustments for undistributed profits of investments accounted for using the equity method	16	(1.722.945)	-
Adjustments for tax income/expense	35	18.390.934	7.772.057
		<b>(83.146.263)</b>	<b>(32.706.092)</b>
<b>Changes in Working Capital</b>		<b>18.556.741</b>	<b>(18.511.227)</b>
Changes in Financial Investments	7	18.556.741	(18.511.227)
Adjustments for Gains/Losses on Trade Receivables	10	(11.793.576)	(17.909.869)
Gains/Losses on Trade Receivables From Non-Related Parties		(1.531.917)	(15.378.012)
Gains/Losses on Trade Receivables From Related Parties		(10.261.659)	(2.531.857)
Adjustments for Gains/Losses on Other Receivables Related To Operations	11	(3.210.964)	(512.861)
Gains/Losses on Other Receivables From Non-Related Parties Related To Operations		(3.210.964)	(514.550)
Gains/Losses on Other Receivables From Non-Related Parties Related To Operations		-	1.689
Adjustments for Gains/Losses on Receivables and Payables from Contracts with Customers	12	(59.440.917)	856.245
Gains/Losses on Sales of Goods and Services from Contract Assets		(59.440.917)	856.245
Changes in Inventories	13	(10.110.046)	936.744
Adjustments for losses/(gains) in Trade Payables	10	49.255.006	(1.714.577)
Gains/Losses on Trade Payables to Non-Related Parties		49.117.022	11.903.927
Gains/Losses on Trade Payables to Related Parties		137.984	(13.618.504)
Adjustments for Gains/Losses in Other Payables Related To Operations	11	113.222	(3.310.237)
Gains/Losses on Other Payables to Non-Related Parties Related To Operations		113.222	(3.310.237)
Adjustments for gains (losses) in payables due to employee benefits	20	3.967.942	374.135
Changes in Prepaid Expenses	15	(13.390.817)	(38.042.451)
Other adjustments for increase (decrease) in other working capital	26	(8.963.492)	(7.204.997)
Gains/Losses on Other Assets from Operations	26	(8.933.492)	(2.223.259)
Gains/Losses on Other Liabilities from Operations	26	(30.000)	(4.981.738)
Changes in Deferred Income	15	(48.129.362)	52.333.003
		<b>(3.959.352)</b>	<b>10.450.420</b>
<b>Cash Flows from Operating Activities</b>		<b>(8.741.093)</b>	<b>(1.623.452)</b>
Income Taxes Refund/Paid		(4.298.658)	(1.520.648)
Interest Received	22,24	(61.685)	-
Payments Within Provisions Related To Employee Benefits		(17.060.788)	7.306.320
<b>Total Cash Flows from Operating Activities</b>		<b>(17.060.788)</b>	<b>7.306.320</b>
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(13.919.267)</b>	<b>(8.139.254)</b>
Cash outflows from purchase of property, plant and equipment and intangible assets	18,19	(13.919.267)	(8.139.254)
Cash inflows from sale of property, plant and equipment and intangible asset	18,19	-	237.977
Other		-	-
<b>Total cash flows from investing activities</b>		<b>(13.919.267)</b>	<b>(7.901.277)</b>
<b>C) CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>4.000.000</b>	<b>11.583.040</b>
Capital payments		71.187.816	-
Cash inflows from share Premium and other equity instruments	27	210.372.520	66.983.545
Repurchased shares		(152.145.455)	(31.374.580)
Cash inflows from borrowings		(30.454)	(51.174)
Cash outflows from repayments of borrowings		(685.778)	(4.645.819)
Cash outflows from payments of lease liabilities		132.698.649	42.495.012
Other cash inflows/outflows		-	-
<b>Total cash flows from financing activities</b>		<b>101.718.594</b>	<b>41.900.055</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES</b>		<b>(402.492)</b>	<b>-</b>
<b>D) EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>		<b>101.316.102</b>	<b>41.900.055</b>
Net Increase/(Decrease) in Cash and Cash Equivalents		<b>101.316.102</b>	<b>41.900.055</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		<b>48.472.096</b>	<b>6.572.041</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>149.788.198</b>	<b>48.472.096</b>

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CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS  
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YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
(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") was established on 6 August 2004 in İstanbul, Turkey with the business title of "Yılmaz Elektrik Otomasyon Makine İnşaat Sanayi ve Ticaret Anonim Şirketi". The business title of Yılmaz Elektrik Otomasyon Makine İnşaat Sanayi ve Ticaret Anonim Şirketi has been changed to Yeo Elektrik Otomasyon A.Ş. and published in Official Gazette numbered 9596 on 8 June 2018. In addition, the business title of Yeo Elektrik Otomasyon A.Ş. has been changed to Yeo Teknoloji Enerji ve Endüstri Anonim Şirket on 20.04.2021.

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 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.

As of 31 December 2021 and 2020, the principal shareholders and their respective shareholding rates in Yeo Teknoloji are as follows:

	31.12.2021		31.12.2020	
	Shareholding Amount	Shareholding Rates (%)	Shareholding Amount	Shareholding Rates (%)
Tolunay Yıldız	4.145.800	17,2%	4.364.000	21,8%
Orhan Yıldız	4.145.800	17,2%	4.364.000	21,8%
Özbey Yıldız	4.143.900	17,2%	4.362.000	21,8%
Barış Esen	1.900.000	7,9%	2.000.000	10%
Sinan Karahan	1.900.000	7,9%	2.000.000	10%
Yasin Düven	1.900.000	7,9%	2.000.000	10%
Caner Karataş	864.500	3,6%	910.000	4,5%
Listed Shares	5.000.000	20,8%	-	-%
<b>Total Share Capital</b>	<b>24.000.000</b>	<b>100%</b>	<b>20.000.000</b>	<b>100%</b>
Unpaid Share Capital	-		-	
<b>Total Paid in Share Capital</b>	<b>24.000.000</b>		<b>20.000.000</b>	

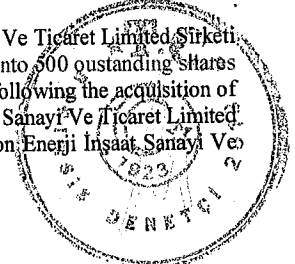
The subsidiaries ("Subsidiaries") and joint ventures, included in the consolidation scope of Yeo Teknoloji, their country of incorporation, their respective business segments and ownership interests are as follows:

Subsidiaries	Country of Incorporation	Effective Ownership Interests %		Nature of Business
		31 December 2021	31 December 2020	
		2021	2020	
Yeo Enerji Yatırımları A.Ş.	Turkey	100%	100%	Energy Production
Yeo Energy Industry Solutions (*)	Uzbekistan	100%	-	Energy Production
Marınergy Yenilenebilir Enerji İnş.ve Tic. A.Ş. (**)	Turkey	50%	-	Energy Production
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. (***)	Turkey	50%	-	Energy Production
Yeo Teknoloji Enerji ve Endüstri A.Ş.-Uzbekistan branch (****)	Uzbekistan	100%	-	Energy Production

(\*)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 01.04.2021. The issued capital of the subsidiary is amounting to UZS 520.000.000 (31.12.2020: UZS 520.000.000).

(\*\*)The Group became a shareholder of Marınergy Yenilenebilir Enerji İnşaat ve Tic. A.Ş which was established on 22.01.2021. The issued share capital of the Company is TL 1.000.0000, divided into 40.000 outstanding shares with a nominal value of TL 25. The total issued share capital amounting to TL 500.000, corresponding to 20.000 outstanding shares with a nominal value of TL 25 was committed to paid in cash by Yeo Elektrik Otomasyon A.Ş. As of the aforementioned date, the accompanying consolidated financial statements and carrying values and consolidation rates of the Company subject to equity accounting.

(\*\*\*)The Group became a shareholder of Mikrohes Araştırma Geliştirme İnovasyon Enerji İnşaat Sanayi Ve Ticaret Limited Şirketi which was established on 21.12.2021. The issued share capital of the Company is TL 100.000, divided into 500 outstanding shares with a nominal value of TL 50.000. Yeo Teknoloji's effective ownership interest rate has been changed following the acquisition of a subsidiary due to change of control with 50% of Mikrohes Araştırma Geliştirme İnovasyon Enerji İnşaat Sanayi Ve Ticaret Limited Şirketi's shares on 21 December 2021. The business title of of Mikrohes Araştırma Geliştirme İnovasyon Enerji İnşaat Sanayi Ve



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

**YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**  
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

Ticaret Limited Şirketi has been changed to Mikrohes Teknoloji Enerji Sanayi ve Ticaret Anonim Şirketi on 29 December 2021. The current issued share capital of Mikrohes Teknoloji has been increased to TL 110.000. Yeo Teknoloji has been paid emission Premium amounting to TL 1.535.000 and capital increase amounting to TL 5.000 as an acquisition cost of the subsidiary on 29 December 2021. As of the aforementioned date, the accompanying consolidated financial statements and carrying values and consolidation rates of the Company subject to equity accounting.

(\*\*\*\*) Yeo Teknoloji was established a branch in Uzbekistan on 23 August 2021 with the business title of Yeo Teknoloji Enerji ve Endüstri A.Ş. and nature of business has been defined as energy production for conducting business operations in Uzbekistan.

**Joint Ventures**

	Country of Incorporation	Effective Ownership Interests %		Nature of Business
		31.12.2021	31.12.2020	
HK Enerji – YEO Joint Venture (*)	Turkey	50%	-	Energy Production
YEO – SEİSO Joint Venture (**)	Turkey	90%	-	Energy Production
YEO – HSY Joint Venture (***)	Turkey	50%	-	Energy Production

\* In accordance with the joint venture agreement dated 26.02.2021 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.

\*\* In accordance with the joint venture agreement dated 15.03.2021 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.

\*\*\* In accordance with the joint venture agreement dated 14.09.2021 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.

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

Total end of period and average number of personnel employed by the Yeo Teknoloji is 382 (31 December 2020: 201).

**Approval of Financial Statements**

These consolidated financial statements as of and for the year ended 31 December 2021 have been approved for issue by the Board of Directors (“BOD”) on 10 March 2022. 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 and Joint Ventures 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

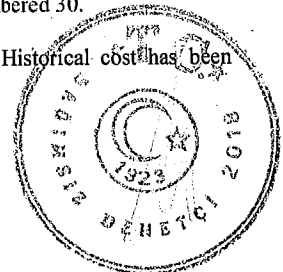
Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The consolidated financial statements are presented in TL, which is Yeo Teknoloji’s functional and presentation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

Statement of Compliance with TFRS

The consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) 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 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.



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**2.02 Adjustments of Financial Statements in Hyperinflationary Periods**

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, the application of inflation accounting is no longer required for companies operating in Turkey and preparing their consolidated financial statements in accordance with the financial reporting standards accepted by the CMB ("CMB Financial Reporting Standards"). Accordingly, Turkish Accounting Standards 29, "Financial Reporting in Hyperinflationary Economies", issued by the POA, has not been applied in the consolidated financial statements for the accounting year commencing 1 January 2005.

**2.03 Basis of Consolidation**

Consolidated financial statements include subsidiaries are the entities controlled directly and indirectly by Yeo Teknoloji A.Ş.

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 fully consolidated from the date of acquisition, being the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group.

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:***

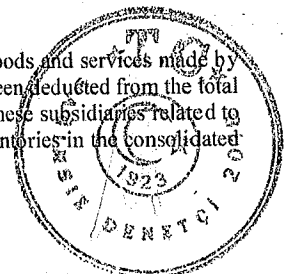
- The paid in share capital and balance sheet items of the Group and the subsidiary are aggregated. In the aggregation, the receivables and payables of the subsidiaries in scope of consolidation from each other eliminated in full.

- 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 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



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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.

- 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 associates ("Associates") included in the consolidation scope of Yeo Teknoloji, their effective ownership interests subject to full consolidation are as follows:

Associates	Country of Incorporation	Effective Ownership Interests %		Nature of Business
		31 December 2021	31 December 2020	
Yeo Enerji Yatırımları A.Ş.	Turkey	100%	100%	Energy Production
Yeo Energy Industry Solutions LLC	Uzbekistan	100%	-	Energy Production
Yeo-Seiso Joint Venture	Turkey	90%	-	Energy Production
Yeo Teknoloji Enerji ve Endüstri A.Ş.-Uzbekistan branch	Uzbekistan	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

Joint Ventures	Voting Rights (%)		Effective Ownership Interests %	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Marmergy Yenilenebilir Enerji İnş.ve A.Ş.	50%	-	50%	-
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	50%	-	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.

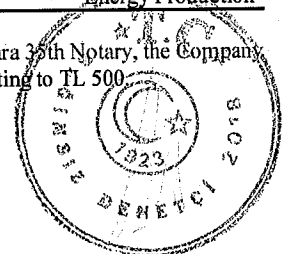
Yeo Teknoloji exercises such joint control through direct and indirect voting rights related to the shares held by itself and/or through the voting rights related to the shares held by Yeo Teknoloji and the companies owned by them and applies equity method of accounting in accordance with "TAS 28 Investments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

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 %		Nature of Business
		31 December 2021	31 December 2020	
HK Enerji-YEO Joint Venture *	Turkey	50%	-	Energy Production
YEO-SEİSO Joint Venture **	Turkey	90%	-	Energy Production
YEO-HSY Joint Venture ***	Turkey	50%	-	Energy Production

\* In accordance with the joint venture agreement dated 26.02.2021 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.





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**\*\*** In accordance with the joint venture agreement dated 15.03.2021 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.

**\*\*\*** In accordance with the joint venture agreement dated 14.09.2021 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.

**2.04 Comparatives and Adjustment of Prior Period Financial Statements**

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.

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.

Consolidated financial statements of the Group have been prepared comparatively with the prior period in order to give information about financial position and performance. The Group prepared its consolidated balance sheet at 31 December 2021 on a comparative basis with consolidated balance sheet at 31 December 2020; and consolidated statements of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity for the period of 1 January - 31 December 2021 on a comparative basis with consolidated financial statements for the period of 1 January - 31 December 2020.

**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 unobservable 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:

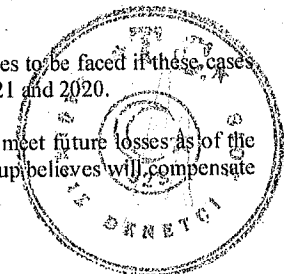
a) Provision for employment termination benefits is determined by using actuarial assumptions (discount rates, future salary increases and employee exit rates) These assumptions are reviewed at each balance sheet date and revised if deemed necessary (Note:24)

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 in Note 22, 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 December 2021 and 2020.

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



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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 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. (Not.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 an impact on the results of operations in the current period.

**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 an impact 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 balance sheet 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 consolidated financial statements are summarised below:

**2.09.01 Revenue Recognition**

In accordance with "TFRS 15 Revenue from Contracts with Customers" standard 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.

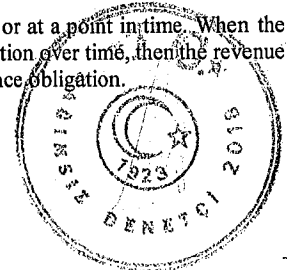
Revenue is accounted for in the consolidated financial statements within the scope of the five-stage model below in accordance with the TFRS 15 standard.

- 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 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.

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.



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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 balance sheet date, 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 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 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.

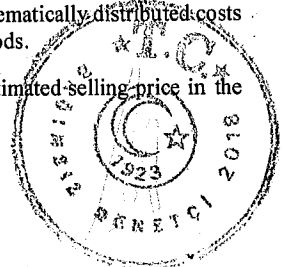
**Interest income**

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 valued at the lower of cost or net realisable value. Cost of inventories includes all procurement costs, conversion costs and other costs that incurred for bringing the stock in current position and situation. 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.



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**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 December 31, 2004 for the items purchased before 01 January 2005 and for the items purchased as of January 1, 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 insignificant. The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

Type	Economic Useful Lives (%)
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. 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 statement of other comprehensive income.

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.

**2.09.04 Investment Properties**

None.

**2.09.05 Intangible Assets and related amortisation**

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.

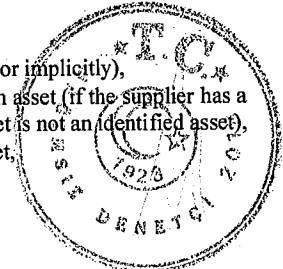
They are initially recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being recognized for on a prospective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

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.



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• 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 Standard 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 Standard 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.

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:

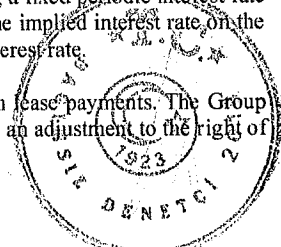
- a) Fixed payments, less any lease incentives receivable,
- b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- c) The Group is reasonably certain that it will use the purchase option, the exercise price of this option 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:

- a) Increasing the carrying amount to reflect interest on the lease liability,
- 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.



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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 financial leases.

A lease is classified as a financial 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" standard.

**2.09.07 Impairment of Assets**

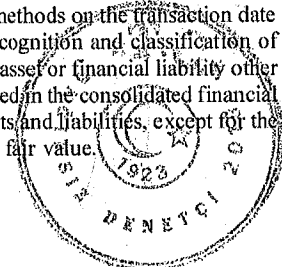
Assets with an indefinite useful life, such as goodwill, are not subject to amortization. An impairment test is applied to these assets each year. For assets subject to amortization, impairment test is applied if the book value cannot be recovered. An impairment loss is recognized if the carrying amount 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 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 income statement 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 Contract with Customers are 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.



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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 measured at fair value through profit or loss”, “financial assets measured at amortized cost” and “financial assets measured at fair value through other comprehensive income”.

**Financial Assets measured at fair value through profit or loss**

Financial assets measured 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 measured at amortized cost**

“Financial assets measured at amortized 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 amortized 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 amortized 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 measured at fair value through other comprehensive income**

“Financial assets measured 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 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**

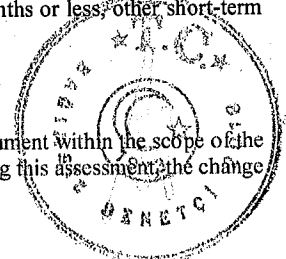
Funds attributed to financial assets as reverse repo are recorded as receivables from reverse repo under cash and cash equivalents in the consolidated financial statements. A rediscount income is calculated by using the internal discount rate method for the current year portion of the difference between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



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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 an 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 income statement 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 "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 Measured 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 through the expected life of the financial liability, or, where appropriate, a shorter period to the net present value of the financial liability.

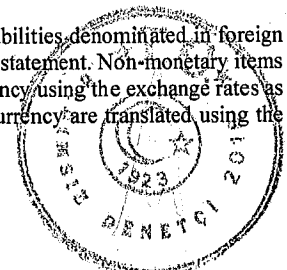
Derecognition of financial assets and liabilities

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 write 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**

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 companies operating in the non-finance sectors, have been accounted for under "other operating income/expenses" The consolidated financial statements are presented in TL, which is Yeo Teknoloji's functional and presentation currency.

Foreign exchange gains and losses resulting from the translation of other monetary assets and liabilities denominated in foreign currencies have been accounted for under "financial income/expenses" in the consolidated income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency 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.





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**2.09.11 Earnings Per Share**

Earnings per share disclosed in the consolidated 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 Balance Sheet Date**

Subsequent events cover all events that occur between the balance sheet date and the publication date of the consolidated financial statements. The Group adjusts the amounts recognised in its consolidated 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 set forth 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**

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.

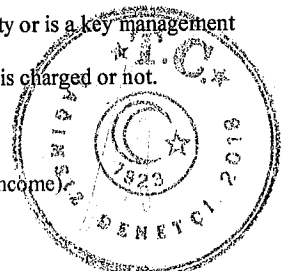
b) An entity is considered related party of the reporting entity when the following criteria are met:

- 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).



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**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**

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.

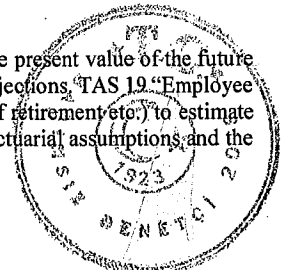
**2.09.16 Employee Benefits**

**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 is 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



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actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains / losses and recognised under other comprehensive income. Actuarial gains and losses recognized under 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 balance sheets. 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**

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 going concern basis of accounting.

**2.11 New and Revised Turkish Financial Reporting Standards**

**Standards and interpretations issued but not yet effective and not early adopted as at 31 December 2021**

**Standards issued but not yet effective and not early adopted**

A number of new standards, interpretations of and amendments to existing standards are not effective at reporting date and earlier application is permitted; however the Group has not early adopted are as follows:

**COVID-19-Related Rent Concessions beyond 30 June 2021 (the 2021 amendment)**

International Standard Board ("IASB") has extended the practical expedient by 12 months – permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022. The original amendment was issued in May 2020 to make it easier for lessees to account for covid-19-related rent concessions, such as rent holidays and temporary rent reductions, while continuing to provide useful information about their leases to investors. Related changes were published by POA as Amendments to TFRS 16 on June 5, 2020.

The amendment is effective for annual reporting periods beginning on or after 1 April 2021. Lessees are permitted to apply it early, including in financial statements not authorised for issue as of 31 March 2021 the date of publication of this amendment. In other words, if the financial statements for the accounting periods before the date of publication of the amendment have not yet been issued, it is possible to apply this amendment for the relevant financial statements. The 2021 amendments are applied retrospectively with the cumulative effect of initially applying it being recognised in opening retained earnings.

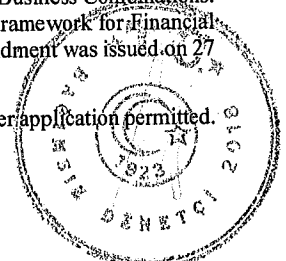
The original version of the practical expedient was, and remains, optional. However, the 2021 amendments are, in effect, not optional. This is because a lessee that chose to apply the practical expedient introduced by the 2020 amendments has to consistently apply the extension to eligible contracts with similar characteristics and in similar circumstances.

This means that lessees will need to reverse previous lease modification accounting if a rent concession was ineligible for the original practical expedient under the 2020 amendments but becomes eligible as a result of the extension.

**Reference to the Conceptual Framework (Amendments to TFRS 3)**

In May 2020, IASB issued Reference to the Conceptual Framework, which made amendments to TFRS 3 Business Combinations. The amendments updated TFRS 3 by replacing a reference to an old version of the Board's Conceptual Framework for Financial Reporting with a reference to the latest version, which was issued in March 2018. And then, TFRS 3 amendment was issued on 27 July 2020 by POA to reflect these amendments.

The Group shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted.



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**Property, Plant and Equipment—Proceeds before Intended Use (Amendments to TAS 16)**

In May 2020, IASB issued Property, Plant and Equipment—Proceeds before Intended Use, which made amendments to TAS 16 Property, Plant and Equipment.

The amendments improve transparency and consistency by clarifying the accounting requirements—specifically, the amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss. And then, TAS 16 amendment was issued on 27 July 2020 by POA to reflect these amendments.

The Group shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. The amendments apply retrospectively, but only to items of Property, Plant and Equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings or other appropriate component of equity.

**Onerous Contracts—Cost of Fulfilling a Contract (Amendments to TAS 37)**

In May 2020, IASB issued Onerous Contracts—Cost of Fulfilling a Contract, which made amendments to TAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. And then, TAS 37 amendment was issued on 27 July 2020 by POA to reflect these amendments.

IASB developed amendments to TAS 37 to clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The Group shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated.

**TFRS 17 – Insurance Contracts**

On 16 February 2019, POA issued TFRS 17 Insurance Contracts. This first truly globally accepted standard for insurance contracts will help investors and others better understand insurers' risk exposure, profitability and financial position. TFRS 17 replaces TFRS 4, which was brought in as an interim Standard in 2004. TFRS 4 has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. As a consequence, it is difficult for investors to compare and contrast the financial performance of otherwise similar companies. TFRS 17 solves the comparison problems created by TFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner, benefiting both investors and insurance companies. Insurance obligations will be accounted for using current values – instead of historical cost. The information will be updated regularly, providing more useful information to users of financial statements. TFRS 17 has an effective date of 1 January 2023 but companies can apply it earlier.

The Group is assessing the potential material impact on its consolidated financial statements resulting from the application of TFRS 17.

**Initial Application of TFRS 17 and TFRS 9—Comparative Information (Amendment to TFRS 17)**

In December 2021, IASB issued Initial Application of TFRS 17 and TFRS 9—Comparative Information (Amendment to TFRS 17). Related changes were published by POA as Amendments to TFRS 17 on 31 December 2021.

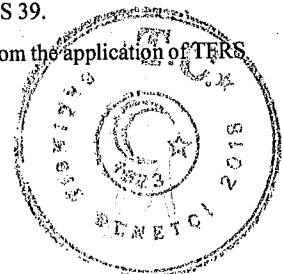
The amendment is a transition option relating to comparative information about financial assets presented on initial application of TFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. TFRS 17 incorporating the amendment is effective for annual reporting periods beginning on or after 1 January 2023.

The Group is assessing the potential material impact on its consolidated financial statements resulting from the application of TFRS 17.

**Amendments to TFRS 4: Applying TFRS 9 Financial Instruments with TFRS 4 Insurance Contracts**

TFRS 4 has also been amended by POA within the amendments issued by IASB in order to reduce the impact of the differing effective dates of the new insurance contracts standard and TFRS 9. These amendments to TFRS 4 provide two optional solutions for insurers to reduce concerns about implementations: i) when applying TFRS 9 by insurers to its financial assets, an insurer will be permitted to reclassify the difference between profit or loss and other comprehensive income and the amounts recognised in profit or loss under TFRS 9 and those that would have been reported under TAS 39; or ii) an optional temporary exemption from applying TFRS 9 for companies whose activities are predominantly connected with insurance before January 1, 2021. These companies will be permitted to continue to apply existing requirements for financial instruments in TAS 39.

The Group is assessing the potential material impact on its consolidated financial statements resulting from the application of TFRS 4.



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**Classification of Liabilities as Current or Non-current (Amendments to TAS 1)**

On 23 January 2020, IASB issued "Classification of Liabilities as Current or Non-Current" which amends TAS 1 Presentation of Financial Statements to clarify its requirements for the presentation of liabilities in the statement of financial position which are issued by POA on 12 March 2020 as amendments to TAS 1.

The amendments clarify one of the criteria in TAS 1 for classifying a liability as non-current—that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments include:

- (a) Specifying that an entity's right to defer settlement must exist at the end of the reporting period;
- (b) Clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- (c) Clarifying how lending conditions affect classification; and
- (d) Clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The Group shall apply retrospectively these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. However, IASB decided to defer the effective date of TAS 1 until 1 January 2023 with the amendment published on 15 July 2020, and the amendment was issued by POA on 15 January 2021.

The Group is assessing the potential material impact on its consolidated financial statements resulting from the application of the amendments to TAS 1

**Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to TAS 12 Income Taxes**

In May 2021 IASB issued *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, which amended TAS 12 Income Taxes. Related changes were published by POA as Amendments to TAS 12 on 27 August 2021.

The amendments to TAS 12 Income Taxes clarify how companies should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions.

The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

The amendments clarify that the exemption does not apply to transactions such as leases and decommissioning obligations. These transactions give rise to equal and offsetting temporary differences.

For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. If a company previously accounted for deferred tax on leases and decommissioning liabilities under the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

The Group is assessing the potential material impact on its consolidated financial statements resulting from the application of the amendments to Amendments to TAS 12.

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

The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty which is issued by IASB on 12 February 2021. Related changes were published by POA as Amendments to TAS 8 on 11 August 2021.

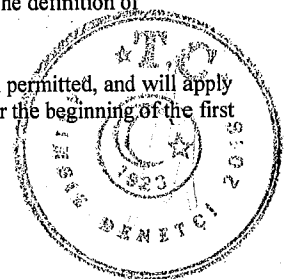
The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

Developing an accounting estimate includes both:

- selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying TFRS 9 Financial Instruments; and
- choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying TAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.



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The Group is assessing the potential material impact on its consolidated financial statements resulting from the application of the amendments to Amendments to TAS 8.

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

IASB has issued amendments to TAS 1 Presentation of Financial Statements and an update to TFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures on 12 February 2021. Among these amendments, the ones related to TAS 1 were published by POA as Amendments to TAS 1 on 11 August 2021.

The key amendments to TAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

The amendments are effective from 1 January 2023, but companies can apply it earlier.

The Group is assessing the potential material impact on its consolidated financial statements resulting from the application of the amendments to Amendments to TAS 1.

**Annual Improvements to TFRS Standards 2018–2020**

**Improvements to TFRSs**

For the current standards, "Annual Improvements in TFRSs / 2018-2020 Cycle" published by POA on 27 July 2020 is presented below. The amendments are effective as of 1 January 2022. Earlier application is permitted. The Group does not expect that application of these improvements to TFRSs will have material impact on its consolidated financial statements.

*TFRS 1 First-time Adoption of Turkish Financial Reporting Standards*

This amendment simplifies the application of TFRS 1 for a subsidiary that becomes a first-time adopter of TFRS Standards later than its parent – i.e. if a subsidiary adopts TFRS Standards later than its parent and applies TFRS 1.D16(a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the financial statements of the parent, based on the parent's date of transition to TFRSs. This amendment will ease transition to TFRS Standards for subsidiaries applying this optional exemption by i) reducing undue costs; and ii) avoiding the need to maintain parallel sets of accounting records.

*TFRS 9 Financial Instruments*

This amendment clarifies that – for the purpose of performing the "10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

*TAS 41 Agriculture*

This amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in TAS 41 with those in TFRS 13 Fair Value Measurement. The amendments provide the flexibility to use either, as appropriate, in line with TFRS 13.

**Amendments are effective on 1 January 2021**

Amendments that have become effective and have been adopted for annual periods beginning on or after 1 January 2021:

- 1) Interest Rate Benchmark Reform – Phase 2 – Amendments to TFRS 9 Financial Instruments, TAS 39 Financial Instruments: Recognition and Measurement, TFRS 7 Financial Instruments: Disclosures, TFRS 4 Insurance Contracts and TFRS 16 Leases

**NOTE 3 - BUSINESS COMBINATIONS**

As of 31 December 2021 and 2020, the Group has no business combinations.

**NOTE 4 - DISCLOSURE OF INTERESTS IN OTHER ENTITIES**

The disclosures of interests of the Group include subsidiaries 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.



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

Subsidiaries and Joint Ventures	Effective Ownership Interests %	31 December 2021 Net Balance Sheet Position	31 December 2020 Net Balance Sheet Position
Marinergy Yenilenebilir Enerji İnş.ve A.Ş.	50%	91.571	-
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	50%	1.540.000	-
HK Enerji – YEO Joint Venture	50%	-	-
YEO – HSY Joint Venture	50%	91.374	-
<b>Total</b>		<b>1.722.945</b>	<b>-</b>

NOTE 5 - SEGMENT REPORTING

As of 31 December 2021 and 2020, the segment reporting of the Group is as follows:

01.01.2021 - 31.12.2021			
	Commitments	Financial Operations	Total
Revenue	397.632.384	43.876.947	441.509.331
Cost of Sales (-)	(278.748.583)	(30.003.008)	(308.751.591)
<b>Gross Profit from Financial Operations</b>	<b>118.883.801</b>	<b>13.873.939</b>	<b>132.757.740</b>
<b>GROSS PROFIT</b>	<b>118.883.801</b>	<b>13.873.939</b>	<b>132.757.740</b>

01.01.2020 - 31.12.2020			
	Commitments	Financial Operations	Total
Revenue	225.844.812	27.620.942	253.465.754
Cost of Sales (-)	(144.601.439)	(23.955.227)	(168.556.666)
<b>Gross Profit from Financial Operations</b>	<b>81.243.373</b>	<b>3.665.715</b>	<b>84.909.088</b>
<b>GROSS PROFIT</b>	<b>81.243.373</b>	<b>3.665.715</b>	<b>84.909.088</b>

NOTE 6 - CASH AND CASH EQUIVALENTS

As of 31 December 2021 and 2020, cash and cash equivalents of the Group as of the end of the period are as follows:

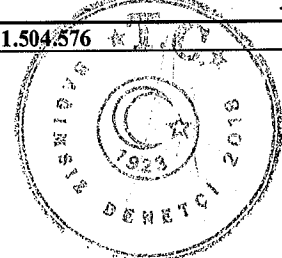
Account Name	31.12.2021	31.12.2020
Cash in hand	70.926	54.016
Banks	125.155.068	50.753.191
- Demand Deposits	41.602.518	44.602.797
- Time Deposits	78.220.950	1.504.576
- Blocked Deposits (included in time deposit)	5.331.600	4.645.818
Receivables from Reverse Purchase Agreements	3.963	770.969
Free Cash on Intermediate Brokerage Houses	29.889.841	1.539.738
<b>Total</b>	<b>155.119.798</b>	<b>53.117.914</b>

The functional breakdown of demand deposits is as follows:

Currency	31.12.2021	31.12.2020
TL	2.282.803	1.717.874
USD	33.854.970	3.245.749
EURO	2.224.573	38.249.390
UZS	811.895	-
GOLD	2.428.277	1.389.784
<b>Total</b>	<b>41.602.518</b>	<b>44.602.797</b>

The average maturity turnover of time deposits is 1-30 days, and the functional breakdown of foreign currencies and Turkish Lira is as follows:

31.12.2021			31.12.2020	
Currency	Original Currency Amount	Annual Effective Interest Rate	Original Currency Amount	Annual Effective Interest Rate
TL	22.697.645	0,75%-16,00%	1.504.576	9,00%-15,00%
USD	55.523.305	0,01%-3,29%	-	-
<b>Total</b>	<b>78.220.950</b>		<b>1.504.576</b>	



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

Currency	31.12.2021	31.12.2020
USD	5.331.600	2.882.308
EURO	-	1.763.510
<b>Total</b>	<b>5.331.600</b>	<b>4.645.818</b>

Cash and cash equivalents are presented less blocked deposits in the consolidated statements of cash flow.

Cash and Cash Equivalents	31.12.2021	31.12.2020
Cash and Cash Equivalents	155.119.798	53.117.914
Less: Blocked Deposit	(5.331.600)	(4.645.818)
<b>Total Cash and Cash Equivalents Position in Statement of Cash Flow</b>	<b>149.788.198</b>	<b>48.472.096</b>

The nature and level of risks of cash and cash equivalents are disclosed in Note 38.

#### NOTE 7 - FINANCIAL INVESTMENTS

Short term financial investments at fair value through profit or loss of the Group which is classified as Eurobond with maturity less than 12 months and equity securities is as follows. The Group has no long term financial investments during the period.

Account Name	31.12.2021	31.12.2020
Equity Securities	185.036	206.018
Eurobond	-	18.535.759
Less: Provision for Impairment on Financial Investments (-)	-	(230.550)
<b>Total</b>	<b>185.036</b>	<b>18.511.227</b>

#### NOTE 8 - BORROWINGS

As of 31 December 2021 and 2020, short term borrowings is as follows:

Account Name	31.12.2021	31.12.2020
Bank Borrowings	40.812.054	38.738.583
Principal and Interest Installments of Long Term Borrowings	69.306.550	8.475.518
Lease Liabilities	35.631	23.982
<b>Total</b>	<b>110.154.235</b>	<b>47.238.083</b>

As of 31 December 2021 and 2020, long term borrowings is as follows:

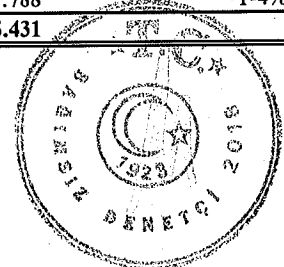
Account Name	31.12.2021	31.12.2020
Bank Borrowings	7.096.827	11.774.265
Lease Liabilities	723.482	-
<b>Total</b>	<b>7.820.309</b>	<b>11.774.265</b>

As of 31 December 2021 and 2020, redemption schedule of borrowings is as follows:

Maturity Schedule	31.12.2021	31.12.2020
0-3 months	40.820.444	13.999.753
4-12 months	69.333.791	33.238.330
1-5 years	7.820.309	11.774.265
<b>Total</b>	<b>117.974.544</b>	<b>59.012.348</b>

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

Type	Original Currency Amount	TL Amount	Annual Effective Interest Rate (%)
TL Loans	32.904.767	32.904.767	6-31%
USD Loans	1.610.790	21.508.876	2-4%
EURO Loans	4.155.234	62.801.788	1-4%
<b>Total</b>		<b>117.215.431</b>	





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**31.12.2020**

Type	Original Currency Amount	TL Amount	Annual Effective Interest Rate (%)
TL Loans	20.554.782	20.554.782	8-19%
USD Loans	208.218	1.528.427	3-4%
EURO Loans	4.096.977	36.905.157	2%
<b>Total</b>		<b>58.988.366</b>	

**NOTE 9 - OTHER FINANCIAL LIABILITIES**

None.

**NOTE 10 - TRADE RECEIVABLES AND PAYABLES**

As of 31 December 2021 and 2020, short term trade receivables is as follows. The Group has no long term trade receivables as of the end of the periods.

Account Name	31.12.2021	31.12.2020
Trade Receivables from Non-Related Parties	70.454.283	67.053.347
-Customers	60.937.983	54.794.055
-Notes Receivables	10.870.354	14.178.987
-Rediscount on Notes Receivables (-)	(1.354.054)	(1.919.695)
- Doubtful Trade Receivables	5.757.489	7.060.868
- Provision for Doubtful Trade Receivables (-)	(5.757.489)	(7.060.868)
Trade Receivables from Related Parties (Note 37)	12.801.805	2.540.147
<b>Total</b>	<b>83.256.088</b>	<b>69.593.494</b>

Trade receivables are performed without obtaining collaterals and guarantees and average turnover period for trade receivables is 48 days. (31.12.2020: 75 days). Annual effective interest rate applied on trade receivables is 18,00%. (31.12.2020: 17,25%)

The nature and level of risks of trade receivables are disclosed in Note 38.

**Movements of provision for doubtful receivables are as follows:**

	31.12.2021	31.12.2020
Beginning of the Period – 1 January	7.060.868	5.149.987
Provisions No Longer Required (-)	(1.303.379)	(15.630)
Increases During the Period	-	1.926.511
<b>End of the Period – 31 December</b>	<b>5.757.489</b>	<b>7.060.868</b>

As of 31 December 2021 and 2020, short term trade payables is as follows. The Group has no long term trade payables as of the end of the periods.

Account Name	31.12.2021	31.12.2020
Trade Payables to Non-Related Parties	78.121.720	28.473.405
-Suppliers	44.467.738	15.537.744
- Notes Payable	34.942.979	13.721.882
- Rediscount on Notes Payable	(1.368.422)	(837.129)
- Other	79.425	50.908
Trade Payables to Related Parties (Note 37)	1.671.334	1.533.350
<b>Total</b>	<b>79.793.054</b>	<b>30.006.755</b>

Average turnover period for trade payables is 44 days. (31.12.2020: 51 days). Annual effective interest rate applied on trade payables is 18,00%. (31.12.2020: 17,25%)

The nature and level of risks of trade payables are disclosed in Note 38.

**NOTE 11 - OTHER RECEIVABLES AND PAYABLES**

As of 31 December 2021 and 2020, short term other receivables is as follows. The Group has no long term other receivables as of the end of the periods.

Account Name	31.12.2021	31.12.2020
Other Receivables from Non-Related Parties	3.755.705	544.741
- Deposits and Guarantees Given	43.018.472	460.195
- Other Receivables	3.712.687	84.546
<b>Total</b>	<b>3.755.705</b>	<b>544.741</b>

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As of 31 December 2021 and 2020, short term other payables is as follows. The Group has no long term other payables as of the end of the periods.

Account Name	31.12.2021	31.12.2020
Other Payables to Non-Related Parties	113.224	-
- Taxes Payable	113.224	-
Other Payables to Related Parties	-	-
<b>Total</b>	<b>113.224</b>	<b>-</b>

**NOTE 12 - RECEIVABLES AND PAYABLES FROM CONTRACTS WITH CUSTOMERS**

The functional breakdown of receivables and payables from commitment contracts with customers is as follows:

	31.12.2021	31.12.2020
Accumulated Costs from Constructions in Progress	(722.700.026)	(423.984.907)
Recognized Profit or Loss (Net)	1.002.378.614	603.591.542
	<b>279.678.588</b>	<b>179.606.635</b>
Less: Incurred Progress Payments (-)	(167.895.838)	(127.264.802)
<b>Receivables and Payables from Contracts with Customers</b>	<b>111.782.750</b>	<b>52.341.833</b>
	31.12.2021	31.12.2020
Receivables from Contracts with Customers	111.782.750	52.341.833
Payables to Contracts with Customers (-)	-	-
<b>Receivables and Payables from Contracts with Customers, (Net)</b>	<b>111.782.750</b>	<b>52.341.833</b>

**NOTE 13 - INVENTORIES**

As of 31 December 2021 and 2020, inventories is as follows:

Account Name	31.12.2021	31.12.2020
Raw Materials and Supplies	8.667.162	2.421.807
Merchandise	2.516.150	-
Finished Goods	1.348.541	-
Less: Provision for Impairment	(721.469)	(1.119.376)
<b>Total</b>	<b>11.810.384</b>	<b>1.302.431</b>

**Movement of provision for impairment on inventories is as follows:**

	31.12.2021	31.12.2020
Beginning of the Period – 1 January	1.119.376	-
Reversal of provisions (-)	(397.907)	-
Increase during the period	-	1.119.376
<b>End of the period – 31 December</b>	<b>721.469</b>	<b>1.119.376</b>

Provision for impairment on raw materials and supplies are included in cost of sales.

As of 31 December 2021, the Group has no pledged inventories (31 December 2020: None).

**NOTE 14 – BIOLOGICAL ASSETS**

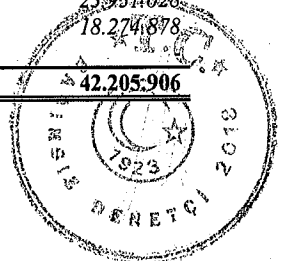
None.

**NOTE 15 - PREPAID EXPENSES AND DEFERRED INCOME**

As of 31 December 2021 and 2020, prepaid expenses and deferred income are as follows:

**Short Term Prepaid Expenses**

Account Name	31.12.2021	31.12.2020
Prepaid Expenses to Non-Related Parties	55.596.723	42.205.906
- Short Term Prepaid Expenses(*)	16.025.977	23.931.028
- Advances Given for Purchases (**)	39.570.746	18.274.878
Prepaid Expenses to Related Parties (Note 37)	-	-
<b>Total</b>	<b>55.596.723</b>	<b>42.205.906</b>



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(\*) In accordance with paragraphs 91-94 of TFRS 15 "Revenue from Contracts with Customers" standard short term prepaid expenses include additional costs (sales commissions) incurred to make contracts with customers. Additional costs incurred for concluding a contract are costs representing that the business would incur if contracts with a customer and would not be incurred if it did not have a contract.

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

**Long Term Prepaid Expenses**

None.

**Short Term Deferred Income**

Account Name	31.12.2021	31.12.2020
Deferred Income from Non-Related Parties	42.919.136	91.048.498
- Advances Received	42.919.136	91.048.498
Deferred Income from Related Parties	-	-
<b>Total</b>	<b>42.919.136</b>	<b>91.048.498</b>

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

**Long Term Deferred Income**

None.

**NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD**

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

Subsidiaries and Joint Ventures	Effective Ownership Interests %	31 December 2021 Net Balance Sheet Position	31 December 2020 Net Balance Sheet Position
Marınergy Yenilenebilir Enerji İnş.ve A.Ş.	50%	91.571	-
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	50%	1.540.000	-
HK Enerji – YEO Joint Venture	50%	-	-
Yeo – Hsy Joint Venture	50%	91.374	-
<b>Total</b>		<b>1.722.945</b>	<b>-</b>

The movement of subsidiaries and joint ventures in which accounted for using the equity method is as follows:

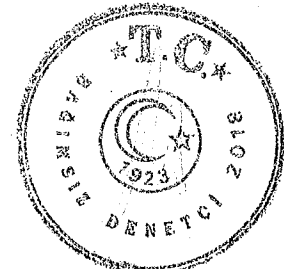
31.12.2021	
Beginning of the Period – 1 January	-
Paid in Share Capital	1.665.000
Disposals	-
Dividends Paid	-
Share of Profit or Loss	57.945
<b>End of the Period – 31 December</b>	<b>1.722.945</b>

**Subsidiaries**

As of 31 December 2021, subsidiaries accounted for using the equity method are as follows:

	31.12.2021	31.12.2020
Subsidiaries	Effective Ownership Interests %	Effective Ownership Interests %
Marınergy Yenilenebilir Enerji İnş.ve A.Ş.	50%	-
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. (*)	50%	-

(\*) Yeo Teknoloji's effective ownership interest has changed following the acquisition of 50% of Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş shares on 29 December 2021 and shares are accounted for acquisition cost in the accompanying consolidated financial statements.



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The summary financial information of the subsidiaries in the accompanying consolidated financial statements in which accounted for using the equity method is as follows:

<b>Marmergy Yenilenebilir Enerji İnş.ve A.Ş.</b>	<b>31 December 2021</b>
Total Assets	184.575
Total Liabilities	1.434
Equity	183.141
Net Sales	-
Profit for the Period	(66.858)

Share of profit/loss of Subsidiaries in which accounted for using the equity method is as follows:

<b>Subsidiaries:</b>	<b>01.01.2021</b>	<b>Profit/Loss</b>	<b>Acquisitions</b>	<b>31.12.2021</b>
Marmergy Yenilenebilir Enerji İnş.ve A.Ş.	-	(33.429)	125.000	91.571
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. (*)	-	-	1.540.000	1.540.000
<b>Total</b>	<b>-</b>	<b>(33.429)</b>	<b>1.665.000</b>	<b>1.631.571</b>

**Joint Ventures**

As of 31 December 2021, joint ventures accounted for using the equity method are as follows:

	<b>31.12.2021</b>	<b>31.12.2020</b>
<b>Joint Ventures:</b>	<b>Effective Ownership Interests %</b>	<b>Effective Ownership Interests %</b>
HK Enerji – YEO Joint Venture	50%	-
Yeo – Hsy Joint Venture	50%	-

The summary financial information of the joint ventures in the accompanying consolidated financial statements in which accounted for using the equity method is as follows:

<b>HK Enerji – YEO Joint Venture</b>	<b>31.12.2021</b>
Total Assets	4.751.008
Total Liabilities	5.240.954
Equity	(489.946)
Net Sales	18.664.809
Profit for the Period	(489.945)
<b>Yeo – Hsy Joint Venture</b>	<b>31.12.2021</b>
Total Assets	1.927.172
Total Liabilities	1.744.424
Equity	182.748
Net Sales	7.037.968
Profit for the Period	182.748

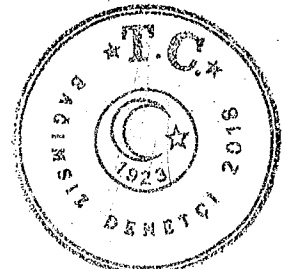
Share of profit/loss of Joint Ventures in which accounted for using the equity method is as follows:

<b>Joint Ventures:</b>	<b>01.01.2021</b>	<b>Profit/Loss</b>	<b>Dividends</b>	<b>Additions</b>	<b>31.12.2021</b>
HK Enerji – YEO Joint Venture (*)	-	-	-	-	-
Yeo – Hsy Joint Venture	-	91.374	-	-	91.374
<b>Total</b>	<b>-</b>	<b>91.374</b>	<b>-</b>	<b>-</b>	<b>91.374</b>

(\*) Provision has been allocated in the accompanying consolidated financial statements arising from profit/loss of HK Enerji – YEO Joint Venture.

**NOTE 17 - INVESTMENT PROPERTIES**

As of 31 December 2021 and 2020, the Group has no investment properties.



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NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2021 and 2020, the movements for property, plant and equipment, and related depreciation are as follows:

**31.12.2021**

**Cost**

	01.01.2021	Additions (+)	Disposals (-)	Transfers (+/-)	31.12.2021
Buildings	6.257.317	8.553.879	-	-	14.811.196
Plant, Machinery and Equipment	168.694	-	-	-	168.694
Motor Vehicles	2.647.099	2.560.594	-	-	5.207.693
Furniture and Fixtures	1.539.214	1.516.913	-	-	3.056.127
Leasehold Improvements	640.449	-	-	-	640.449
Constructions in Progress	1.030.533	1.287.881	-	-	2.318.414
<b>Total</b>	<b>12.283.306</b>	<b>13.919.267</b>	<b>-</b>	<b>-</b>	<b>26.202.573</b>

**Accumulated Depreciation**

	01.01.2021	Current Period Depreciation (-)	Disposals (+)	Transfers (+/-)	31.12.2021
Buildings	20.858	218.520	-	-	239.378
Plant, Machinery and Equipment	113.861	21.526	-	-	135.385
Motor Vehicles	789.920	812.969	-	-	1.603.486
Furniture and Fixtures	874.844	322.565	-	-	1.196.814
Leasehold Improvements	277.654	30.052	-	-	307.706
<b>Total</b>	<b>2.077.137</b>	<b>1.405.632</b>	<b>-</b>	<b>-</b>	<b>3.482.769</b>

<b>Net Book Value</b>	<b>10.206.169</b>				<b>22.719.804</b>
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**31.12.2020**

<b>Cost</b>	01.01.2020	Additions	Disposals (-)	31.12.2020
Buildings	-	6.257.317	-	6.257.317
Plant, Machinery and Equipment	168.694	-	-	168.694
Motor Vehicles	1.361.010	1.562.147	(276.059)	2.647.099
Furniture and Fixtures	1.313.885	225.330	-	1.539.214
Leasehold Improvements	640.449	-	-	640.449
Constructions in Progress	-	1.030.533	-	1.030.533
<b>Total</b>	<b>3.484.038</b>	<b>9.075.327</b>	<b>(276.059)</b>	<b>12.283.306</b>

**Accumulated Depreciation**

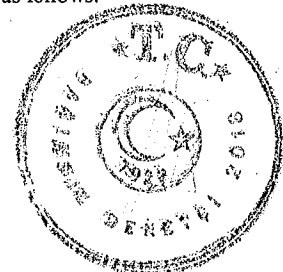
	01.01.2020	Additions	Disposals (-)	31.12.2020
Buildings	-	20.858	-	20.858
Plant, Machinery and Equipment	86.987	26.874	-	113.861
Motor Vehicles	549.772	516.207	(276.059)	789.920
Furniture and Fixtures	669.928	204.916	-	874.844
Leasehold Improvements	245.631	32.022	-	277.654
<b>Total</b>	<b>1.552.318</b>	<b>800.878</b>	<b>(276.059)</b>	<b>2.077.137</b>
<b>Net Book Value</b>	<b>1.931.720</b>			<b>10.206.169</b>

The Group has no property, plant and equipment acquired through finance lease. Total insurance coverage on assets and pledges, mortgages and restrictions on property, plant and equipment are disclosed in Note 22.

The functional breakdown of property, plant and equipment on depreciation and amortization charges are disclosed in Note 30.

NOTE 19 - INTANGIBLE ASSETS AND RIGHT OF USE ASSETS

As of 31 December 2021 and 2020, the movements for intangible assets, and related depreciation are as follows:



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Other Intangible Assets:

**31.12.2021**

**Cost**

	01.01.2021	Additions (+)	Disposals (-)	Transfers (+/-)	31.12.2021
Rights (*)	214.113	-	-	-	214.113
<b>Total</b>	<b>214.113</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>214.113</b>

**Accumulated Depreciation**

	01.01.2021	Current Period Depreciation (-)	Disposals (+)	Transfers (+/-)	31.12.2021
Rights (*)	127.446	31.194	-	-	158.640
<b>Total</b>	<b>127.446</b>	<b>31.194</b>	<b>-</b>	<b>-</b>	<b>158.640</b>

<b>Net Book Value</b>	<b>86.667</b>				<b>55.473</b>
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**31.12.2020**

**Cost**

	01.01.2020	Additions	Disposals (-)	31.12.2020
Rights (*)	119.653	94.460		214.113
<b>Total</b>	<b>119.653</b>	<b>94.460</b>	<b>-</b>	<b>214.113</b>

**Accumulated Depreciation**

Rights (*)	119.653	7.793		127.446
<b>Total</b>	<b>119.653</b>	<b>7.793</b>	<b>-</b>	<b>127.446</b>
<b>Net Book Value</b>	<b>-</b>			<b>86.667</b>

(\*) Rights comprise of computer software.

Right of Use Assets:

**31.12.2021**

**Cost**

	01.01.2021	Additions	Disposals	31.12.2021
Right of Use Assets	143.542	765.585	-	909.127
<b>Total</b>	<b>143.542</b>	<b>765.585</b>	<b>-</b>	<b>909.127</b>

**Accumulated Depreciation**

	01.01.2021	Current Period Depreciation (-)	Disposals (-)	31.12.2021
Right of Use Assets	124.144	73.022	-	197.166
<b>Total</b>	<b>124.144</b>	<b>73.022</b>	<b>-</b>	<b>197.166</b>
<b>Net Book Value</b>	<b>19.398</b>			<b>711.961</b>

**31.12.2020**

**Cost**

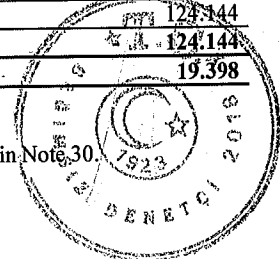
	01.01.2021	Additions	Disposals	31.12.2021
Right of Use Assets	143.542			143.542
<b>Total</b>	<b>143.542</b>	<b>-</b>	<b>-</b>	<b>143.542</b>

**Accumulated Depreciation**

	01.01.2021	Current Period Depreciation (-)	Disposals (-)	31.12.2021
Right of Use Assets	77.590	46.554		124.144
<b>Total</b>	<b>77.590</b>	<b>46.554</b>		<b>124.144</b>
<b>Net Book Value</b>	<b>65.952</b>			<b>19.398</b>

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

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



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NOTE 20 - EMPLOYEE BENEFITS

As of 31 December 2021 and 2020, employee benefits is as follows:

Account Name	31.12.2021	31.12.2020
Payables to Personnel	2.281.237	579.311
Taxes Payable	1.528.657	138.061
Social Security Premiums Payable	1.026.348	209.236
Other Liabilities	85.550	27.242
<b>Total</b>	<b>4.921.792</b>	<b>953.850</b>

NOTE 21 - GOVERNMENT GRANTS

None.

NOTE 22 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) Other Short Term Provisions:

Account Name	31.12.2021	31.12.2020
Provision for Lawsuits	30.244	12.008
Provision for Expense Accruals	244.973	-
Provision for Unused Vacation	1.107.133	286.982
<b>Total</b>	<b>1.382.350</b>	<b>298.990</b>

Under Turkish Labor Law, in case the employment contract is terminated for any reason, it is obliged to pay the wages of the annual leave periods deserved but not used by the employees over the sum of the gross wages and other contractual benefits to itself or to the right holders. Provision for unused vacation is the total undiscounted liability amount that corresponds to the annual leave days that all employees deserve but have not used yet as of the reporting date. Liabilities arising from unused vacation are accrued in the periods in which they are incurred.

The movements of provisions for lawsuits during the period are as follows:

	31.12.2021	31.12.2020
Beginning of the Period – 1 January	12.008	12.008
Additions	18.236	-
Provisions No Longer Required	-	-
<b>End of the Period – 31 December</b>	<b>30.244</b>	<b>12.008</b>

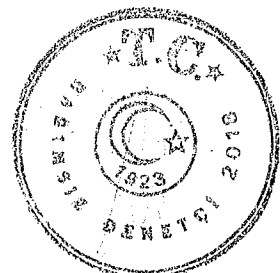
The movements of provisions for unused vacation the period is as follows:

	31.12.2021	31.12.2020
Beginning of the Period – 1 January	286.982	91.999
Additions	820.151	194.983
Provisions No Longer Required	-	-
<b>End of the Period – 31 December</b>	<b>1.107.133</b>	<b>286.982</b>

ii) Contingent Liabilities and Contingent Assets:

**Contingent events:**

The Group has provision for doubtful receivables that cannot be collected even though they are overdue and / or are transferred to the execution stage. As of 31 December 2021, the Group has doubtful receivables amounting to TL 5.757.489 (31 December 2020: TL 7.060.868). In addition, the Group has allocated provision for lawsuits amounting to TL 30.244 for possible cash outflow from the Group during the period. (31.12.2020: TL 12.008).



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iii) *Commitments, Mortgages and Guarantees not included in the liability:*

		31.12.2021		31.12.2020	
	Currency	Original Currency Amount	TL Equivalent	Original Currency Amount	TL Equivalent
Letters of Guarantee Given	TL	37.361.692	37.361.692	26.272.015	26.272.015
Letters of Guarantee Given	USD	4.264.296	51.151.244	5.098.296	37.424.043
Letters of Guarantee Given	EURO	1.737.350	39.807.746	8.248.064	74.297.740
<b>Total Letters of Guarantee Given</b>			<b>128.320.681</b>		<b>137.993.798</b>
Mortgages Given	TL		15.000.000		22.725.000
<b>Total Mortgages Given</b>			<b>15.000.000</b>		<b>22.725.000</b>
Bill of Guarantees Received	TL		-		168.600.000
<b>Total Bill of Guarantees Received</b>			-		<b>168.600.000</b>
Pledges Given	TL		1.997.519		-
<b>Total Pledges Given</b>			<b>1.997.519</b>		-

iv) *Ratio of guarantees and mortgages to equity:*

As of 31 December 2021 and 2020, the Group's collateral / pledge / mortgage ("C&P&M") position is as follows:

Collateral, Pledge, Mortgages Given by the Group	31.12.2021	31.12.2020
A. Total amount of CPM given in the name of its own legal personality	145.318.200	160.718.798
B. Total amount of CPM's given on behalf of the fully consolidated subsidiaries	-	-
C. Total amount of CPM's given on behalf of third parties for ordinary course of business	-	-
D. Total amount of other CPM's given	-	-
i) Total amount of CPM's given on behalf of the majority shareholder	-	-
ii) Total amount of CPM's given to on behalf of other group companies which are not in scope of B and C	-	-
iii) Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-
<b>Total</b>	<b>145.318.200</b>	<b>160.718.798</b>

As of 31 December 2021, the ratio of guarantees and mortgages to equity given by the Group is 0%. (31 December 2020: 0%)

The Group has mortgages amounting to TL 25.000.000 for its property, plant and equipment against for loans. In addition, the shareholders have become guarantorship of the Group for the loans used by the Group, within the limits of the General Credit Agreement.

v) *Total Insurance Coverage on Assets:*

As of 31 December 2021, total insurance coverage on assets of the Group is amounting to TL 36.845.058. (31.12.2020: TL 21.871.584)

NOTE 23 - COMMITMENTS

None.

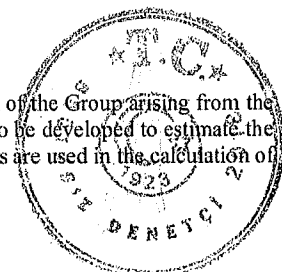
NOTE 24 – PROVISIONS FOR EMPLOYEE BENEFITS

Long Term:	31.12.2021	31.12.2020
Provision for Employment Termination Benefits	1.844.575	739.417
<b>Total</b>	<b>1.844.575</b>	<b>739.417</b>

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 December 2021, the amount payable consists of one month's salary limited to a maximum of TL 10.848,59 (31 December 2020: TL 7.638,96) 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 enterprise's obligation under defined benefit plans. Accordingly, the following actuarial assumptions are used in the calculation of total liabilities:





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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.

Movements in the provision for employment termination benefits are as follows:

	31.12.2021	31.12.2020
Beginning of the Period – 1 January	739.417	343.840
Payments During the Period (-)	(61.685)	(8.613)
Interest Cost	78.239	40.227
Service Cost	348.252	177.014
Actuarial Gains/Losses	740.352	186.949
<b>End of the Period – 31 December</b>	<b>1.844.575</b>	<b>739.417</b>

	1 January 2021 31 December 2021	1 January 2020 31 December 2020
Actuarial gains / losses and recognised under other comprehensive income	148.070	(186.948)
Domestic Tax Rate 20%-22%	(740.352)	(41.129)
<b>Net Actuarial (Gains)/ Losses</b>	<b>592.282</b>	<b>(228.077)</b>

NOTE 25 - TAX ASSETS AND LIABILITIES

As of 31 December 2021 and 2020, tax assets is as follows:

Account Name	31.12.2021	31.12.2020
Prepaid Taxes and Funds	1.007.615	1.630.362
<b>Total</b>	<b>1.007.615</b>	<b>1.630.362</b>

As of 31 December 2021 and 2020, tax liabilities is as follows:

Account Name	31.12.2021	31.12.2020
Current Income Tax Liabilities	10.616.620	1.927.269
Prepaid Taxes and Funds (-)	(9.496.858)	(1.327.587)
<b>Total</b>	<b>1.119.762</b>	<b>599.682</b>

NOTE 26 - OTHER ASSETS AND LIABILITIES

As of 31 December 2021 and 2020, other current assets is as follows:

Account Name	31.12.2021	31.12.2020
Deferred VAT	14.982.286	6.971.777
Business Advances	250.882	41.776
Advances Given to Employees	952.103	238.227
<b>Total</b>	<b>16.185.271</b>	<b>7.251.780</b>

As of 31 December 2021 and 2020, the Group has no other non-current assets.

As of 31 December 2021 and 2020, other current liabilities is as follows:

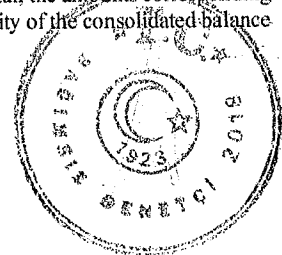
Account Name	31.12.2021	31.12.2020
Other	-	30.000
<b>Total</b>	<b>-</b>	<b>30.000</b>

As of 31 December 2021 and 2020, the Group has no other non-current liabilities.

NOTE 27 - 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".



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As of 31 December 2021 and 2020, other comprehensive income or expenses to be classified in profit or loss is as follows:

Account Name	31.12.2021	31.12.2020
Currency Translation Differences	(402.492)	-
Gains/(losses) on hedges	4.183.357	-
<b>Total</b>	<b>3.780.865</b>	<b>-</b>

ii) Share Capital / Capital Adjustments due to Cross-Ownership

As of 31 December 2021, paid in share capital of the Group is amounting to TL 24.000.000. Yeo Teknoloji has not been adopted the registered share capital system. As of 31 December 2021 and 2020, the principal shareholders and their respective shareholding rates in Yeo Teknoloji are as follows:

	31.12.2021		31.12.2020	
	Shareholding Amount	Shareholding Rates (%)	Shareholding Amount	Shareholding Rates (%)
Tolunay Yıldız	4.145.800	17,2%	4.364.000	21,8%
Orhan Yıldız	4.145.800	17,2%	4.364.000	21,8%
Özbey Yıldız	4.143.900	17,2%	4.362.000	21,8%
Barış Esen	1.900.000	7,9%	2.000.000	10%
Sinan Karahan	1.900.000	7,9%	2.000.000	10%
Yasin Düven	1.900.000	7,9%	2.000.000	10%
Caner Karataş	864.500	3,6%	910.000	4,5%
Publicly Held	5.000.000	20,8%	-	-
<b>Total Share Capital</b>	<b>24.000.000</b>	<b>100%</b>	<b>20.000.000</b>	<b>100%</b>
Unpaid Share Capital	-	-	-	-
<b>Total Paid in Share Capital</b>	<b>24.000.000</b>		<b>20.000.000</b>	

Capital increases during the period:

The Group has been increased current issued share capital from TL 20.00.000 to TL 24.000.000 during the period.

Registered Share Capital System:

In accordance with the provisions of the Capital Markets Board ("CMB") numbered 6362, Yeo Teknoloji adopted the registered share capital system announced by CMB on 3 June 2021 and numbered 29/839. The Group has registered capital ceiling amounting to TL 100.000.000 with the nominal value of TL 1 and 100.000.000 number of outstanding shares. The authorisation of registered capital ceiling is valid 2021-2025 period in accordance with the announcement made by CMB.

The Group has been increased current issued share capital from TL 20.00.000 to TL 24.000.000 during the period.

ii) 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.

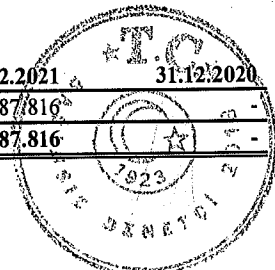
iii) Retained Earnings

Retained earnings include and other retained earnings and extraordinary reserves. The functional breakdown of retained earnings as of 31 December 2021 and 2020, is as follows:

Account Name	31.12.2021	31.12.2020
Retained Earnings	43.671.717	13.759.424
<b>Total</b>	<b>43.671.717</b>	<b>13.759.424</b>

iv) Share Premium

Account Name	31.12.2021	31.12.2020
Share Premium	71.187.816	-
<b>Total</b>	<b>71.187.816</b>	<b>-</b>



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v) *Accumulated Other Comprehensive Income or Expenses not to be Reclassified in Profit or Loss*

As of 31 December 2021 and 2020, the functional breakdown of accumulated other comprehensive income or expenses not to be reclassified in profit or loss recognized in equity is as follows:

Account Name	31.12.2021	31.12.2020
Gains/(losses) on remeasurements of defined benefit plans	(767.724)	(175.442)
<b>Total</b>	<b>(767.724)</b>	<b>(175.442)</b>

vi) *Other*

As of 31 December 2021 and 2020, equity items are as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
Paid in Share Capital	24.000.000	20.000.000
Share Premium	71.187.816	-
Accumulated Other Comprehensive Income Or Expenses not to Be Reclassified In Profit Or Loss	(767.724)	(175.442)
- Actuarial Gains/Losses on Retirement Plans	(767.724)	(175.442)
- Gains/Losses on Revaluation and Remeasurement	-	-
Accumulated Other Comprehensive Income Or Expenses to Be Reclassified In Profit Or Loss	-	-
Currency Translation Differences	(402.492)	-
Gains/losses on hedges	4.183.357	-
Restricted Reserves	-	-
Retained Earnings	43.671.717	13.759.424
Net Profit for the Period	51.871.360	29.912.293
Non-Controlling Interests	959.416	-
<b>Total Equity Holders of the Parent</b>	<b>193.744.034</b>	<b>63.496.275</b>
<b>Non-Controlling Interests</b>	<b>959.416</b>	<b>-</b>
<b>Total Equity</b>	<b>194.703.450</b>	<b>63.496.275</b>

NOTE 28 - REVENUE AND COST OF SALES

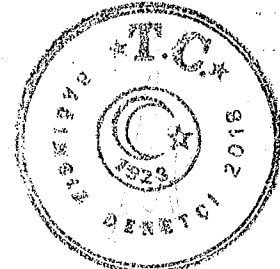
As of 31 December 2021 and 2020, revenue and cost of sales is as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
Domestic Sales	248.176.669	70.390.187
Foreign Sales	193.249.265	183.807.364
Other Revenue	1.706.366	417.087
Sales Returns (-)	(1.622.969)	(1.148.884)
<b>Net Sales</b>	<b>441.509.331</b>	<b>253.465.754</b>
<b>Cost of Sales (-)</b>	<b>(308.751.591)</b>	<b>(168.556.666)</b>
<b>Gross Profit</b>	<b>132.757.740</b>	<b>84.909.088</b>

NOTE 29 - GENERAL ADMINISTRATIVE EXPENSES, MARKETING SALES AND DISTRIBUTION EXPENSES

As of 31 December 2021 and 2020, operating expenses is as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
Research and Development Expenses (-)	(1.540.726)	-
Marketing, Sales and Distribution Expenses (-)	(52.558.696)	(37.798.236)
General Administrative Expenses (-)	(10.392.578)	(3.780.381)
<b>Total Operating Expenses (-)</b>	<b>(64.492.000)</b>	<b>(41.578.617)</b>



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NOTE 30 - EXPENSES BY NATURE

As of 31 December 2021 and 2020, expenses by nature is as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
<b>Research and Development Expenses (-)</b>	<b>(1.540.726)</b>	<b>-</b>
Personnel Expenses	(1.483.840)	-
Travel and Accommodation Expenses	(56.886)	-
<b>Marketing, Sales and Distribution Expenses (-)</b>	<b>(52.558.696)</b>	<b>(37.798.236)</b>
Fair, Travel and Accommodation Expenses	(232.217)	(1.485)
Personnel Expenses	(966.276)	(53.524)
Outsourcing Expenses	(247.533)	(69.310)
Storage Expenses	(49.920)	(72.239)
Transportation and Distribution Expenses	(1.792)	(57.984)
Motor Vehicles Expenses	(160.972)	(5.661)
Consultancy Expenses	(14.113)	-
Other Expenses	(170.661)	(2.883)
Commission Expenses	(49.791.071)	(37.535.150)
Lump sum Payments	(924.141)	-
<b>General Administrative Expenses (-)</b>	<b>(10.392.578)</b>	<b>(3.780.381)</b>
Personnel Expenses	(2.262.809)	(1.372.859)
Depreciation and Amortisation Charges	(831.165)	(855.225)
Tender Costs and Charges	(1.101)	(13.837)
Motor Vehicles Expenses	(117.800)	(92.539)
Employment Termination Benefits	(167.285)	(71.432)
Grants and Donations	(227.831)	(134.411)
Taxes, Duties and Charges	(218.803)	(47.098)
Insurance Expenses	(89.076)	(22.254)
Other Expenses	(785.393)	(80.443)
Maintenance and Repair Expenses	(4.510)	(8.502)
Fair, Travel and Accommodation Expenses	(375.451)	(26.493)
Food and Beverage Expenses	(155.722)	(1.297)
Representation and Hospitality Expenses	(85.353)	(31.487)
Furniture and Fixture Costs	(40.259)	(3.517)
Outsourcing Expenses	(1.262.970)	(605.466)
Transportation and Distribution Expenses	(41.605)	(4.424)
Stationery Expenses	(83.933)	(12.294)
Subscription Expenses	(39.300)	-
Provision for Unused Vacation	(316.481)	(62.708)
Consultancy, Audit and Litigation Fees and Charges	(2.575.539)	(321.918)
Information Systems and Communication Expenses	(109.051)	(12.177)
Daily Allowance Fees and Charges	(601.141)	-
<b>Total Operating Expenses, net (-)</b>	<b>(64.492.000)</b>	<b>(41.578.617)</b>

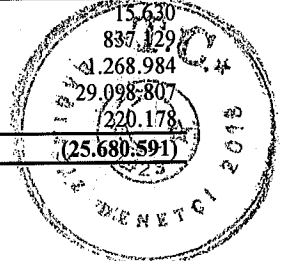
The functional breakdowns of depreciation and amortisation charges recognized under profit or loss are as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
Marketing, Sales and Distribution Expenses	-	-
General Administrative Expenses	(831.165)	(855.225)
Service Costs	(678.683)	-
<b>Total</b>	<b>(1.509.848)</b>	<b>(855.225)</b>

NOTE 31 - OTHER OPERATING INCOME / (EXPENSES)

As of 31 December 2021 and 2020, other operating income/expenses is as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
<b>Other Operating Income</b>	<b>44.419.564</b>	<b>31.440.728</b>
Provisions No Longer Required (Doubtful Receivables)	1.303.379	15.630
Rediscount Income	1.368.422	837.129
Prior Period Rediscount Reversals	1.919.695	1.268.984
Foreign Exchange Gains	38.683.872	29.098.807
Other	1.144.196	220.178
<b>Other Operating Expenses (-)</b>	<b>(23.452.735)</b>	<b>(25.680.591)</b>



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Expenses from Provision for Doubtful Receivables	-	(1.926.510)
Provision for Lawsuits	(18.236)	-
Rediscount Expenses	(1.354.054)	(1.919.695)
Prior Period Rediscount Reversals	(837.129)	(482.393)
Foreign Exchange Losses	(17.885.595)	(19.763.181)
Non-Deductible Expenses	(100.487)	-
Other	(3.257.234)	(1.588.812)
<b>Other Operating Income/(Expenses) (Net)</b>	<b>20.966.829</b>	<b>5.760.137</b>

NOTE 32 - GAINS/ (LOSSES) FROM INVESTMENT ACTIVITIES

As of 31 December 2021 and 2020, gains and losses from investment activities are as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
<b>Gains from Investment Activities</b>	<b>28.521.380</b>	<b>1.541.952</b>
Interest Income from Time Deposits	2.335.614	16.719
Foreign Exchange Gains	2.565.101	237.977
Gain on Equity Instruments at Fair Value	-	137.597
Gain on Eurobond	1.196.513	206.998
Gain on Sale of Securities	296.370	-
Gain on Derivative Instruments	22.127.782	942.661
<b>Losses from Investment Activities (-)</b>	<b>(6.786.509)</b>	<b>(1.160.557)</b>
Foreign Exchange Losses	-	(1.507.566)
Loss on Sale of Securities	(3.339.780)	-
Loss on Impairment of Securities	-	(55.234)
Loss on Derivative Instruments	(3.446.729)	402.243
<b>Gains/(Losses) from Investment Activities (Net)</b>	<b>21.734.871</b>	<b>381.395</b>

NOTE 33 - FINANCIAL INCOME / EXPENSES

As of 31 December 2021 and 2020, the Group has no financial income. Financial expenses of the Group are as follows:

Account Name	01.01.2021 31.12.2021	01.01.2020 31.12.2020
Bank Fees and Charges	(1.973.203)	(1.007.327)
Interest Expenses	(4.298.658)	(1.520.648)
Foreign Exchange Losses	(33.531.814)	(9.259.678)
<b>Total Financial Expenses</b>	<b>(39.803.675)</b>	<b>(11.787.653)</b>

NOTE 34 - ASSETS HELD FOR SALE

As of 31 December 2021 and 2020, the Group has no assets held for sale.

NOTE 35 - INCOME TAXES

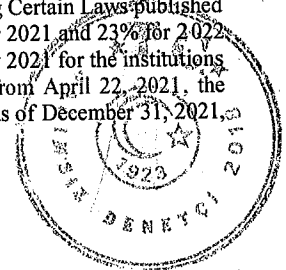
The Group's tax expense (or income) consists of current period's corporate tax expense and deferred tax expense (or income).

	01.01.2021 31.12.2021	01.01.2020 31.12.2020
Current Period Tax Expense (-)	(10.616.620)	(1.927.269)
Deferred Income Tax / (Expense)	(7.774.314)	(5.844.788)
<b>Total Tax Income/(Expense)</b>	<b>(18.390.934)</b>	<b>(7.772.057)</b>

i) Corporate Tax

Advance tax in Turkey is calculated and accrued on a quarterly basis. Accordingly, the Group has been calculated tax in accordance with the 2021 earnings in the first provisional tax period, a provisional tax of 20% was calculated on corporate earnings.

As of 31 December 2021, the Corporation tax rate is 25% in Turkey. 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. Due to the change in corporation tax effective from April 22, 2021, the calculation of deferred tax assets and liabilities that the Group has accounted for temporary differences as of December 31, 2021,



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the rate of 20% valid as of this date has been used. The deferred tax rate has been used as 25%, 23% and 20% on the basis of the separate adjustment item by estimating the end of the periods of temporary differences.

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's Article: 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.

Tax provision for the periods of the Group has been calculated is as follows:

	31.12.2021	31.12.2020
Operating Profit / (Loss)	42.702.767	6.689.601
Tax Base Additions	76.154.793	1.016.876
Non Deductible Expenses	4.966.977	1.016.876
Losses arising from exemptions, net	71.187.816	-
Tax Losses and Other Tax Advantages (-)	(72.698.342)	-
Exemptions to be offset	(71.431.921)	-
Interest discount arising from capital increase in cash	(1.266.421)	-
Operating Profit / (Loss), net	46.159.218	7.706.477
Operating Profit from Yeo Teknoloji Enerji ve Endüstri A.Ş.	46.159.218	8.760.314
Operating Loss from Yeo Enerji Yatırımları A.Ş.	(1.039.950)	(1.053.837)
Tax Provision of Yeo Teknoloji Enerji Ve Endüstri A.Ş.	10.616.620	1.927.269

Corporate Tax Rates:

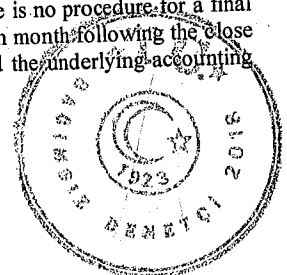
As of 31 December 2021, the Corporation tax rate is 25% in Turkey. However, in accordance Temporary Article 13 of regulation with the Law No. 7316 on the Procedure for the Collection of Public Receivables and the Law Amending Certain Laws published in the Official Gazette dated April 22, 2021 and numbered 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. Due to the change in corporation tax effective from April 22, 2021, the calculation of deferred tax assets and liabilities that the Group has accounted for temporary differences as of December 31, 2021, the rate of 20% valid as of this date has been used. The deferred tax rate has been used as 25%, 23% and 20% on the basis of the separate adjustment item by estimating the end of the periods of temporary differences.

In accordance with the Communiqué (Serial No. 18) on the Amendment of the General Communiqué on Corporate Tax (Serial No.1) ("Communiqué") published in the Official Gazette dated 25.05.2021 and numbered 31491 and the Law on the Restructuring of Certain Receivables and Amendments to Certain Laws No. 7256 published on the Official Gazette No. 31307 on November 17, 2020, both legislations introduced several amendments to the tax legislation. The amendment to Article 32 of the Corporate Tax Code No. 5520 decreased by two points the corporate tax rate applied to the corporate income of companies with at least 20% of shares offered to the public through the Borsa Istanbul Stock Exchange for five accounting periods starting from the shares' public offering date.

In accordance with the amendment to the Corporate Tax Law published in the Official Gazette numbered 31462 on 22 April 2021, the corporate tax rate in Turkey, which was 20% as of 31 December 2021, has been increased to 25% for 2021 and 23% for 2022. The amendment is effective from 1 January 2021. Since the aforementioned regulation has been announced after the reporting period, it is considered as a non-adjusting event according to TAS 10 Events After the Reporting Period Standard, and the tax rate was used as 20% for the subsidiaries resident in Turkey in the consolidated financial statements of the Group as of 30 December 2021. Related amendment will be applied in the consolidated financial statements as of 31 December 2021. Within the framework of the Corporate Tax Law numbered 5520, 75% of the gains on the sale of the participation shares, which were held in the assets for a minimum of 2 whole years and 75% of the gains on the sale of immovables are exempt from tax. However, with the amendment made by Law No. 7061, this ratio has been reduced from 75% to 50% in terms of immovables and this ratio will be used as 50% in tax declarations to be prepared from 2018.

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's Article: 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.



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*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:*

The deferred tax asset and tax liability is based on the temporary differences, which arise between the financial statements prepared according to TFRS and statutory tax financial statements. These differences usually due to the recognition of revenue and expenses in different reporting periods for the TFRS and tax purposes, the differences explained as below.

Temporary differences arising from the differences between the years in the income and expenses recorded 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:

Account Name	31.12.2021 Cumulative Temporary Differences	31.12.2021 Deferred Tax Assets/ (Liabilities)	31.12.2020 Cumulative Temporary Differences	31.12.2020 Deferred Tax Assets/ (Liabilities)
Rediscount on Notes Receivable	1.354.054	284.351	1.919.695	422.333
Provision for Doubtful Receivables	4.113.371	822.674	5.379.353	1.183.458
Liabilities from Contracts with Customers	73.784.200	(15.494.682)	52.975.205	(11.654.545)
Property, Plant and Equipment	778.637	(155.727)	964.623	(212.217)
Intangible Assets	-	-	635.374	(139.782)
Right of Use Assets	1.471.074	(308.926)	43.380	1.008
Inventories	721.469	144.294	20.080.256	4.417.656
Prepaid Expenses	15.889.507	(3.336.796)	22.741.549	-5.003.141
Financial Investments	-	-	1.667.748	366.905
Provision for Lawsuits	30.244	6.049	12.008	2.642
Loans	3.228.384	677.961	236.653	(52.064)
Rediscount on Notes Payable	1.368.422	(287.369)	837.129	(184.168)
Gains/losses on hedges	5.295.389	(1.112.032)	-	-
Employment Termination Benefits	1.844.575	368.915	739.417	162.672
Provision for Unused Vacation	1.107.133	232.498	286.982	63.136
Currency Translation Differences	4.659.897	(978.876)	-	-
<b>Deferred Tax Assets/(Liabilities), (Net)</b>		<b>(19.137.666)</b>		<b>(10.626.107)</b>

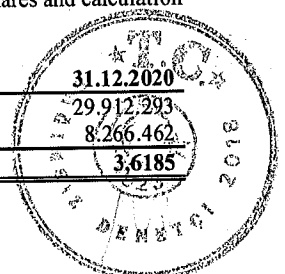
The reconciliation of the tax provisions for the ends of the periods are as follows:

	31.12.2021	31.12.2020
Profit Before Tax	71.221.710	37.684.349
Domestic Corporation Tax Rate (22-25%)	23%	22%
Tax Effect:	(16.380.993)	(8.290.557)
- Non Deductible Expenses	(1.142.405)	(1.016.876)
- Tax rate differences/changes	(1.651.442)	-
- Other	783.906	1.535.376
<b>Tax Provision Position in Profit or Loss, net</b>	<b>(18.390.934)</b>	<b>(7.772.057)</b>

**NOTE 36 - EARNINGS PER SHARE**

Earnings per share disclosed in the profit or loss and other comprehensive income is determined by dividing the net income by the weighted average number of shares that have been outstanding during the relevant period. Number of total shares and calculation of earnings per share at 1 January – 31 December 2021 and 2020 is as follows:

Earnings Per Share:	31.12.2021	31.12.2020
Profit for the Period	51.871.360	29.912.293
Weighted Average Number of Shares	21.304.110	8.266.462
<b>Earnings Per Share</b>	<b>2,4348</b>	<b>3,6185</b>



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NOTE 37 - RELATED PARTY DISCLOSURES

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

a) Related parties balances are as follows:

	Receivables		Payables	
	Trade Receivables	Other Receivables	Trade Payables	Other Payables
<b>31.12.2021</b>				
YILMAZ İNŞAAT MAK. ELEK. SAN. TİC. LTD. ŞTİ.	-	-	1.670.207	-
ISS INTEGRATED SYSTEMS SOLUTIONS	5.205.857	-	-	-
YEO CONTRACTING L.L.C	1.792.960	-	-	-
ORHAN YILDIZ	-	-	1.127	-
HK ENERJİ - YEO JOINT VENTURE	3.939.412	-	-	-
YEO TEKNOLOJİ - HSY YAPI JOINT VENTURE	1.863.576	-	-	-
<b>Total</b>	<b>12.801.805</b>	<b>-</b>	<b>1.671.334</b>	<b>-</b>
<b>31.12.2020</b>				
YILMAZ İNŞAAT MAK. ELEK. SAN. TİC. LTD. ŞTİ.	-	-	1.521.653	-
ISS INTEGRATED SYSTEMS SOLUTIONS	1.819.100	-	-	-
YEO CONTRACTING L.L.C	721.046	-	-	-
ORHAN YILDIZ	-	-	11.697	-
<b>Total</b>	<b>2.540.147</b>	<b>-</b>	<b>1.533.350</b>	<b>-</b>

b) Related parties transactions are as follows:

**31.12.2021**

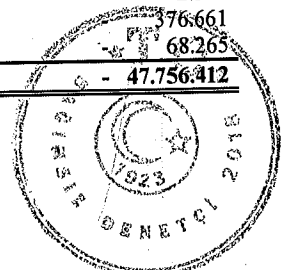
	Goods and Services	Rent Income	Other Sales	Total
<b>Sales</b>				
YILMAZ İNŞAAT MAK. ELEK. SAN. TİC. LTD. ŞTİ.	4.000	-	-	4.000
ISS INTEGRATED SYSTEMS SOLUTIONS	617.727	-	-	617.727
YEO TEKNOLOJİ - HSY YAPI JOINT VENTURE	7.819.265	-	-	7.819.265
HK ENERJİ - YEO JOINT VENTURE	16.719.369	-	-	16.719.369
<b>Total</b>	<b>25.160.361</b>	<b>-</b>	<b>-</b>	<b>25.160.361</b>

	Goods and Services	Rent Expense	Other Purchases	Total
<b>Purchases</b>				
YILMAZ İNŞAAT MAK. ELEK. SAN. TİC. LTD. ŞTİ.	650.531	-	-	691.484
ISS INTEGRATED SYSTEMS SOLUTIONS	25.277.690	-	-	25.277.690
YEO CONTRACTING L.L.C	-	-	2.000	2.000
ORHAN YILDIZ	-	272.292	-	406.126
<b>Total</b>	<b>25.928.221</b>	<b>272.292</b>	<b>2.000</b>	<b>26.377.300</b>

**31.12.2020**

	Goods and Services	Rent Income	Other Sales	Total
<b>Sales</b>				
YILMAZ İNŞAAT MAK. ELEK. SAN. TİC. LTD. ŞTİ.	-	-	3.524	3.524
ISS INTEGRATED SYSTEMS SOLUTIONS	855.573	-	-	855.573
YEO CONTRACTING L.L.C	116.757	-	-	116.757
<b>Total</b>	<b>972.330</b>	<b>-</b>	<b>3.524</b>	<b>975.854</b>

	Goods and Services	Rent Expense	Other Purchases	Total
<b>Purchases</b>				
YILMAZ İNŞAAT MAK. ELEK. SAN. TİC. LTD. ŞTİ.	4.835.949	-	-	4.835.949
ISS INTEGRATED SYSTEMS SOLUTIONS	42.473.222	-	-	42.473.222
YEO CONTRACTING L.L.C	2.315	-	-	2.315
ORHAN YILDIZ	376.661	-	-	376.661
YILMAZ İNŞAAT MAK. ELEK. SAN. TİC. LTD. ŞTİ.	-	68.265	-	68.265
<b>Total</b>	<b>47.688.146</b>	<b>68.265</b>	<b>-</b>	<b>47.756.412</b>





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c) Key management compensation:

Total key management compensation incurred by Yeo Teknoloji during the period amounted to TL 1.544.823. (31 December 2020: TL 225.599)

NOTE 38 - 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 resources on the other hand. The capital structure of the Group consists of debts containing the credits in Note 8, cash and cash equivalents in Note 6 and resource items containing respectively issued 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.

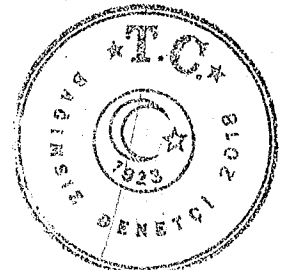
The Group monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes financial payables and liabilities, financial leasing and trade payables as disclosed in the balance sheet). Total capital is calculated as equity, as shown in the balance sheet, plus net debt. General strategy based on the Group's equity does not differ from the previous 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 ratios as of 31 December 2021 and 2020, are as follows:

	31.12.2021	31.12.2020
Total Borrowings	117.215.431	58.988.366
Less: Cash and Cash Equivalents	(155.119.798)	(53.117.914)
<b>Net Financial Debt</b>	<b>(37.904.367)</b>	<b>5.870.452</b>
Equity	194.703.450	63.496.276
<b>Invested Capital</b>	<b>194.703.450</b>	<b>69.366.728</b>
<b>Net financial debt/invested capital ratio</b>	<b>(19,47)%</b>	<b>8,46%</b>

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, EURO and CHF of the Group are defined as the "Net foreign currency position" and it is the basis of the currency risk. The Group management evaluates and monitors the balance of the assets and liabilities denominated in Turkish Lira as open positions. The Group also uses derivative financial instruments to hedge against foreign exchange risk.



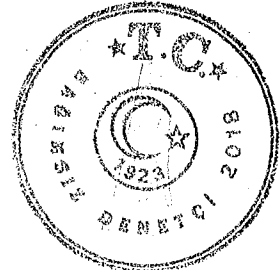
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The Group's foreign currency position as at 31 December 2021 and 2020 is as follows:

Foreign Exchange Position Table										
	31.12.2021					31.12.2020				
	TL Equivalent	USD	EURO	CHF	Other	TL Equivalent	USD	EURO	CHF	Other
1. Trade Receivables	66,469,562	2,203,618	2,458,956	-	-	43,859,646	3,165,957	2,289,095	-	-
2a. Monetary Financial Assets	137,605,924	9,626,786	383,619	184,800	660,078,170	91,871,633	4,175,293	6,796,578	-	-
2b. Non-monetary financial assets	-	-	-	-	-	-	-	-	-	-
3. Other	212,298	-	-	-	172,600,000	-	-	-	-	-
4. Total Current Assets (1+2+3)	204,287,783	11,830,405	2,842,575	184,800	832,678,170	135,731,279	7,341,250	9,085,673	-	-
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)	204,287,783	11,830,405	2,842,575	184,800	832,678,170	135,731,279	7,341,250	9,085,673	-	-
10. Trade Payables	50,083,861	2,207,048	1,333,934	-	367,653,076	7,975,474	13,054	874,749	-	-
11. Financial Liabilities	81,932,559	1,861,479	3,776,406	-	-	38,433,574	208,218	4,096,976	-	-
12a. Other Monetary Liabilities	33,484,744	1,077,475	1,263,554	-	-	90,747,793	1,487,702	8,861,923	-	-
12b. Other Non- Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
13. Total Current Liabilities (10+11+12)	165,501,164	5,146,002	6,373,894	-	367,653,076	137,156,841	1,708,974	13,833,648	-	-
14. Trade Payables	8,716,305	260,000	347,000	-	-	-	-	-	-	-
15. Financial Liabilities	-	-	-	-	-	-	-	-	-	-
16a. Other Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
16b. Other Non- Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	-	-	-	-	-	-	-	-	-	-
18. Total Liabilities (13+17)	174,217,468	5,406,002	6,720,894	-	367,653,076	137,156,841	1,708,974	13,833,648	-	-
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)	30,070,315	6,424,403	(3,878,318)	184,800	465,025,094	(1,425,562)	5,632,276	(4,747,975)	-	-
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2+3+5+6a-10-11-12a-14-15-16a)	30,070,315	6,424,403	(3,878,318)	184,800	465,025,094	(1,425,562)	5,632,276	(4,747,975)	-	-
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	200,160,272	7,171,218	14,478,075	-	-	183,807,364	7,177,757	17,356,223	-	-
25. Export	66,952,359	1,456,331	5,851,173	-	14,800	30,433,641	842,647	2,909,405	-	-
26. Import	-	-	-	-	-	-	-	-	-	-



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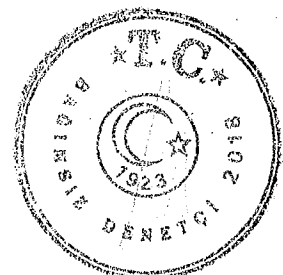
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Foreign Exchange Sensitivity Analysis Table		
31.12.2021		
	Profit / Loss	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
Change in USD against TL by 10%		
1- USD Net Asset / Liability	8.550.112	(8.550.112)
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	8.550.112	(8.550.112)
Change in EUR against TL by 10%		
4- EURO Net Asset / Liability	(5.869.383)	5.869.383
5- Hedged portion of Euro Risk (-)	-	-
6- EURO Net Effect (4+5)	(5.869.383)	5.869.383
Change in CHF against TL by 10%		
7- CHF Net Asset / Liability	269.072	(269.072)
8- Hedged portion of CHF Risk (-)	-	-
9- CHF Net Effect (7+8)	269.072	(269.072)
Change in Other currencies against TL by 10%		
10- Other Currencies Net Asset / Liability	57.230	(57.230)
11- Hedged portion of Other Currencies Risk (-)	-	-
12- Other Currencies Net Effect (10+11)	57.230	(57.230)
TOTAL (3+6+9+12)	3.007.031	(3.007.031)

Foreign Exchange Sensitivity Analysis Table		
31.12.2020		
	Profit / Loss	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
Change in USD against TL by 10%		
1- USD Net Asset / Liability	4.134.372	(4.134.372)
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	4.134.372	(4.134.372)
Change in EUR against TL by 10%		
4- EURO Net Asset / Liability	(4.276.928)	4.276.928
5- Hedged portion of Euro Risk (-)	-	-
6- EURO Net Effect (4+5)	(4.276.928)	4.276.928
Change in Other currencies against TL by 10%		
7- Other Currencies Net Asset / Liability	-	-
8- Hedged portion of Other Currencies Risk (-)	-	-
9- Other Currencies Net Effect (7+8)	-	-
TOTAL (3+6+9)	(142.556)	142.556

Credit risk management

Credit risk is the risk that a counterparty cannot fulfill its obligations in the agreements that the Group is party to. 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. Total credit risk of the Group is shown in the consolidated balance sheet less provision for doubtful receivables. (Note 10).



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As of 31 December 2021, the exposure of consolidated financial assets to credit risk is as follows:

As of 31 December 2021, the exposure of consolidated financial assets to credit risk is as follows:							Bank Deposits	
31.12.2021	Receivables				Notes	125.155.068	Notes	
	Trade Receivables		Other Receivables					
	Related Party	Other	Related Party	Other				
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	12.801.805	70.454.283	-	3.755.705	10-11	125.155.068	6	
- Maximum risk secured with guarantees etc.	-	-	-	-	10-11	-	6	
A. Book value of neither past due nor impaired financial assets	12.801.805	70.454.283	-	3.755.705	10-11	125.155.068	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 overdue but not impaired financial assets	-	-	-	-	10-11	-	6	
- Maximum risk secured with guarantees etc.	-	-	-	-	10-11	-	6	
D. Net book value of impaired assets	-	5.757.489	-	-	10-11	-	6	
- Past due (gross amount)	-	(5.757.489)	-	-	10-11	-	6	
- Impairment (-)	-	-	-	-	10-11	-	6	
- Secured with guarantees	-	-	-	-	10-11	-	6	
- Not past due (gross amount)	-	-	-	-	10-11	-	6	
- Impairment (-)	-	-	-	-	10-11	-	6	
- Maximum risk secured with guarantees etc.	-	-	-	-	10-11	-	6	
E – Off balance sheet expected credit losses (-)	-	-	-	-	10-11	-	6	

As of 31 December 2020, the exposure of consolidated financial assets to credit risk is as follows:

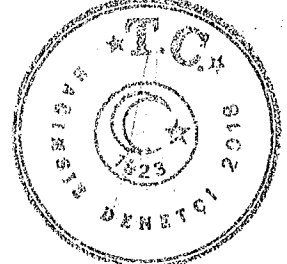
As of 31 December 2020, the exposure of consolidated financial assets to credit risk is as follows						Bank Deposits	
31.12.2020	Receivables				Notes	Notes	
	Trade Receivables		Other Receivables				
	Related Party	Other	Related Party	Other			
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	2,540.146	67.053.347	-	544.741	10-11	50.753.191	6
- Maximum risk secured with guarantees etc.	-	-	-	-	10-11	-	6
A. Book value of neither past due nor impaired financial assets	2,540.146	67.053.347	-	544.741	10-11	50.753.191	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 overdue but not impaired financial assets	-	-	-	-	10-11	-	6
- Maximum risk secured with guarantees etc.	-	-	-	-	10-11	-	6
D. Net book value of impaired assets	-	7.060.868	-	-	10-11	-	6
- Past due (gross amount)	-	(7.060.868)	-	-	10-11	-	6
- Impairment (-)	-	-	-	-	10-11	-	6
- Secured with guarantees	-	-	-	-	10-11	-	6
- Not past due (gross amount)	-	-	-	-	10-11	-	6
- Impairment (-)	-	-	-	-	10-11	-	6
- Maximum risk secured with guarantees etc.	-	-	-	-	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.



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Undiscounted contractual cash flows of the consolidated financial liabilities in TL as of 31 December 2021 and 2020, are as follows:

31.12.2021	Carrying Value	Total Contractual Cash Outflow	Demand or up to 3 months	3-12 months	1-5 years
<b>Non-Derivative Financial Liabilities</b>					
Financial Liabilities (Borrowings)	117.215.431	123.692.505	41.067.211	73.201.232	9.424.062
Lease Liabilities	759.113	1.492.628	38.273	114.818,00	1.339.538
Trade Payables	79.793.054	81.161.476	81.161.476	-	-
	<b>197.767.597</b>	<b>206.346.609</b>	<b>122.266.959</b>	<b>73.316.050</b>	<b>10.763.600</b>

31.12.2020	Carrying Value	Total Contractual Cash Outflow	Demand or up to 3 months	3-12 months	1-5 years
<b>Non-Derivative Financial Liabilities</b>					
Financial Liabilities (Borrowings)	58.988.366	63.847.790	35.982.743	11.970.924	15.894.123
Lease Liabilities	23.982	25.000	15.000	10.000	-
Trade Payables	30.006.755	30.843.883	30.843.883	-	-
	<b>89.019.103</b>	<b>94.716.673</b>	<b>66.841.626</b>	<b>11.980.924</b>	<b>15.894.123</b>

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 as well as using derivative instruments for hedging purposes. The interest rate risk has been managed by balancing maturities and amounts of those aforementioned interest-bearing liabilities and assets.

Interest Position Table

	31.12.2021	31.12.2020
<b>Fixed Interest Rate Financial Instruments</b>		
Financial Assets	155.233.908	69.264.418
Financial Liabilities	117.974.544	59.012.348
<b>Floating Interest Rate Financial Instruments</b>		
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 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.

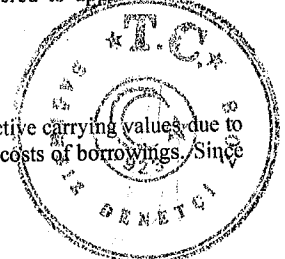
The following methods and assumptions are used to estimate the fair values of financial instruments:

**Financial assets**

The carrying values of cash and cash equivalents including cash in 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 after deduction of 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



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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 39 - 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, interest rate risk, commodity price risk and product profit margin/crack margin 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 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:

**Financial assets**

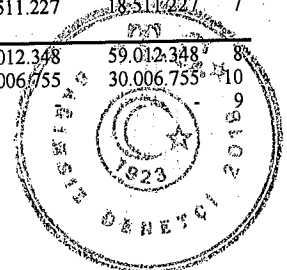
The fair values of certain financial assets carried at cost including cash and cash equivalents and other financial assets are considered to approximate their respective carrying values due to their short term nature. The trade receivables along with the related allowances for doubtful receivables uncollectibility are carried at amortized cost, and hence, are accepted to approximate their fair values.

**Financial 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.

31.12.2021	Financial assets measured at amortized cost	Loans and receivables	Financial assets / (liabilities) measured at fair value through profit or loss	Other financial liabilities measured at amortized cost	Carrying Value	Fair Value	Notes
<b>Financial assets</b>							
Cash and cash equivalents	155.119.798	-	-	-	155.119.798	155.119.798	6
Trade receivables	83.256.088	-	-	-	83.256.088	83.256.088	10
Other receivables	3.755.705	-	-	-	3.755.705	3.755.705	11
Financial investments	185.036	-	185.036	-	185.036	185.036	7
<b>Financial liabilities</b>							
Borrowings	-	-	-	117.974.544	117.974.544	117.974.544	8
Trade payables	-	-	-	79.793.054	79.793.054	79.793.054	10
Other financial liabilities	-	-	-	-	-	-	9

31.12.2020	Financial assets measured at amortized cost	Loans and receivables	Financial assets / (liabilities) measured at fair value through profit or loss	Other financial liabilities measured at amortized cost	Carrying Value	Fair Value	Notes
<b>Financial assets</b>							
Cash and cash equivalents	53.117.914	-	-	-	53.117.914	53.117.914	6
Trade receivables	69.593.494	-	-	-	69.593.494	69.593.494	10
Other receivables	544.741	-	-	-	544.741	544.741	11
Financial investments	-	-	18.511.227	-	18.511.227	18.511.227	7
<b>Financial liabilities</b>							
Borrowings	-	-	-	59.012.348	59.012.348	59.012.348	8
Trade payables	-	-	-	30.006.755	30.006.755	30.006.755	10
Other financial liabilities	-	-	-	-	-	-	9



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

Within the framework of the methods and assumptions explained above, the carrying values and estimated fair values of financial assets as of 31 December 2021 and 2020 are presented in the table below:

31.12.2021	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>	<b>185.036</b>	-	-	<b>185.036</b>
Financial Assets Measured at Fair Value through Profit or Loss	185.036	-	-	185.036
31.12.2020	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>	<b>18.511.227</b>	-	-	<b>18.511.227</b>
Financial Assets Measured at Fair Value through Profit or Loss	18.511.227	-	-	18.511.227

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 40 - FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/INDEPENDENT AUDIT FIRMS**

The Group's disclosure regarding the fees for the services received from the independent audit firms, which is based on the letter of POA dated August 19, 2021, the preparation principles which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows:

	31.12.2021	31.12.2020
Audit fee for the reporting period (*)	550.000	375.000
Assurance fees (**)	-	25.000
<b>Total</b>	<b>550.000</b>	<b>400.000</b>

(\*)Audit fees consist of fees for the annual audit-services engagement and other audit services, which are those services that only the external auditors reasonably.

(\*\*)Audit-related fees consist of fees for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements or that are traditionally performed by the external auditors, and include consultations concerning financial accounting and reporting standards; internal control reviews etc.

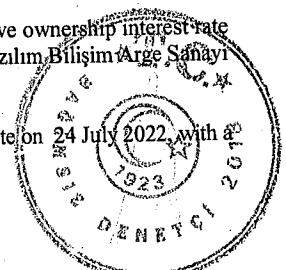
**NOTE 41 - EVENTS AFTER THE BALANCE SHEET DATE**

In accordance with the decision of the General Assembly dated 8 November 2021, it has been decided to establish a new company with the business title of Defic Globe A.Ş. for generating licenses for renewable energy projects abroad, to offer investors ready-made projects with project licenses by undertaking turnkey construction, and to provide access to finance services. Yeo Teknoloji's effective ownership interest rate has changed and the Group has total ownership interest of 51% following the acquisition of Defic Globe's shares.

In accordance with the aforementioned decision, Yeo Teknoloji has committed capital paid in cash amounting to TL 510.000 with a nominal value of TL 100 and the Company registered on 3 January 2022.

In accordance with the decision of the General Assembly dated 24 January 2022, Yeo Teknoloji's effective ownership interest rate has changed following the acquisition of Nicat Batarya Teknolojileri Kimyasalları Üretim Yapay Zeka Yazılım, Bilişim Arge Sanayi ve Ticaret A.Ş.'s shares amounting to USD 250.000 with a nominal value of TL 6.917.

The abovementioned acquisition of shares will be realised through capital increase and estimated to complete on 24 July 2022, with a maturity of 205 days.



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In accordance with the decision of the General Assembly of Yeo Tehcnology BV dated 3 February 2022, a subsidiary of the Group with 100% ownership interest, it has been decided to transfer 99% of Iss Integrated Systems Solution shares, in which Tolunay Yıldız, one of the Group's shareholders, has 100% shares in the Republic of Azerbaijan, which was established in 2013, to Yeo Tehcnology BV.

**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**

In accordance with the decision of the General Assembly dated 7 December 2021, it has been decided to establish a new company with the business 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. has paid in share capital amounting to EUR 50.000. Yeo Teknoloji's effective ownership interest rate has changed and the Group has total ownership interest of 100% following the acquisition of YEO Technology B.V.'s shares.

In accordance with the aforementioned decision, Yeo Teknoloji has committed capital paid in cash amounting to EUR 50.000 and the Company registered on 17 December 2021. As of 31 December 2021, YEO Technology B.V. has no operating business activities.

