

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ

**CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT**

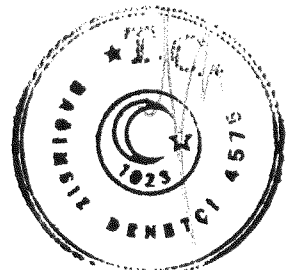
**(CONVENIENCE TRANSLATION INTO ENGLISH OF THE
INDEPENDENT AUDITORS' REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN
TURKISH)**

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

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR 1 JANUARY- 31 DECEMBER 2023

CONTENTS	INDEX
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	1,2
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS	3
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME	4
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY	5
CONSOLIDATED STATEMENTS OF CASH FLOWS	6
NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS	7
NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	10
NOTE 3 - BUSINESS COMBINATIONS	27
NOTE 4 - DISCLOSURE OF INTERESTS IN OTHER ENTITIES	28
NOTE 5 - OPERATING SEGMENTS	29
NOTE 6 - CASH AND CASH EQUIVALENTS	29
NOTE 7 - FINANCIAL INVESTMENTS	30
NOTE 8 – BORROWINGS	30
NOTE 9 - OTHER FINANCIAL LIABILITIES	31
NOTE 10 - TRADE RECEIVABLES AND PAYABLES	31
NOTE 11 - OTHER RECEIVABLES AND PAYABLES	32
NOTE 12 - CUSTOMER CONTRACTS	32
NOTE 13 – INVENTORIES	32
NOTE 14 – BIOLOGICAL ASSETS	33
NOTE 15 - PREPAID EXPENSES AND DEFERRED INCOME	33
NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	33
NOTE 17 - INVESTMENT PROPERTIES	35
NOTE 18 - PROPERTY, PLANT AND EQUIPMENT	35
NOTE 19 - RIGHT OF USE ASSETS	37
NOTE 20 - INTANGIBLE ASSETS	37
NOTE 21 - EMPLOYEE BENEFITS	38
NOTE 22 - GOVERNMENT GRANTS	38
NOTE 23 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS	38
NOTE 24 - COMMITMENTS	39
NOTE 25 – PROVISIONS FOR EMPLOYEE BENEFITS	39
NOTE 26 - TAX ASSETS AND LIABILITIES	40
NOTE 27 - OTHER ASSETS AND LIABILITIES	40
NOTE 28 - EQUITY	41
NOTE 29 - REVENUE AND COST OF SALES	42
NOTE 30 - GENERAL ADMINISTRATIVE EXPENSES AND MARKETING SALES AND DISTRIBUTION EXPENSES	43
NOTE 31 - EXPENSES BY NATURE	43
NOTE 32 - OTHER OPERATING INCOME/(EXPENSES)	44
NOTE 33 - GAINS/ (LOSSES) FROM INVESTMENT ACTIVITIES	44
NOTE 34 - FINANCIAL INCOME/(EXPENSES)	44
NOTE 35 – NON-CURRENT ASSETS HELD FOR SALE	44
NOTE 36 – INCOME TAXES	44
NOTE 37 - EARNINGS PER SHARE	46
NOTE 38 - RELATED PARTY DISCLOSURES	47
NOTE 39 - NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS	48
NOTE 40 - FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND HEDGE ACCOUNTING)	53
NOTE 41 – FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/INDEPENDENT AUDIT FIRMS ..	54
NOTE 42 - EVENTS AFTER THE REPORTING PERIOD	54
NOTE 43 - 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	54



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

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Yeo Teknoloji Enerji ve Endüstri Anonim Şirketi

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Yeo Teknoloji Enerji ve Endüstri Anonim Şirketi (the "Company" or "Yeo Teknoloji") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with 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 those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the consolidated financial statements in Turkey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a 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. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

www.gureli.com.tr

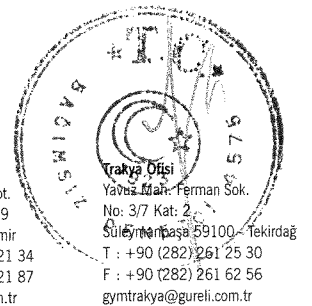
Merkez Ofisi
Spine Tower Maslak Mah. Saat Sok.
No: 5 Kat: 25-26-28
Sarıyer 34485 - İstanbul
T : 444 9 475 (212) 285 01 50
F : +90 (212) 285 03 40-43
gym@gureli.com.tr

Ankara Ofisi
ASO Kule Atatürk Bulvarı
No: 193 Kat: 9
Kavaklıdere 06680 - Ankara
T : +90 (312) 466 84 20
F : +90 (312) 466 84 21
gymankara@gureli.com.tr

Antalya Ofisi
Fener Mah.1964 Sok. No: 36
Kemal Erdoğan Apt. Kat: 1 D: 4
Muratpaşa 07160 - Antalya
T : +90 (242) 324 30 14
F : +90 (242) 324 30 15
gymantalya@gureli.com.tr

Bursa Ofisi
Odunluk Mah. Akademi Cad.
Zeno İş Merkezi D Blok Kat: 7 D: 31
Nilüfer 16265 - Bursa
T : +90 (224) 451 27 10
F : +90 (224) 451 27 79
gymbursa@gureli.com.tr

İzmir Ofisi
Atatürk Cad. Ekim Apt.
No: 174/1 Kat: 5 D: 9
Alsancak 35220 - İzmir
T : +90 (232) 421 21 34
F : +90 (232) 421 21 87
gymizmir@gureli.com.tr



Revenue	
Please refer to notes 2.09.01 and 28 to the consolidated financial statements	
Revenue recognition	How our audit addressed the key audit matter
<p>Consolidated financial statements for the period 1 January - 31 December 2023 include total revenue of the Group which represents project commitment agreement with the portion of 84% in 2023.</p> <p>The Group has been determined the amount and timing of revenue generated from project commitment agreement in accordance with the TFRS 15 "Revenue from Contracts with Customers". The complex measurement of the standard and progress towards the fulfilment 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 fulfilment of the performance obligation for a project with the total costs expected to fulfil 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 judgments and estimations made by the management have significant material impact on the consolidated financial statements. Therefore, recognition of revenue considered as the key audit matter for our audit.</p>	<p>We performed the following procedures in relation to the testing recognition of revenue:</p> <ul style="list-style-type: none"> -Evaluating and testing the accounting policy, audit procedures, internal controls and procedures and detailed analysis in relation to the recognition of revenue in the consolidated financial statements, - Assessing the terms and conditions of significant contracts with customers to evaluate the estimates and judgments used by the management and to determine whether they are recognized in the relevant and correct periods, - Evaluating the demands and requests for changes in the project whether included in the contract transaction price in accordance with the relevant accounting policies and the effects of these changes on the project costs incurred, - Testing the costs incurred by the Group to fulfil ongoing contracting projects, those selected by sampling method and substantive tests with the supporting documents and files, - Testing and assessing 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, - Examining and evaluating 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 judgments of the management regarding the progress towards complete satisfaction of performance obligation and the change in the expected contract costs, - Testing the disclosures in the consolidated financial statements in relation to revenue recognition of such disclosures for TFRS' requirements, <p>We had no material findings related to recognition of revenue as a result of these procedures.</p>

Application of TAS 29 – “Financial Reporting in Hyperinflationary Economies”	
Please refer to note 2.02 to the consolidated financial statements	
Application of Financial Reporting in Hyperinflationary Economies	How our audit addressed the key audit matter
<p>As stated in Note 2.02, the Group applied TAS 29 “Financial reporting in hyperinflationary economies (“TAS 29”) in the consolidated financial statements as of and for the year ended 31 December 2023.</p> <p>TAS 29 requires consolidated financial statements to be restated into the current purchasing power at the end of the reporting period. Applying TAS 29 results in significant changes to the consolidated financial statement items and non-monetary balances included in the Group’s consolidated financial statements as of and for the year ending 31 December 2023, including prior year restatements to reflect a price index that is current at the balance sheet date as of 31 December 2023. In addition, considering the additional effort required to perform the audit of the application of TAS 29, we identified the application of TAS 29 as a key audit matter.</p>	<p>We performed the following audit procedures in relation to the application of TAS 29:</p> <ul style="list-style-type: none"> - Understanding and evaluating the process and controls related to application of TAS 29 designed and implemented by the Group management, - Verifying whether the Group management’s determination of monetary and non-monetary items is in compliance with TAS 29, - Obtaining detailed lists of non-monetary items and testing original entry dates and amounts with supporting documentation on a sample basis whether they are correctly included in the calculation, - Verifying the general price index rates and methodologies used in calculations correspond with the coefficients in the “Consumer Price Index in Turkey”. - Testing the mathematical accuracy of non-monetary items, consolidated statement of profit or loss, and statement of cash flow adjusted for inflation effects, - Evaluating the adequacy of disclosures related to the application of TAS 29 in the notes to the consolidated financial statements in accordance with TFRS. <p>We had no material findings related to the application of inflation accounting as a result of these procedures.</p>

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 TAS, 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.

www.gureli.com.tr

Merkez Ofisi

Spine Tower Maslak Mah. Saat Sok.
No: 5 Kat: 25-26-28
Sarıyer 34485 - İstanbul
T : 444 9 475 (212) 285 01 50
F : +90 (212) 285 03 40-43
gym@gureli.com.tr

Ankara Ofisi

ASO Kule Atatürk Bulvarı
No: 193 Kat: 9
Kavaklıdere 06680 - Ankara
T : +90 (312) 466 84 20
F : +90 (312) 466 84 21
gymankara@gureli.com.tr

Antalya Ofisi

Fener Mah.1964 Sok. No: 36
Kemal Erdoğan Apt. Kat: 1 D: 4
Muratpaşa 07160 - Antalya
T : +90 (242) 324 30 14
F : +90 (242) 324 30 15
gymantalya@gureli.com.tr

Bursa Ofisi

Oduluk Mah. Akademi Cad.
Zeno İş Merkezi D Blok Kat: 7 D: 31
Nilüfer 16265 - Bursa
T : +90 (224) 451 27 10
F : +90 (224) 451 27 79
gymbursa@gureli.com.tr

İzmir Ofisi

Atatürk Cad. Ekim Apt.
No: 174/1 Kat: 5 D: 9
Alsancak 35220 - İzmir
T : +90 (232) 421 21 34
F : +90 (232) 421 21 87
gymizmir@gureli.com.tr

Trakya Ofisi

Yavuz Mah. Ferman Sok.
No: 3/7 Kat: 2
Süleymanpaşa 59100 - Tekirdağ
T : +90 (282) 261 25 30
F : +90 (282) 261 25 56
gymtrakya@gureli.com.tr

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.

www.gureli.com.tr

Merkez Ofisi
Spine Tower Maslak Mah. Saat Sok.
No: 5 Kat: 25-26-28
Sarıyer 34485 - İstanbul
T : 444 9 475 (212) 285 01 50
F : +90 (212) 285 03 40-43
gym@gureli.com.tr

Ankara Ofisi
ASO Kule Atatürk Bulvarı
No: 193 Kat: 9
Kavaklıdere 06680 - Ankara
T : +90 (312) 466 84 20
F : +90 (312) 466 84 21
gymankara@gureli.com.tr

Antalya Ofisi
Fener Mah.1964 Sok. No: 36
Kemal Erdoğan Apt. Kat: 1 D: 4
Muratpaşa 07160 - Antalya
T : +90 (242) 324 30 14
F : +90 (242) 324 30 15
gymantalya@gureli.com.tr

Bursa Ofisi
Odunluk Mah. Akademi Cad.
Zeno İş Merkezi D Blok Kat: 7 D: 31
Nilüfer 16265 - Bursa
T : +90 (224) 451 27 10
F : +90 (224) 451 27 79
gymbursa@gureli.com.tr

İzmir Ofisi
Atatürk Cad. Ekim Apt.
No: 174/1 Kat: 5 D: 9
Alsancak 35220 - İzmir
T : +90 (232) 421 21 34
F : +90 (232) 421 21 87
gymizmir@gureli.com.tr

Trakya Ofisi
Feviz Mah. Feriyan Sok.
No: 37 Kat: 2
Süleymanpaşa 59100 - Tekirdağ
T : +90 (282) 261 25 36
F : +90 (282) 261 25 56
gymtrakya@gureli.com.tr

Report on Other Legal and Regulatory Requirements

1) In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Company's Board of Directors on 20 May 2024.

2) 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 2023 period are not in compliance with the TCC and provisions of the Group's articles of association related to financial reporting.

3) 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 who supervised and concluded this independent auditor's report is Fatih AYGÖREN.

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



www.gureli.com.tr

Merkez Ofisi

Spine Tower Maslak Mah. Saat Sok.
No: 5 Kat: 25-26-28
Sarıyer 34485 - İstanbul
T : 444 9 475 (212) 285 01 50
F : +90 (212) 285 03 40-43
gym@gureli.com.tr

Ankara Ofisi

ASO Kule Atatürk Bulvarı
No: 193 Kat: 9
Kavaklıdere 06680 - Ankara
T : +90 (312) 466 84 20
F : +90 (312) 466 84 21
gymankara@gureli.com.tr

Antalya Ofisi

Fener Mah.1964 Sok. No: 36
Kemal Erdoğan Apt. Kat: 1 D: 4
Muratpaşa 07160 - Antalya
T : +90 (242) 324 30 14
F : +90 (242) 324 30 15
gymantalya@gureli.com.tr

Bursa Ofisi

Odunluk Mah. Akademi Cad.
Zeno İş Merkezi D Blok Kat: 7 D: 31
Nilüfer 16265 - Bursa
T : +90 (224) 451 27 10
F : +90 (224) 451 27 79
gymbursa@gureli.com.tr

İzmir Ofisi

Atatürk Cad. Ekim Apt.
No: 174/1 Kat: 5 D: 9
Alsancak 35220 - İzmir
T : +90 (232) 421 21 34
F : +90 (232) 421 21 87
gymizmir@gureli.com.tr

Trakya Ofisi

Yavuz Mah. Ferman Sok.
No: 3/7 Kat: 2
Süleymanpaşa 59100 - Tekirdağ
T : +90 (282) 261 25 30
F : +90 (282) 261 62 56
gymtrakya@gureli.com.tr

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

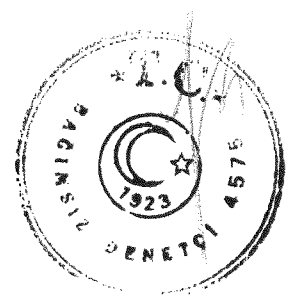
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023 AND 2022

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

	Notes	Audited Current Period 31.12.2023	Audited Prior Period 31.12.2022
ASSETS			
Current Assets		4.399.836.905	2.007.774.103
Cash and Cash Equivalents	6	814.499.186	143.282.718
Financial Investments	7	680.117	53.811.520
Trade Receivables	10	526.985.138	499.012.515
<i>Third Parties</i>	10	504.221.778	483.040.173
<i>Related Parties</i>	10,38	22.763.360	15.972.342
Other Receivables	11	30.418.063	15.777.915
<i>Third Parties</i>		24.817.070	6.647.640
<i>Related Parties</i>		5.600.993	9.130.275
Contract Assets	12	2.043.496.667	767.701.083
Inventories	13	139.160.798	156.239.779
Prepaid Expenses	15	510.647.126	288.960.636
Current Income Tax Assets	26	951.675	16.437.700
Other Current Assets	27	332.998.135	66.550.237
Total		4.399.836.905	2.007.774.103
Non-Current Assets		1.515.510.766	268.002.846
Financial Investments	7	13.002.901	7.823.343
Investments Accounted for Using the Equity Method	16	1.487.459	4.141.594
Property, Plant and Equipment	18	1.050.159.266	219.281.477
Intangible Assets	20	305.952.192	1.894.522
<i>Other Intangible Assets</i>	20	1.273.258	1.894.522
<i>Goodwill</i>	20	304.678.934	-
Right of Use Assets	19	76.308.336	9.310.424
Deferred Tax Assets	35	2.397.915	-
Other Non-Current Assets	27	66.202.697	25.551.486
TOTAL ASSETS		5.915.347.671	2.275.776.949

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

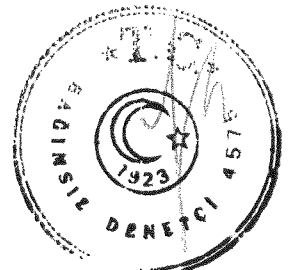
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023 AND 2022

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

	Notes	Audited Current Period 31.12.2023	Audited Prior Period 31.12.2022
LIABILITIES			
Current Liabilities		3,443,663,814	1,389,340,713
Short-Term Borrowings	8	450,379,045	328,728,755
Short-Term Portion of Long-Term Borrowings	8	100,654,949	108,752,319
Lease Liabilities	8	1,436,873	449,847
Trade Payables	10	1,021,846,023	331,449,252
Third Parties	10	800,120,603	321,667,864
Related Parties	10,38	221,725,420	9,781,388
Employee Benefits	21	63,809,440	39,352,918
Other Payables	11	344,712,707	650,275
Third Parties	11,38	2,696,722	650,275
Related Parties	11,38	342,015,985	-
Deferred Income	15	1,416,755,698	569,511,825
Current Income Tax Liabilities	26	30,162,824	4,406,832
Short-Term Provisions	23	13,906,255	6,038,690
Other Short-Term Provisions		30,244	49,834
Short-Term Provisions for Employee Benefits		13,876,011	5,988,856
Total		3,443,663,814	1,389,340,713
Non-Current Liabilities		1,206,418,837	142,829,326
Long-Term Borrowings	8	861,409,739	41,766,050
Lease Liabilities	8	62,695,274	5,197,422
Long-Term Provisions	25	13,879,307	7,836,485
Long-Term Provisions for Employee Benefits		13,879,307	7,836,485
Deferred Tax Liabilities	35	268,434,517	88,029,369
EQUITY		1,265,265,020	743,606,910
Equity Holders of the Parent	28	1,231,697,186	723,317,755
Paid-in Share Capital		96,000,000	96,000,000
Adjustment to Share Capital		142,573,451	142,573,451
Share Premium		119,411,591	119,411,591
Other comprehensive income or expenses not to be reclassified to profit or loss	28	76,181,296	(2,343,435)
Other comprehensive income or expenses to be reclassified to profit or loss		7,679,723	2,605,578
Restricted Reserves		8,274,832	6,155,718
Retained Earnings		356,795,738	153,806,676
Profit for the Period		424,780,555	205,108,176
Non-Controlling Interests		33,567,834	20,289,155
TOTAL LIABILITIES AND EQUITY		5,915,347,671	2,275,776,949

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

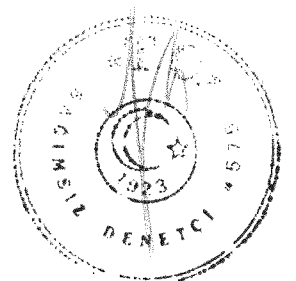
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

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

		Audited Current Period 01.01.2023 31.12.2023	Audited Prior Period 01.01.2022 31.12.2022
Revenue	29	6.382.299.967	2.951.601.608
Cost of Sales (-)	29	(4.990.486.132)	(2.317.641.496)
Gross Profit from Non-Finance Sector Operations		1.391.813.835	633.960.112
GROSS PROFIT		1.391.813.835	633.960.112
Marketing, Sales and Distribution Expenses (-)	30	(136.227.601)	(93.008.983)
General Administrative Expenses (-)	30	(121.116.789)	(36.401.382)
Research and Development Expenses (-)	30	(32.263.101)	(1.279.161)
Other Operating Income	32	301.022.307	53.693.978
Other Operating Expenses (-)	32	(778.271.805)	(112.566.760)
OPERATING PROFIT		624.956.846	444.397.804
Share of profit/loss of investments accounted for using the equity method		(2.421.234)	3.025.462
Gains from investment activities	33	115.991.122	66.041.163
Losses from investment activities (-)	33	(8.380.443)	(6.199.489)
OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)		730.146.291	507.264.940
Financial Income	34	209.217.559	22.173.021
Financial Expenses (-)	34	(193.868.675)	(95.956.624)
Monetary Gains/Losses		(61.508.264)	(145.799.742)
PROFIT BEFORE TAX		683.986.911	287.681.595
Tax income/(expense)		(282.987.197)	(81.262.791)
-Current period tax expense		(49.502.636)	(16.876.103)
-Deferred income tax expense	36	(233.484.561)	(64.386.688)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		400.999.714	206.418.804
PROFIT FOR THE PERIOD		400.999.714	206.418.804
Attributable to			
Non-Controlling Interests		(23.780.841)	1.310.628
Equity Holders of the Parent		424.780.555	205.108.176
Earnings Per Share			
Earnings Per Share from Continuing Operations		4.4248	2.137

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 A.Ş.

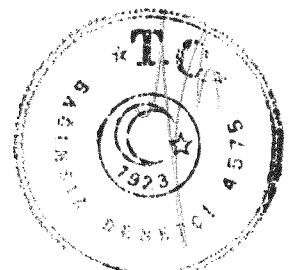
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE
INCOME

FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

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

		Audited Current Period 01.01.2023 31.12.2023	Audited Prior Period 01.01.2022 31.12.2022
	Notes		
PROFIT FOR THE PERIOD	36	400.999.714	206.418.804
OTHER COMPREHENSIVE INCOME			
Items not to be reclassified to profit or loss		78.524.731	(2.343.435)
Property, plant and equipment revaluation surplus		108.534.121	-
Gains/(losses) on remeasurements of defined benefit plans	25	(3.834.480)	(2.929.292)
Taxes relating to other comprehensive income not to be reclassified to profit or loss	25	(26.174.910)	585.857
- <i>Deferred income tax expense, property, plant and equipment</i>		(27.133.530)	-
- <i>Deferred income tax expense, actuarial gains/(losses)</i>		958.620	585.857
Items to be reclassified to profit or loss		2.933.665	3.705.059
Currency translation differences	28	2.933.665	3.705.059
OTHER COMPREHENSIVE INCOME		81.458.396	1.361.624,00
TOTAL COMPREHENSIVE INCOME		482.458.110	207.780.428,000
Attributable to			
Non-Controlling Interests		(25.921.321)	1.320.679
Equity Holders of the Parent		508.379.431	206.459.749

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

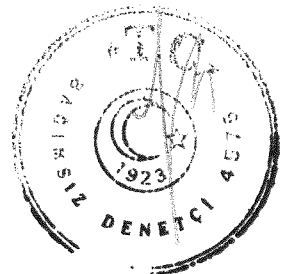
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

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

Audited Prior Period	Notes	Paid-in share capital	Share premium	Adjustment to share capital	Items not to be reclassified to profit or loss			Items to be reclassified to profit or loss					Retained earnings		
					Gains/(losses) on remeasurements of defined benefit plans	- Gains/(losses) on revaluation and remeasurements	Gains/(losses) on cash flow hedges	Currency translation differences	Restricted reserves	Prior years' income	Profit for the Period	Equity holders of the parent	Non-controlling interests	Total equity	
Balances at 1 January, 2022 (Beginning of the period)	28	24,000,000	231,950,933	77,672,745	-	-	-	(1,089,430)	6,155,718	215,148,612	-	547,682,860	2,596,870	550,279,730	
Transfers	28	-	-	-	-	-	-	-	-	(6,155,718)	-	-	-	-	
Capital increases	-	72,000,000	(112,539,342)	64,900,706	-	-	-	-	-	(24,361,364)	-	-	-	-	
Capital payments	-	-	-	-	-	-	-	-	-	-	-	-	16,371,606	16,371,606	
Dividends paid	-	-	-	-	-	-	-	-	-	(30,824,854)	-	(30,824,854)	-	(30,824,854)	
Total comprehensive income	-	-	-	-	(2,343,435)	-	-	3,695,008	-	205,108,176	205,108,176	206,459,249	1,320,679	207,780,428	
- Profit for the period	28	-	-	-	-	-	-	-	-	205,108,176	205,108,176	206,418,804	1,310,638	206,418,804	
- Other comprehensive income	-	-	-	-	(2,343,435)	-	-	3,695,008	-	-	-	1,351,573	10,031	1,361,624	
Balances at 31 December 2022 (End of the period)	28	96,000,000	119,411,591	142,573,451	(2,343,435)	-	-	2,605,578	6,155,718	153,806,676	205,108,176	723,317,755	20,289,155	743,606,910	
Audited Current Period															
Balances at 1 January, 2023 (Beginning of the period)	28	96,000,000	119,411,591	142,573,451	(2,343,435)	-	-	2,605,578	6,155,718	153,806,676	205,108,176	723,317,755	20,289,155	743,606,910	
Transfers	28	-	-	-	-	-	-	-	-	2,119,114	202,989,062	(205,108,176)	-	-	
Share Premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital increases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Capital payments	-	-	-	-	-	-	-	-	-	-	-	-	39,200,000	39,200,000	
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income	-	-	-	-	(2,875,860)	81,400,591	-	5,074,145	-	-	424,780,555	508,379,431	(25,921,521)	482,458,110	
- Profit for the period	28	-	-	-	-	-	-	-	-	-	424,780,555	424,780,555	(23,780,841)	400,999,714	
- Other comprehensive income	-	-	-	-	(2,875,860)	81,400,591	-	5,074,145	-	-	-	83,598,876	(2,140,480)	81,458,396	
Balances at 31 December 2023 (End of the period)	28	96,000,000	119,411,591	142,573,451	(5,219,295)	81,400,591	-	7,679,723	8,274,832	356,795,738	424,780,555	1,231,697,186	33,567,834	1,265,265,020	

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

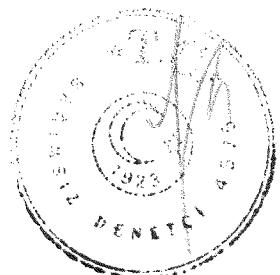
YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ A.Ş.

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2023 AND 2022

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

		Audited Current Period	Audited Prior Period
		01.01.2023	01.01.2022
Notes		31.12.2023	31.12.2022
A) CASH FLOWS FROM OPERATING ACTIVITIES		767.131.590	(81.016.580)
PROFIT FOR THE PERIOD		400.999.714	206.418.804
Profit for the Period from Continuing Operations		400.999.714	206.418.804
Adjustments to reconcile profit for the period to cash generated from operating activities		739.957.322	494.140.754
Depreciation and amortisation	17,18	32.705.539	12.457.421
Adjustments for Impairment Loss (Reversal)		(318.023)	2.086.702
Adjustments for Receivables Impairment (Reversal)	10,11	225.497	1.479.405
Adjustments for Inventory Impairment (Reversal)	13	(543.520)	607.297
Adjustments for Provisions		25.552.556	10.913.467
Adjustments for Provision for Employee Benefits (Reversal)	24	25.552.556	10.913.467
Adjustments for interest income and expenses		123.536.184	68.112.075
Adjustments for Unearned Financial Income from Term Sales	10	10.364.711	3.796.834
Adjustments for Deferred Financial Expense from Term Purchases	10	(29.026.943)	(3.669.869)
Adjustments for Interest Expenses	33	142.198.416	67.985.110
Adjustments for undistributed profits of investments accounted for using the equity method	16	1.026.056	(1.302.645)
Adjustments for tax income expense	35	282.987.197	81.262.751
Net monetary position gains/losses		274.467.813	320.610.983
Changes in Working Capital		(217.699.667)	(688.824.755)
Changes in Financial Investments	7	23.722.906	(53.506.604)
Adjustments for Gains (Losses) on Trade Receivables	10	(234.726.873)	(367.105.020)
Third Parties		(221.657.056)	(372.226.594)
Related Parties		(13.069.817)	5.121.574
Adjustments for Gains (Losses) on Other Receivables Related to Operations	11	(20.842.517)	(9.589.522)
Third Parties		(20.782.647)	(459.252)
Related Parties		(59.870)	(9.130.270)
Adjustments for Gains (Losses) on Contract Assets	12	(1.577.582.298)	(583.513.004)
Changes in Inventories	13	(43.796.052)	(134.704.398)
Adjustments for gains/losses on Trade Payables	10	849.717.891	203.641.613
Third Parties		633.928.752	196.614.135
Related Parties		215.789.139	7.027.478
Adjustments for Gains (Losses) on Other Payables Related to Operations	11	344.318.058	463.715
Third Parties		344.318.058	463.715
Related Parties			
Adjustments for gains (losses) on payables due to employee benefits	20	39.926.329	31.243.119
Other Contract Commitments			
Changes in Prepaid Expenses	15	(335.278.203)	(190.254.307)
Other adjustments for increase (decrease) in other working capital	26	(334.280.415)	(80.210.147)
Gains/(Losses) on Other Assets from Operations		(334.280.415)	(80.210.147)
Changes in Deferred Income	15	1.071.121.507	494.709.800
Cash Flows from Operating Activities		923.257.369	11.734.803
Income Taxes Refund Paid		(12.295.645)	(22.851.460)
Interest Received		(142.198.416)	(67.985.110)
Payments within Provisions for Employee Benefits	22,24	(1.631.718)	(1.914.813)
Cash Flows from Operating Activities		767.131.590	(81.016.580)
B) CASH FLOWS FROM INVESTING ACTIVITIES			
Cash outflows from purchase of property, plant and equipment and intangible assets	18,19	(1.166.346.971)	(188.974.814)
Cash inflows from sale of property, plant and equipment and intangible assets	18,19	-	-
Cash flows from investing activities		(1.166.346.971)	(188.974.814)
C) CASH FLOWS FROM FINANCING ACTIVITIES			
Cash inflows from borrowings		1.121.590.787	286.107.601
Cash outflows from lease liabilities		(932.277)	(397.200)
Dividends paid		-	(30.824.854)
Cash flows from financing activities		1.120.658.510	254.885.547
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE EFFECT OF EXCHANGE RATE CHANGES		721.443.129	(15.105.847)
Inflation effect on cash and cash equivalents		(56.325.074)	(264.746.062)
D) EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		6.098.413	3.268.767
Net Increase/(Decrease) in Cash and Cash Equivalents		671.216.468	(276.583.142)
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	6	143.282.718	419.865.860
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	814.499.186	143.282.718

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

NOTE 1 - GROUP'S ORGANISATION AND NATURE OF OPERATIONS

Yeo Teknoloji Enerji ve Endüstri Anonim Şirketi (the "Company" or "Yeo Teknoloji") was established on 6 August 2004 in İstanbul, Turkey with the title of "Yılmaz Elektrik Otomasyon Makine İnşaat Sanayi ve Ticaret Anonim Şirketi". The title of Yılmaz Elektrik Otomasyon Makine İnşaat Sanayi ve Ticaret Anonim Şirketi has been changed to Yeo Elektrik Otomasyon A.Ş. and the relevant decision was published in Official Gazette on 8 June 2018 and numbered 9596. In addition, the title of Yeo Elektrik Otomasyon A.Ş. has been changed to Yeo Teknoloji Enerji ve Endüstri Anonim Şirket on 20 April 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

As of 31 December 2023 and 2022, the principal shareholders and their respective shareholding rates in Yeo Teknoloji are as follows:

	31.12.2023		31.12.2022	
	Amount	Share (%)	Amount	Share (%)
Tolunay Yıldız	13.336.384	13.9	14.593.216	15.20
Orhan Yıldız	13.336.384	13.9	14.593.216	15.20
Özbey Yıldız	13.330.272	13.9	14.586.528	15.19
Barış Esen	6.112.000	6.4	6.688.000	6.97
Sinan Karahan	6.112.000	6.4	6.688.000	6.97
Yasin Düven	6.112.000	6.4	6.688.000	6.97
Caner Karataş	2.780.960	2.9	3.043.040	3.17
Listed shares (Other)	34.880.000	36.2	29.120.000	30.33
Total share capital	96.000.000	100	96.000.000	100
Unpaid share capital	-		-	
Total paid-in share capital	96.000.000		96.000.000	

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

Subsidiaries and Associates	Country of incorporation	Effective ownership interests held by Yeo Teknoloji (%)		Nature of business
		31 December 2023	31 December 2022	
		2023	2022	
Yeo Energy Industry Solutions (2)	Uzbekistan	100%	100%	Energy Production
Marinergy Yenilenebilir Enerji İnş.ve Tic. A.Ş. (3)	Turkey	100%	100%	Energy Production
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş. (4)	Turkey	50%	50%	Energy Production
Yeo Teknoloji Enerji ve Endüstri A.Ş.-Uzbekistan Branch (5)	Uzbekistan	100%	100%	Energy Production
Nicat Batarya Teknolojileri Kimyasalları Üretim				
Yapay Zeka Yazılım Bil. Arge San.ve Tic. A.Ş.(6)	Turkey	10%	10%	Battery Technology
Yeo Technology and Energy Srl(7)	Romania	100%	100%	Energy Production
Grid Technologies Llc(8)	Azerbaijan	50%	50%	Energy Production
Reap Batarya Teknolojileri A.Ş. (9)	Turkey	100%	100%	Battery Technology
	North			
Yeo Technology And Energy Industry Doo (10)	Macedonia	100%	100%	Energy Production
Yeo Tehcnology BV (11)	Netherlands	100%	100%	Energy Production
Iss Integrated Systems Solutions (12)	Azerbaijan	99%	99%	Energy Production
Yeo Hydrogen Gmbh (13)	Germany	75%	75%	Energy Production
Yeo Technologie Energie Gmbh (14)	Germany	100%	100%	Energy Production
Yeo Energia Poland(19)	Poland	100%	-	Energy Production
ION Membran Teknolojileri A.Ş.(24)	Turkey	5%	-	Membrane Solutions
Brandit A.Ş.(22)	Turkey	51%	-	Technology Consulting
	United			
ReY Energy Ltd (25)	Kingdom	50%	-	Energy Production
Iraq Branch (26)	Iraq	100%	-	Energy Production
Too Yeo Energy Industry Solutions (27)	Kazakhstan	100%	-	Energy Production
Oreon Renewables Ltd (28)	Tanzania	85%	-	Energy Production
Yeo Enerji Yatırımları A.Ş.(1)	Turkey	100%	100%	Energy Production
Bluetech 1 Solar (21) ¹	Bulgaria	100%	-	Energy Production
Bluetech 2 Solar (21) ²	Bulgaria	100%	-	Energy Production
Defic Globe Enerji A.Ş. (15)	Turkey	51%	51%	Energy Production
Defic Italy Srl (16)	Italy	100%	100%	Energy Production

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Totalp Energy Srl (17) ¹	Italy	100%	100%	Energy Production
Yiltun Energy Srl (17) ²	Italy	100%	100%	Energy Production
Rb Solar Srl (17) ³	Italy	100%	100%	Energy Production
Defic Globe Srl (18)	Romania	100%	100%	Energy Production
Future PV Srl (20)	Romania	100%	-	Energy Production
Luce Verde (23)	Romania	100%	-	Energy Production

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

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

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

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

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

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

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

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

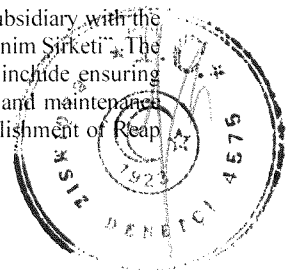
(5) The Company was established a branch regarding operating activities and projects in Uzbekistan with the title of "Yeo Teknoloji Enerji ve Endüstri A.Ş." on 23 August 2021.

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

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

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

(9) In accordance with the decision of the General Assembly on 20 November 2022, it was decided to establish a subsidiary with the effective ownership interest rate of 100% in Kartal-Istanbul/Turkey with the title of "Reap Batarya Teknolojileri Anonim Şirketi". The current issued share capital of the subsidiary is amounting to TL 20.000.000. Reap Batarya's business activities include ensuring operations in the fields of research and development, design and engineering, supply and production, operation and maintenance services in energy storage systems. The establishment procedures of the subsidiary were not completed. The establishment of Reap Batarya was published in Official Gazette on 29 November 2022.



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

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

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

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

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

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

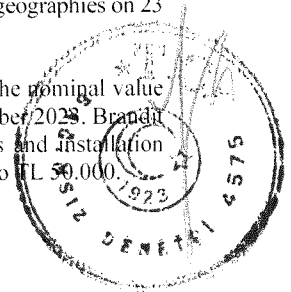
(18) The Company was decided to establish a subsidiary with the title of Defic Globe Srl on 25 November 2022 with the effective ownership interest rate of 51% and 100% of the Company and DEFIC Globe Enerji A.Ş., respectively. Defic Globe Srl's business activities include carry out business development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

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

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

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

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

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

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

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

Joint Ventures

Effective ownership interests held by Yeo Teknoloji (%)				
	Country of incorporation	31.12.2023	31.12.2022	Nature of business
YEO – HK Enerji Joint Venture (1)	Turkey	50%	50%	Energy Production
YEO – SEİSO Joint Venture (2)	Turkey	90%	90%	Energy Production
YEO – HSY Joint Venture (3)	Turkey	50%	50%	Energy Production
YEO --BEMONİ Joint Venture (4)	Georgia	50%	-	Energy Production

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

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

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

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

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

Total end of the year and average number of personnel employed by Yeo Teknoloji is 663 (31 December 2022: 466).

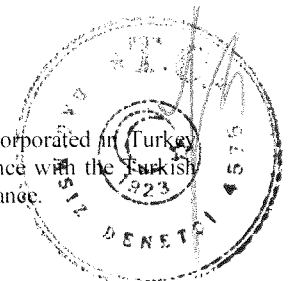
Approval of the Consolidated Financial Statements

These consolidated financial statements as of and for the year ended 31 December 2023 have been approved for issue by the Board of Directors ("BOD") on 20 May 2024. These consolidated financial statements will be finalised following the approval by the General Assembly.

NOTE 2 - BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.01 Basis of Presentation

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



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 AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Functional and presentation currency

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

Transactions and balances

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

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

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

The year-end and average rates for the years ended 31 December 2023 and 2022 can be summarized as below:

	31.12.2023	31.12.2022
UZS – as of the balance sheet date	0.00239	0.00167
UZS – yearly average	0.00312	0.00150
	31.12.2023	31.12.2022
USD – as of the balance sheet date	29.4382	18.6983
USD – yearly average	23.7662	16.5453
	31.12.2023	31.12.2022
EUR – as of the balance sheet date	32.5739	19.9349
EUR – yearly average	25.7022	17.3604
	31.12.2023	31.12.2022
AZN – as of the balance sheet date	17.2196	10.9363
AZN – yearly average	13.9000	9.6920
	31.12.2023	31.12.2022
RON – as of the balance sheet date	6.5113	4.9206
RON – yearly average	5.1641	4.9515
	31.12.2023	31.12.2022
MKD – as of the balance sheet date	0.5317	0.3243
MKD – yearly average	0.4176	0.3499

Statement of Compliance with TAS

The consolidated financial statements of the Group have been prepared in accordance with Turkish Financial Reporting Standards ("TFRS")/Turkish Accounting Standards ("TAS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") that are set out in the 5th article of the communiqué numbered II-14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on 13 June 2013 and published in Official Gazette numbered 28676.

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

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

2.02 Adjustments of financial statements in hyperinflationary periods

Financial reporting in hyperinflationary economies



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

According to the standard, financial statements prepared in the currency of a hyperinflationary economy are presented in terms of the purchasing power of that currency at the balance sheet date. Prior period financial statements are also presented in the current measurement unit at the end of the reporting period for comparative purposes. The Group has therefore presented its consolidated financial statements as of 31 December 2022 and 2021, on the purchasing power basis as of 31 December 2023.

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

The restatement in accordance with TAS 29 has been made by using the adjustment factor derived from the Consumer Price Index ("CPI") in Turkey published by the Turkish Statistical Institute ("TURKSTAT"). As of 31 December 2023, the indices and adjustment factors used in the restatement of the financial statements are as follows:

Date	Index	Adjustment coefficient
31.12.2023	1.859,38	1.00000
31.12.2022	1.128,45	1.64773
31.12.2021	686,95	2.70672
31.12.2020	504,81	3.68333

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

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

2.03 Basis of Consolidation

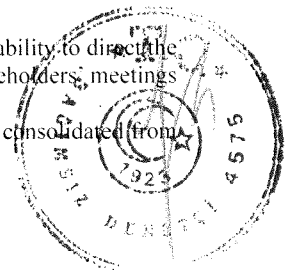
Consolidated financial statements include subsidiaries are the entities controlled directly and indirectly by Yeo Teknoloji. Control is achieved when the Group:

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

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

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

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

Consolidation procedures and eliminations

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

Consolidated balance sheet and profit or loss restatement principles

Full consolidation method

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

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

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

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

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

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

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

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

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

Subsidiaries and Associates	Country of incorporation	Effective ownership interests held by Yeo Teknoloji (%)		Nature of business
		31 December 2023	31 December 2022	
Yeo Energy Industry Solutions (2)	Uzbekistan	100%	100%	Energy Production
Marinerge Yenilenebilir Enerji İnş.ve Tic. A.Ş. (3)	Turkey	100%	100%	Energy Production
Yeo Teknoloji Enerji ve Endüstri A.Ş.-Uzbekistan Branch (5)	Uzbekistan	100%	100%	Energy Production
Yeo Technology and Energy Srl(7)	Romania	100%	100%	Energy Production
Reap Batarya Teknolojileri A.Ş. (9)	Turkey	100%	100%	Battery Technology
	North			
Yeo Technology And Energy Industry Doo (10)	Macedonia	100%	100%	Energy Production
Yeo Tehcnology BV (11)	Netherlands	100%	100%	Energy Production
Iss Integrated Systems Solutions (12)	Azerbaijan	99%	99%	Energy Production
Yeo Hydrogen GmbH (13)	Germany	75%	75%	Energy Production
Yeo Technologie Energie GmbH (14)	Germany	100%	100%	Energy Production
Yeo Energia Poland(19)	Poland	100%	-	Energy Production

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Brandit A.Ş.(22)	Turkey	51%	-	Technology Consulting
ReY Energy Ltd (25)	United Kingdom	50%	-	Energy Production
Iraq Branch (26)	Iraq	100%	-	Energy Production
Too Yeo Energy Industry Solutions (27)	Kazakhstan	100%	-	Energy Production
Oreon Renewables Ltd (28)	Tanzania	85%	-	Energy Production
Yeo Enerji Yatırımları A.Ş.(1)	Turkey	100%	100%	Energy Production
Bluetech 1 Solar (21) ¹	Bulgaria	100%	-	Energy Production
Bluetech 2 Solar (21) ²	Bulgaria	100%	-	Energy Production
Defic Globe Enerji A.Ş. (15)	Turkey	51%	51%	Energy Production
Defic İtaly Srl (16)	Italy	100%	100%	Energy Production
Totalp Energy Srl (17) ¹	Italy	100%	100%	Energy Production
Yiltun Energy Srl (17) ²	Italy	100%	100%	Energy Production
Rb Solar Srl (17) ³	Italy	100%	100%	Energy Production
Defic Globe Srl (18)	Romania	100%	100%	Energy Production
Future PV Srl (20)	Romania	100%	-	Energy Production
Luce Verde (23)	Romania	100%	-	Energy Production

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

Associates	Voting rights (%)	
	31 December 2023	31 December 2022
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	50%	50%
Grid Technologies LLC	50%	-

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

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

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

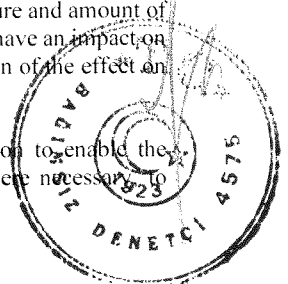
Under the equity method, the investment in a joint venture is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the date of the acquisition. The investor's share of the profit or loss of the investee 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.

Effective ownership interests held by Yeo Teknoloji (%)				
Joint Ventures	Country of incorporation	31 December 2023	31 December 2022	Nature of business
HK Enerji-YEO Joint Venture	Turkey	50%	50%	Energy Production
YEO-SEİSO Joint Venture	Turkey	90%	90%	Energy Production
YEO-HSY Joint Venture	Turkey	50%	50%	Energy Production
YEO -BEMONİ Joint Venture (4)	Georgia	50%	-	Energy Production

2.04 Comparatives and Adjustment of Prior Periods' Financial Statements

If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods. The nature and amount of a change in the accounting estimate, which has 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.

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.



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

The Group prepared its consolidated statement of financial position as at 31 December 2023 on a comparative basis with its consolidated statement of financial position as at 31 December 2022; and consolidated statements of profit or loss, comprehensive income, cash flows and changes in equity for the period of 1 January- 31 December 2023 on a comparative basis with the consolidated financial statements for the period of 1 January- 31 December 2022.

2.05 Significant Accounting Judgements, Estimates and Assumptions

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

Fair value measurement

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

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

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

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

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

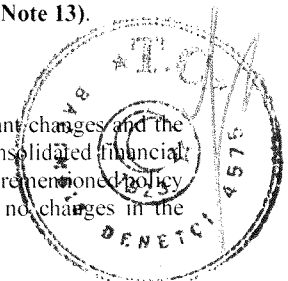
An entity develops observable inputs for classification using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available.

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

- a) Provision for employment termination benefits is determined by using actuarial assumptions (discount rates, future salary increases and employee exit rates). These assumptions are reviewed at each balance sheet date and revised accordingly (Note 24).
- b) The Group has been used percentage of completion method for the recognition of contracts with customers and determined the total estimated costs of projects and project profitability within in accordance with the TFRS 15, since the ratio of contract expenses realized until a certain date to the estimated total cost of the contract (Note 12).
- c) The Group depreciates its property, plant and equipment and intangible assets on a straight-line basis over their useful lives. Expected useful life residual value and amortization method are reviewed every year for possible effects of changes in estimates and are accounted for prospectively if there is a change in estimates. (Note 2.09.03-2.09.04).
- d) On the provision for lawsuits and allocation of the provisions in the accompanying consolidated financial statements, the probability of losing these cases and the consequences to be faced if these cases are lost evaluated in accordance with the opinions of the Group's legal counsel as of 31 December 2023 and 2022 (Note 22).
- e) Provision for doubtful receivables reflects the amounts that the Group management believes will meet future losses as of the balance sheet date (Note 10). Provision for doubtful receivables represents the amounts that the Group believes will compensate future losses of receivables which are present as of the balance sheet date but which are not subject to collection in current economic conditions. The past performance of borrowers assessed for impairment of receivables impairment, credits on the market and their performance from the balance sheet date to the date of approval of the consolidated financial statements are also taken into consideration. As of the balance sheet date, the related provisions are disclosed in Note 10.
- f) The physical properties of the inventories and the past are examined in relation to the inventory impairment, the availability of the personnel is determined according to the opinions of the technical personnel and provision is made for the items that are estimated to be unavailable. Average sales prices are used to determine the net realizable value of inventories (Note 13).

2.06 Changes in Accounting Policies

Whether there are changes and errors in accounting policies and accounting estimates, the amended significant changes and the identified significant accounting errors are implemented retrospectively and the previous periods Group's consolidated financial statements are adjusted. Whether the changes are amended in accounting policies effect the previous periods, aforementioned policy is implemented retrospectively to the consolidated financial statements as it had been used in. There are no changes in the



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

accounting policies expected to have a material influence on the results of the end of the annual reporting period except the accounting policies presented below.

2.07 Changes in Accounting Estimates and Errors

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

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

2.08 Offsetting

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

2.09 Summary of Significant Accounting Policies

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

2.09.01 Revenue Recognition

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

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

- 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.

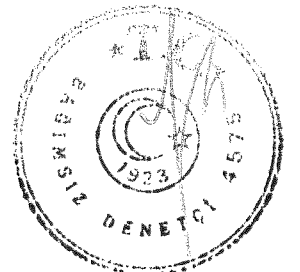
If Group expects, at contract inception, that the period between when the Group transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less, the promised amount of consideration for the effects of a significant financing component is 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.

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.



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Contractual commitments

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

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

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

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

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

Business operations and related activities

Gains arising from business operations recognized as a revenue when the Group transfers of all significant risks and gains related to ownership to the buyer, an ongoing administrative involvement associated with ownership and lack of effective control over the goods sold, a reliable measurement of the revenue amount, the probability of the flow of economic benefits associated with the transaction to the business, when the conditions for reliable measurement of costs are met. Net sales are presented in the consolidated financial statements less realized returns, discounts, commissions, turnover premiums and taxes.

Interest income

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

2.09.02 Inventories

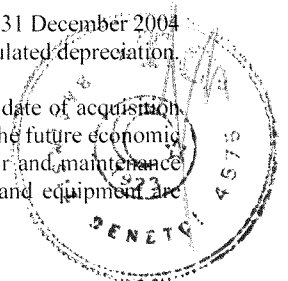
Inventories are evaluated at either the lower of acquisition cost or net realizable value. Cost of inventories includes; all purchasing costs, covering costs and other costs incurred to make the inventories ready to sell. The covering costs of inventories include costs which are directly related to production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

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

2.09.03 Property, plant and equipment and related depreciation

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

Historical costs include costs directly related to the acquisition of property, plant and equipment. Costs after date of acquisition date, added to the book value of the asset or recorded as a separate asset only in cases where it is possible that the future economic benefit related to the asset will flow to the Group and the cost of the asset can be measured reliably. Repair and maintenance expenses are charged to the income statements during the period in which they are incurred. Machinery and equipment are



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

capitalised and amortised when their capacity is fully available for use. Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives.

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

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

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

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

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

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

2.09.04 Investment Properties

None.

2.09.05 Intangible assets and related amortisation

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

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

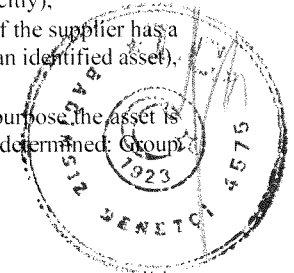
Depreciation is provided for acquired intangible assets on a straight-line basis over their estimated useful lives. Estimated useful live of intangible assets vary over 5 – 20 years.

2.09.06 Leases

Group- as a lessee

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

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

Right-of-use asset Group - as a lessee

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

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

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

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

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

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

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

Lease Liability

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

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

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

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

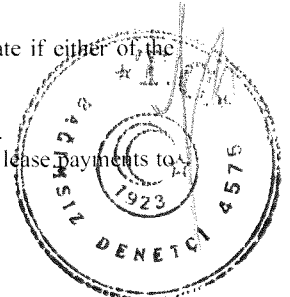
- b) Reducing the carrying amount to reflect the lease payments made, and
- c) Remeasuring the carrying amount to reflect any reassessment or lease modifications. The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

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

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

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

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

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

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

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

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

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

Group - as a lessor

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

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

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

2.09.07 Impairment of Assets

Assets with an indefinite useful life, such as goodwill, are not subject to amortization. An impairment test is applied to these assets each year. For assets subject to amortization, impairment test is applied if the book value cannot be recovered. An impairment loss is recognized if the carrying amount of the asset exceeds the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets except goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.09.08 Borrowing Costs

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

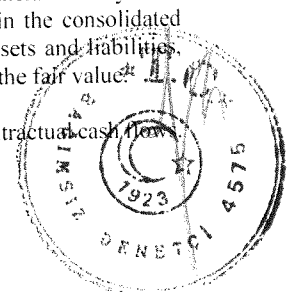
2.09.09 Financial Instruments

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

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

Financial assets and liabilities under TFRS 9 are as follows:

Financial assets



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

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

Financial assets at fair value through profit or loss

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

Financial assets at amortized cost

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

Financial assets at fair value through other comprehensive income

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

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

Repurchase and resale transactions

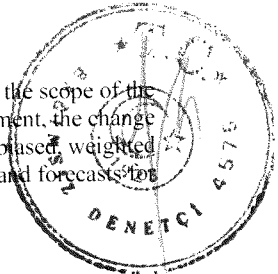
Funds attributed to financial assets as reverse repo are recorded as receivables from reverse repo under cash and cash equivalents in the consolidated financial statements. A discount income is calculated by using the internal discount rate method for the current year portion of the difference between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

Cash and cash equivalents

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

Impairment of financial assets / expected credit loss

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

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

Trade receivables and provision for doubtful receivables

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

It accounted for at amortized cost in the consolidated financial statements and do not contain a significant financing component (less than 1 year as short term) value within the scope of trade receivables impairment calculations applied "simplified approach". In cases where trade receivables are not impaired due to certain reasons (except for realized impairment losses), provisions for losses related to trade receivables "is measured from an equal amount of lifetime expected credit losses". In case of collecting all or part of the receivable amount that is impaired following the provision for impairment, the collected amount is deducted from the main activities to other income by offset the amount deducted from the provision for impairment.

Financial liabilities

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

Other financial liabilities

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

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

The effective interest method is the calculation of the amortized costs of the financial liabilities and the distribution of the related interest expenses to related periods. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period to the net present value of the financial liability.

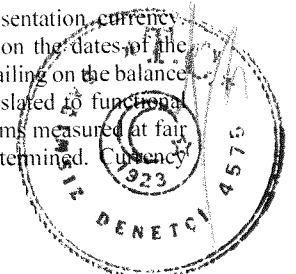
Recognition and derecognition of financial assets and liabilities

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

2.09.10 Foreign Currency Translation

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

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

2.09.11 Earnings Per Share

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

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

2.09.12 Events After the Reporting Period

Events after the reporting period are those events, which occur between the balance sheet date and the date when the financial statements are authorized for issue.

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

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

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

2.09.14 Related Parties

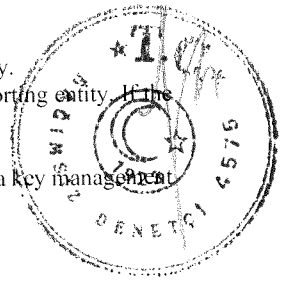
Related parties are individuals or entities that are related to the entity that is preparing its consolidated financial statements (reporting entity).

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)



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

Related party transaction is the transfer of resources, services or liabilities regardless of whether a price is charged or not.

2.09.15 Taxes on Income

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

Current tax

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

Deferred tax

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

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

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

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

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

Current and deferred tax for the period

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

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

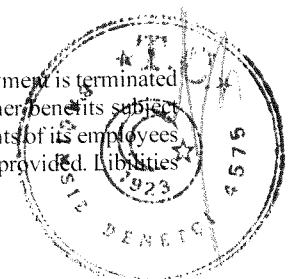
Offsetting in tax assets and liabilities

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

2.09.16 Employee Benefits

Unused vacation rights

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Provision for employment termination benefits

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

Defined benefit plans

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

2.09.17 Statement of Cash Flow

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

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

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

2.09.18 Government Grants

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

2.10 Going Concern

As of 31 December 2023, the Group has prepared its consolidated financial statements with the assumption on the Group's ability to continue its operations in the foreseeable future as a going concern basis of accounting.

New and Revised Turkish Financial Reporting Standards

The new standards, amendments, and interpretations

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

The new standards, amendments and interpretations and interpretations to the existing previous standards which are effective as of 31 December 2023 are as follows:

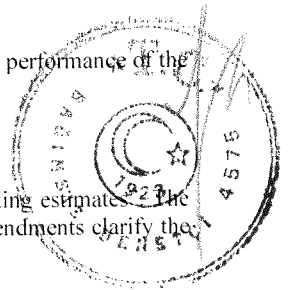
Amendments to TAS 1- Classification of Liabilities as Current and Non-Current Liabilities

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

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

Amendments to TAS 8 - Definition of Accounting Estimates

In August 2021, the POA issued amendments to TAS 8, in which it introduced a new definition of "accounting estimates". The amendments issued to TAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

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

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

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

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

Standards issued but not yet effective and not early adopted

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

Amendment to TAS 1 – Non-current liabilities with covenants

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

Amendments to TAS 7 and TFRS 7 on Supplier finance arrangements

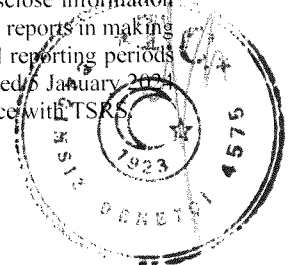
The standard is effective from annual periods beginning on or after 1 January 2024. These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are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

Amendment to TFRS 16 – Leases on sale and leaseback

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

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

TFRS S1 sets out overall requirements for sustainability-related financial disclosures to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 6 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TFRS S1.



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

TSRS 2 Climate-related Disclosures

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

NOTE 3 - BUSINESS COMBINATIONS

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

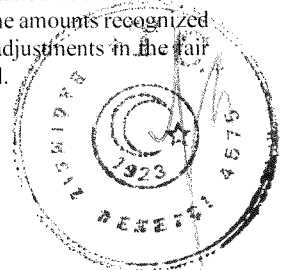
The Group acquired Brandit Mühendislik Yazılım Ticaret Anonim Şirketi's 1020 outstanding shares with the nominal value of TL 25.500 representing its 51% effective ownership interest with a total amount of TL 7.000.000 on 13 September 2023. Accordingly, the Group calculated goodwill amounting to TL 8.338.366 regarding aforementioned acquisition. Brandit Mühendislik's business activities include ensuring engineering and consultancy activities for energy projects and installation services of industrial process control equipment. Brandit Mühendislik has total paid-in share capital amounting to TL 50.000.

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

Account Name	Provisional fair value
Cash and cash equivalents	261.244
Trade receivables	5.559.069
Other receivables	181.810
Inventories	1.309.519
Prepaid expenses	10.141
Non-current assets	177.991
Short-term borrowings	(223.355)
Trade payables	(5.146.291)
Employee benefits	(3.343.259)
Other payables	(34.823)
Deferred income	(153.721)
Provisions	(621.786)
Net fair value of the identifiable assets	(2.023.461)
Profit for the period	188.715
Net fair value of the identifiable assets	(2.212.176)
Non-controlling interests	(991.496)
Identifiable assets acquired	(1.220.680)
Consideration transferred	7.117.686
Goodwill, net	8.338.366

Defic Globe Enerji, the subsidiary of the Group, acquired "Future PV S.R.L." amounting to TL 48.359.096 for the purpose of business development and operational activities in Caracal/Romania on 1 February 2023. Future PV's business activities include ensuring electricity production from solar energy. The Group calculated goodwill amounting to TL 56.824.647 regarding relevant acquisition.

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Account Name	Provisional fair value
Cash and cash equivalents	1.981.076
Trade receivables	9.861.370
Other current assets	67.860.313
Property, plant and equipment	437.809.804
Intangible assets	53.924.112
Prepaid expenses	1.688.888
Deferred tax assets	1.062.468
Trade payables	(91.794.341)
Other payables	(1.445.161)
Short-term borrowings	(135.756)
Long-term borrowings	(550.421.828)
Net fair value of the identifiable assets	(69.609.055)
Profit for the period	(61.143.504)
Net fair value of the identifiable assets	(8.465.551)
Identifiable assets acquired	(8.465.551)
Consideration transferred	48.359.096
Goodwill, net	56.824.647

Defic Globe Enerji, the subsidiary of the Group, acquired "Luce Verde S.R.L." amounting to TL 240.307.315 for the purpose of business development and operational activities in Turceni/Romania on 5 September 2023. Luce Verde's business activities include ensuring electricity production from solar energy. The Group calculated goodwill amounting to TL 239.515.921 regarding relevant acquisition.

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

Account Name	Provisional fair value
Cash and cash equivalents	12.323.898
Other current assets	639.970
Property, plant and equipment	5.054.436
Prepaid expenses	237.662
Trade payables	(1.857.541)
Other payables	(15.987.779)
Net fair value of the identifiable assets	410.646
Profit for the period	(380.748)
Net fair value of the identifiable assets	791.394
Identifiable assets acquired	791.394
Consideration transferred	240.307.315
Goodwill, net	239.515.921

NOTE 4 - DISCLOSURE OF INTERESTS IN OTHER ENTITIES

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

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

Associates and Joint Ventures	Effective ownership interests (%)	31 December 2023 Net balance sheet position	31 December 2022 Net balance sheet position
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	50	-	592.466
HK Enerji – YEO Joint Venture	50	1.179.704	2.463.389
YEO – HSY Joint Venture	50	258.093	1.175.744
Grid Technologies Llc	50	49.662	7.923
Total		1.487.459	4.141.594

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

NOTE 5 - OPERATING SEGMENTS

As of 31 December 2023 and 2022, the functional breakdown of operating segments of the Group is as follows:

01.01.2023-31.12.2023			
	Commitments	Operating activities	Total
Revenue	5.377.917.316	1.004.382.651	6.382.299.967
Cost of sales (-)	(4.058.561.263)	(931.924.869)	(4.990.486.132)
Gross profit from non-finance sector operations	1.319.356.053	72.457.782	1.391.813.835
GROSS PROFIT	1.319.356.053	72.457.782	1.391.813.835

01.01.2022-31.12.2022			
	Commitments	Operating activities	Total
Revenue	2.502.230.978	449.370.630	753.580.766
Cost of sales (-)	(1.907.461.902)	(410.179.594)	(2.317.641.496)
Gross profit from non-finance sector operations	594.769.076	39.191.036	633.960.112
GROSS PROFIT	594.769.076	39.191.035	633.960.112

NOTE 6 - CASH AND CASH EQUIVALENTS

As of 31 December 2023 and 2022, the functional breakdown of cash and cash equivalents is as follows:

Account Name	31.12.2023	31.12.2022
Cash on hand	1.259.024	1.854.528
Banks	811.769.274	123.503.254
- Demand deposits	427.402.201	25.531.703
- Time deposits	128.808.522	75.913.088
- Blocked deposits	255.558.551	22.058.463
Derivatives market collaterals	1.470.888	17.924.936
Cash and cash equivalents, net	814.499.186	143.282.718

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

Currency	31.12.2023	31.12.2022
TL	7.210.886	9.738.458
USD	192.556.487	3.354.477
EUR	209.979.881	9.092.286
CHF	-	865
RON	15.054.684	-
UZS	1.110.584	3.345.617
MKD	216.679	-
PLN	157.498	-
AZN	1.115.502	-
Total	427.402.201	25.531.703

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

Currency	31.12.2023	31.12.2022
TL	126.152.671	72.809.038
USD	2.655.851	3.104.050
EUR	-	-
Total	128.808.522	75.913.088

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

Currency	31.12.2023	31.12.2022
USD	255.558.551	22.058.463
Total	255.558.551	22.058.463

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

As of 31 December 2023 and 2022, the annual effective interest rates of time deposits denominated in foreign currencies and Turkish Lira are as follows:

Currency	31.12.2023		31.12.2022	
	Original currency amount	Annual effective interest rate	Original currency amount	Annual effective interest rate
TL	126.152.671	15.00%-42%	72.809.038	14%-17%
USD	2.655.851	0.12%-0.24%	3.104.050	0.10%-1.81%
Total	128.808.522		75.913.088	

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

NOTE 7 - FINANCIAL INVESTMENTS

As of 31 December 2023 and 2022, the detailed analysis of financial investments measured at amortised cost is as follows:

Account Name	31.12.2023	31.12.2022
Private sector bonds and bills	680.117	53.811.520
Total	680.117	53.811.520

As of 31 December 2023 and 2022, the Group has no short-term financial investments at fair value through profit or loss.

As of 31 December 2023 and 2022, the detailed analysis of financial investments accounted for as equity instruments in the accompanying consolidated financial statements is as follows:

Account Name	31.12.2023	31.12.2022
Nicat Batarya Teknolojileri Ticaret A.Ş.	7.823.344	7.823.343
İon Membran Teknolojileri A.Ş.	5.179.557	-
Total	13.002.901	7.823.343

NOTE 8 – BORROWINGS

As of 31 December 2023 and 2022, the breakdown of short-term borrowings are as follows:

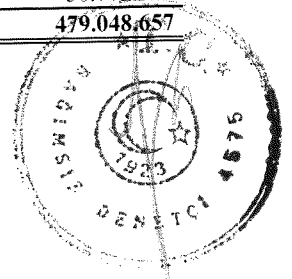
Account Name	31.12.2023	31.12.2022
Bank borrowings	438.466.179	328.530.288
Leasing	11.912.866	-
Principal and interest installments of long-term borrowings	100.654.949	108.752.319
Other	-	198.467
Lease liabilities	1.436.873	449.847
Short-term borrowings, net	552.470.867	437.930.921

As of 31 December 2023 and 2022, the breakdown of long-term borrowings are as follows:

Account Name	31.12.2023	31.12.2022
Bank borrowings	844.154.005	41.766.050
Leasing	17.255.734	-
Lease liabilities	62.695.274	5.197.422
Long-term borrowings, net	924.105.013	46.963.472

As of 31 December 2023 and 2022, redemption schedule of bank borrowings is as follows:

Maturity schedule	31.12.2023	31.12.2022
0-3 months	366.020.381	180.780.262
4-12 months	145.981.856	247.496.072
1 year and over	900.441.496	50.772.323
Total	1.412.443.733	479.048.657



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

31.12.2023

Type	Original currency amount	TL equivalent	Annual effective interest rate (%)
TL	311.362.032	311.362.032	17%-43%
USD	7.129.312	301.423.301	8%-12%
EUR	16.469.481	770.489.801	7%-14%
Total		1.383.275.133	

31.12.2022

Type	Original currency amount	TL equivalent	Annual effective interest rate (%)
TL	310.678.155	310.678.155	6%-31%
USD	2.943.707	157.996.129	3%-12%
EUR	315.268	10.374.373	3%-11%
Total		479.048.657	

NOTE 9 - OTHER FINANCIAL LIABILITIES

None.

NOTE 10 - TRADE RECEIVABLES AND PAYABLES

As of 31 December 2023 and 2022, the breakdown of short-term trade receivables is as follows. The Group has no long-term trade receivables as of the end of the annual reporting periods.

Account Name	31.12.2023	31.12.2022
Trade receivables from third parties	504.221.778	483.040.173
-Customers	498.584.616	483.923.689
-Notes receivables	19.660.210	5.144.436
-Discount on notes receivables (-)	(14.023.048)	(6.027.952)
- Doubtful trade receivables	6.691.524	10.755.464
- Provision for doubtful trade receivables (-)	(6.691.524)	(10.755.464)
Trade receivables from related parties (Note 38)	22.763.360	15.972.342
Short-term trade receivables, net	526.985.138	499.012.515

Trade receivables are performed without obtaining collaterals and guarantees and average turnover period for trade receivables is 23 days (31 December 2022: 41 days). Annual effective interest rate applied on trade receivables is 43.63% (31 December 2022: 11.75%).

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

The movements of provision for doubtful receivables are as follows:

	01.01.2023	01.01.2022
	31.12.2023	31.12.2022
Beginning of the Period – 1 January	10.755.464	15.583.907
Provisions no longer required (-)	(118.732)	(948.523)
Increases during the period	400.320	2.427.930
Adjustments for inflation	(4.345.528)	(6.307.850)
End of the Period – 31 December	6.691.524	10.755.464

As of 31 December 2023 and 2022, the breakdown of short-term trade payables is as follows:

Account Name	31.12.2023	31.12.2022
Trade payables to third parties	800.120.603	321.667.864
-Suppliers	463.416.531	266.979.067
- Notes payable	367.470.576	60.267.091
- Discount on notes payable	(32.622.593)	(5.924.600)
- Other	1.856.089	346.366
Trade payables to related parties (Note 38)	221.725.420	9.781.388
Short-term trade payables, net	1.021.846.023	331.440.255

Average turnover period for trade payables is 41 days (31 December 2022: 28 days). Annual effective interest rate applied on trade payables is 43.63%. (31 December 2022: 11.75%)

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

As of 31 December 2023 and 2022, the Group has no long-term trade payables.

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

NOTE 11 - OTHER RECEIVABLES AND PAYABLES

As of 31 December 2023 and 2022, the breakdown of short-term other receivables is as follows:

Account Name	31.12.2023	31.12.2022
Other receivables from third parties	24.817.070	6.647.640
- Deposits and guarantees given	604.800	3.273.402
- Due from employees	151.148	-
- Other	24.061.122	3.374.238
Other receivables from related parties (Note 38)	5.600.993	9.130.275
Short-term other receivables, net	30.418.063	15.777.915

As of 31 December 2023 and 2022, the breakdown of short-term other payables is as follows:

Account Name	31.12.2023	31.12.2022
Other payables to third parties	2.696.722	650.275
- Taxes payable	2.696.722	650.275
Other payables to related parties (Note 38)	342.015.985	-
Short-term other payables, net	344.712.707	650.275

As of 31 December 2023 and 2022, the Group has no long-term other receivables and payables.

NOTE 12 - CUSTOMER CONTRACTS

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

	31.12.2023	31.12.2022
Revenue under TFRS (A)	7.059.056.901	3.930.901.057
Accumulated costs (B)	(5.221.370.422)	(2.905.240.304)
Profit/loss under TFRS (C=A+B)	1.837.686.479	1.025.660.753
Less: Incurred progress payments (D)	5.015.560.234	3.163.199.974
Contract assets (A-D)	2.043.496.667	767.701.083

As of 31 December 2023 and 2022, the breakdown of receivables from contracts with customers denominated in foreign currencies and Turkish Lira is as follows:

31.12.2023

Type	Original currency amount	TL equivalent
TL	63.465.101	63.465.101
USD	62.246.174	1.832.421.531
EUR	4.531.543	147.610.035
Contract assets (A-D)		2.043.496.667

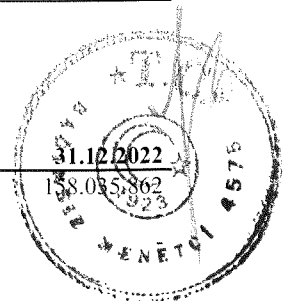
31.12.2022

Type	Original currency amount	TL equivalent
TL	106.942.235	176.211.929
USD	16.216.397	499.623.137
EUR	2.796.757	91.866.018
Contract assets (A-D)		767.701.083

NOTE 13 – INVENTORIES

As of 31 December 2023 and 2022, the details of inventories are as follows:

Account Name	31.12.2023	31.12.2022
Raw materials and supplies	134.974.239	158.035.862
Semi-finished goods	1.122.828	923
Merchandise	3.610.246	



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

Less: Provision for impairment	(546.515)	(1.796.083)
Total	139.160.798	156.239.779

The movements of provision for impairment on inventories are as follows:

	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Beginning of the Period – 1 January	1.796.083	1.952.814
Decreases during the period (-)	(678.718)	-
Increases during the period	-	708.171
Adjustments for inflation	(570.850)	(864.902)
End of the Period – 31 December	546.515	1.796.083

As of 31 December 2023, the Group has no pledged inventories (31 December 2022: None).

NOTE 14 – BIOLOGICAL ASSETS

None.

NOTE 15 - PREPAID EXPENSES AND DEFERRED INCOME

As of 31 December 2023 and 2022, the functional breakdown of prepaid expenses and deferred income is as follows:

Short-term prepaid expenses

Account Name	31.12.2023	31.12.2022
Prepaid expenses to third parties	510.647.126	288.960.636
- Short-term prepaid expenses (*)	97.919.249	147.056.258
- Advances given (**)	412.727.877	141.904.378
Prepaid expenses to related parties (Note 37)	-	-
Short-term prepaid expenses, net	510.647.126	288.960.636

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

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

Long-term prepaid expenses

None.

Short-term deferred income

Account Name	31.12.2023	31.12.2022
Deferred income from third parties	1.416.755.698	569.511.825
- Advances received	1.416.755.698	569.462.466
- Short-term deferred income	-	49.359
Short-term deferred income, net	1.416.755.698	569.511.825

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

Long-term deferred income

None.

NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

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

Associates and Joint Ventures	Effective ownership interests (%)	31.12.2023 Net balance sheet position	31.12.2022 Net balance sheet position
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	50	-	592.466
HK Enerji – YEO Joint Venture	50	1.179.704	592.466
Grid Teknoloji	50	49.662	49.359
Yeo – Hsy Joint Venture	50	258.093	1.135.749

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

Total	1.487.459	4.141.594
--------------	------------------	------------------

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

	31.12.2023	31.12.2022
Beginning of the Period – 1 January	4.141.594	4.663.529
Business combination /transfers	-	(247.858)
Net monetary gains/losses	(283.163)	(3.299.538)
Share of profit or loss	(2.370.972)	3.025.461
End of the Period – 31 December	1.487.460	4.141.594

Associates

As of 31 December 2023 and 2022, associates accounted for using the equity method are as follows:

	31.12.2023	31.12.2022
Associates	Effective ownership interests (%)	Effective ownership interests (%)
Grid Teknoloji (Azerbaijan)	50	-
Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	50	50

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

Mikrohes Teknoloji Enerji Sanayi ve Ticaret A.Ş.	31.12.2023	31.12.2022
Total assets	2.748.774	3.857.153
Total liabilities	4.513.812	2.672.221
Equity	(1.765.038)	1.184.932
Net sales	128.211,00	7.761.286
Profit for the period	(2.949.970)	(1.878.864)
Grid Teknoloji (Azerbaijan)	31.12.2023	31.12.2022
Total assets	249.708	-
Total liabilities	118.055	-
Equity	131.653	-
Net sales	813.152	-
Profit for the period	99.324	-

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

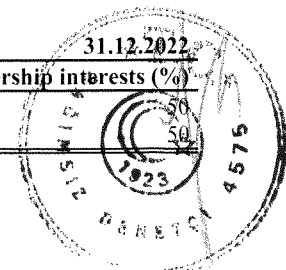
Associates	Opening balance		Business combination /transfers	Monetary gains/losses	Closing balance – 31 December 2023
	1 January 2023	Profit/Loss			
Grid Teknoloji (Azerbaijan)	-	49.662	-	-	49.662
Mikrohes Tekn. Enerji A.Ş.	592.466	(309.303)	-	(283.163)	-
Total	592.466	(259.642)			49.662

Associates	Opening balance – 1 January 2022		Business Combination /transfers	Monetary gains/losses	Closing balance – 31 December 2022
	Profit/Loss				
Marinergey Yenilenebilir Enerji İnş.ve A.Ş.	247.858	-	(247.858)	-	-
Mikrohes Tekn. Enerji A.Ş.	4.168.358	(939.432)	-	(2.636.460)	592.466
Total	4.416.216	(939.432)	(247.858)	(2.636.460)	592.466

Joint Ventures

As of 31 December 2023 and 2022, joint ventures accounted for using the equity method are as follows:

	31.12.2023	31.12.2022
Joint Ventures	Effective ownership interests (%)	Effective ownership interests (%)
HK Enerji – YEO Joint Venture	50	-
Yeo – Hsy Joint Venture	50	-



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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:

HK Enerji – YEO Joint Venture	31.12.2023	31.12.2022
Total assets	6.146.916	8.527.037
Total liabilities	3.787.509	3.700.279
Equity	2.359.407	4.826.758
Net sales	4.709.222	51.914.335
Profit for the period	(2.467.351)	6.152.905

Yeo – Hsy Joint Venture	31.12.2023	31.12.2022
Total assets	2.522.370	5.179.021
Total liabilities	2.006.184	2.907.521
Equity	516.186	2.271.500
Net sales	-	11.620.393
Profit for the period	(1.755.314)	1.776.880

Share of profit/(loss) of joint ventures in which accounted for using the equity method is as follows:

Joint Ventures	Opening balance – 1 January 2023	Profit/Loss	Business combination /transfers	Monetary gains/losses	Closing balance – 31 December 2023
HK Enerji – YEO Joint Venture	2.413.379	(1.233.674)	-	-	1.179.704
Yeo – Hsy Joint Venture	1.135.749	(877.656)	-	-	258.093
Total	1.135.749	(2.111.330)	-	-	1.437.797

Joint Ventures	Opening balance – 1 January 2022	Profit/Loss	Business combination /transfers	Monetary gains/losses	Closing balance – 31 December 2022
HK Enerji – YEO Joint Venture	-	3.076.453	-	(663.074)	2.413.379
Yeo – Hsy Joint Venture	247.324	888.440	-	-	1.135.749
Total	247.324	3.964.893	-	-	3.549.128

NOTE 17 - INVESTMENT PROPERTIES

None.

NOTE 18 - PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2023 and 2022, the movements for property, plant and equipment, and related depreciation are as follows:

31.12.2023

Cost	Opening balance – 1 January 2023	Additions	Disposals	Currency translation differences	Transfers	Revaluation surplus	Closing balance – 31 December 2023
Land	89.525.041	-	-	-	(87.388.150)	-	2.136.891
Buildings	61.240.576	4.762.009	-	-	-	9.397.415	75.400.000
Plant, machinery and equipment	983.128	373.832.228	-	91.543.039	-	-	466.358.395
Motor vehicles	53.198.241	40.109.770	(1.886.188)	397.869	-	-	91.819.692
Furniture and fixtures	32.326.148	29.767.978	-	492.830	-	-	62.586.956
Leasehold improvements	6.023.141	-	-	-	-	-	6.023.141
Constructions in progress	6.275.312	189.963.550	-	23.725.621	87.388.150	99.136.705	406.489.338
Total	249.571.587	638.435.535	(1.886.188)	116.159.359	-	108.534.120	1.110.814.413

Accumulated depreciation (-)	Opening balance 1 January 2023	Current period depreciation (-)	Disposals	Transfers	Revaluation surplus	Currency translation differences	Closing balance – 31 December 2023
Buildings	(2.002.764)	(1.298.331)	-	-	-	-	(3.301.095)
Plant, machinery and equipment	(921.463)	(4.896.021)	-	-	-	(953.655)	(6.771.139)
Motor vehicles	(13.469.743)	(15.331.505)	960.288	-	-	(33.734)	(27.874.694)
Furniture and fixtures	(10.406.561)	(8.115.917)	-	-	-	(395.004)	(18.917.482)
Leasehold improvements	(3.489.579)	(301.157)	-	-	-	-	(3.790.736)
Total	(30.290.110)	(29.942.931)	960.288	-	-	(1.382.393)	(60.655.146)
Net book value	219.281.477						1.050.159.267

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

31.12.2022

Cost	Opening balance – 1 January 2022	Additions	Disposals	Transfers	Revaluation surplus	Closing balance – 31 December 2022
Land	-	89.525.041	-	-	-	89.525.041
Buildings	52.422.574	8.818.002	-	-	-	61.240.576
Plant, machinery and equipment	983.128	-	-	-	-	983.128
Motor vehicles	20.412.759	32.785.482	-	-	-	53.198.241
Furniture and fixtures	13.881.061	18.445.087	-	-	-	32.326.148
Leasehold improvements	6.023.141	-	-	-	-	6.023.141
Constructions in progress	6.275.312	-	-	-	-	6.275.312
Total	99.997.975	149.573.612	-	-	-	249.571.587

Accumulated depreciation (-)	Opening balance – 1 January 2022	Current period depreciation (-)	Disposals	Transfers	Revaluation surplus	Closing balance – 31 December 2022
Buildings	(866.111)	(1.136.653)	-	-	-	(2.002.764)
Plant, machinery and equipment	(822.818)	(98.645)	-	-	-	(921.463)
Motor vehicles	(7.263.464)	(6.206.279)	-	-	-	(13.469.743)
Furniture and fixtures	(7.241.005)	(3.165.556)	-	-	-	(10.406.561)
Leasehold improvements	(3.188.417)	(301.162)	-	-	-	(3.489.579)
Total	(19.381.815)	(10.908.295)				(30.290.110)
Net book value	80.616.160					219.281.477

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

The buildings and construction in progress of the Group has been determined as of 31 December 2023. The fair value of buildings and construction in progress has been determined by the independent appraisal firm "Aden Gayrimenkul Değerleme ve Danışmanlık Anonim Şirketi" and the amounts determined by Aden Gayrimenkul recognised in the accompanying consolidated financial statements in accordance with the report prepared by Aden Gayrimenkul on 29 March 2024.

As of 31 December 2023, the summary financial information and the fair value hierarchy of the buildings and construction in progress are as follows:

	Level 1	Level 2	Level 3
Buildings	-	75.400.000	-
Construction in progress	-	260.390.000	-
Total		335.790.000	

Property, plant and equipment	Method	Immeasurable factor	Sensitivity analysis
Buildings-Constructions in progress	Market approach	Estimates of appraisal expert and depreciation rates are used determining the appraisal report.	The decision, based on past experience, has the material influence on the fair value of the motor vehicles and furniture and fixtures. A change in the exchange rate or inflation index will cause the change in fair value.

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

31.12.2023

Type	Buildings	Constructions in progress
Fair value	75.400.000	260.390.000
Carrying value	66.002.585	161.253.295
Revaluation surplus	9.397.415	99.136.705
Deferred tax (-)	(2.349.353)	(24.784.176)
Report date	29.03.2024	29.03.2024
Appraisal firm	Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş.	Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş.

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

The functional breakdown of depreciation and amortization charges on property, plant and equipment is disclosed in Note 23.



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

NOTE 19 - RIGHT OF USE ASSETS

As of 31 December 2023 and 2022, the movements for right of use assets, and related depreciation are as follows:

31.12.2023

Cost

Account Name	Opening balance – 1 January 2023	Additions	Disposals	Currency translation differences	Closing balance – 31 December 2023
Right of use assets	11.334.031	59.985.401	-	11.370.006	82.689.438
Total	11.334.031	59.985.401	-	11.370.006	82.689.438

Accumulated
depreciation (-)

Account Name	Opening balance – 1 January 2023	Current period depreciation (-)	Disposals	Currency translation differences	Closing balance – 31 December 2023
Right of use assets	(2.023.607)	(1.702.071)	-	(2.655.424)	(6.381.102)
Total	(2.023.607)	(1.702.071)	-	(2.655.424)	(6.381.102)
Net book value	9.310.424				76.308.336

31.12.2022

Cost

Account Name	Opening balance – 1 January 2022	Additions	Disposals	Closing balance – 31 December 2022
Right of use assets	3.443.738	7.890.293	-	11.334.031
Total	3.443.738	7.890.293	-	11.334.031

Accumulated depreciation (-)

Account Name	Opening balance – 1 January 2022	Current period depreciation (-)	Disposals	Closing balance – 31 December 2022
Right of use assets	(844.391)	(1.179.216)	-	(2.023.607)
Total	(844.391)	(1.179.216)	-	(2.023.607)
Net book value	2.599.347			9.310.424

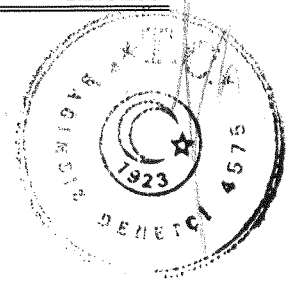
NOTE 20 - INTANGIBLE ASSETS

As of 31 December 2023 and 2022, the movements for intangible assets, and related depreciation are as follows:

31.12.2023

<u>Cost</u>	Opening balance – 1 January 2023	Additions	Disposals	Transfers	Currency translation differences	Closing balance – 31 December 2023
Rights	3.370.600	425.200	-	-	14.073	3.809.873
Total	3.370.600	425.200	-	-	-	3.809.873

<u>Accumulated depreciation (-)</u>	Opening balance – 1 January 2023	Current period depreciation (-)	Disposals	Transfers	Currency translation differences	Closing balance – 31 December 2023
Rights	1.476.078	1.060.537	-	-	-	2.536.615
Total	1.476.078	1.060.537	-	-	-	2.536.615
Net book value						1.273.258



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

31.12.2022

Cost	Opening balance – 1 January 2022	Additions	Disposals	Transfers	Currency translation differences	Closing balance – 31 December 2022
Rights	1.407.752	1.962.848	-	-	-	3.370.600
Total	1.407.752	1.962.848	-	-	-	3.370.600

Accumulated depreciation (-)	Opening balance – 1 January 2022	Current period depreciation (-)	Disposals	Transfers	Currency translation differences	Closing balance – 31 December 2022
Rights		1.196.119	279.959	-	-	1.476.078
Total		1.196.119	279.959			1.476.078
Net book value		211.633				1.894.522

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

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

Goodwill

As of 31 December 2023 and 2022, the balances and detailed analysis of goodwill are as follows:

	31.12.2023	31.12.2022
Opening balance – 1 January	-	-
Additions	304.678.934	-
Closing balance – 31 December	304.678.934	-

NOTE 21 - EMPLOYEE BENEFITS

As of 31 December 2023 and 2022, the breakdown of employee benefits is as follows:

Account Name	31.12.2023	31.12.2022
Due to employees	21.102.073	12.154.723
Taxes payable	25.452.049	17.682.059
Social security premiums payable	15.030.626	9.319.778
Other liabilities	256.707	196.358
Deferred liabilities	1.967.985	-
Total	63.809.440	39.352.918

NOTE 22 - GOVERNMENT GRANTS

None.

NOTE 23 – PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

i) Other short-term provisions

Account Name	31.12.2023	31.12.2022
Provision for lawsuits	30.244	49.834
Provision for unused vacation	13.876.011	5.988.856
Total	13.906.255	6.038.690

The movements of provision for lawsuits are as follows:

	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Beginning of the Period – 1 January	49.834	49.834
Additions	-	-
Provisions no longer required	-	-
Adjustments for inflation	(19.589)	(11.028)
End of the Period – 31 December	30.244	49.834

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

The movements of provision for unused vacation are as follows:

	01.01.2023	01.01.2022
	31.12.2023	31.12.2022
Beginning of the Period – 1 January	5.988.856	2.996.698
Additions	12.769.341	4.856.350
Provisions no longer required	-	-
Adjustments for inflation	(4.882.186)	(1.864.192)
End of the Period – 31 December	13.876.011	5.988.856

ii) *Contingent liabilities and contingent assets*

Contingent events

The Group has allocated provision for doubtful receivables that cannot be collected even though they are overdue and/or are transferred to the execution stage. As of 31 December 2023, the Group has doubtful receivables amounting to TL 6.691.524 (31 December 2022: TL 10.755.464). In addition, the Group has allocated provision for lawsuits amounting to TL 30.244 for possible cash outflow from the Group during the period (31 December 2022: TL 49.834).

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

		31.12.2023		31.12.2022	
	Currency	Original currency amount	TL equivalent	Original currency amount	TL equivalent
Letter of guarantee given	TL	299.406.018	299.406.018	207.130.834	207.130.834
Letter of guarantee given	USD	75.812.083	2.231.771.274	24.629.532	758.829.720
Letter of guarantee given	EUR	2.368.081	77.137.636	4.095.580	134.528.870
Total letter of guarantee given		377.586.182	2.608.314.928		1.100.489.424
Mortgages given	TL	46.000.000	46.000.000		197.727.600
Total mortgages given		46.000.000	46.000.000		197.727.600
Pledges given	TL	444.000	444.000		4.022.964
Total pledges given		444.000	444.000		4.022.964

iv) *Ratio of guarantees and mortgages to equity*

As of 31 December 2023 and 2022, the Group's collateral/pledge/mortgage/bill of guarantee ("C&P&M&B") position is as follows:

Collaterals, Pledges, Mortgages and Bill of Guarantees Given by the Group	31.12.2023	31.12.2022
A. Total amount of CPMB's given in the name of its own legal personality	2.654.758.928	1.295.253.614
B. Total amount of CPMB's given on behalf of the fully consolidated subsidiaries	-	-
C. Total amount of CPMB's given on behalf of third parties for ordinary course of business	-	6.986.375
D. Total amount of other CPMB's given	-	-
i) Total amount of CPMB's given on behalf of the majority shareholder	-	-
ii) Total amount of CPMB's given to on behalf of other group companies which are not in scope of B and C	-	-
iii) Total amount of CPMB's given on behalf of third parties which are not in scope of C	-	-
Total	2.654.758.928	1.302.239.989

As of 31 December 2023, the ratio of guarantees and mortgages to equity given by the Group is 0% (31 December 2022: 0%).

v) *Total insurance coverage on assets*

As of 31 December 2023, total insurance coverage on the assets of the Group is amounting to TL 67.087.595 (31 December 2022: TL 54.251.556).

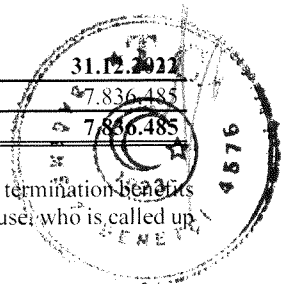
NOTE 24 - COMMITMENTS

None.

NOTE 25 – PROVISIONS FOR EMPLOYEE BENEFITS

Long-term	31.12.2023
Provision for employment termination benefits	13.879.307
Total	13.879.307

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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 2023, the amount payable consists of one month's salary limited to a maximum of TL 35.058,58 (31 December 2022: TL 19.982,83) for each year of service.

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

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

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

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

	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Beginning of the Period – 1 January	7.836.485	4.992.748
Payments during the period (-)	(2.037.600)	(1.295.032)
Interest and service costs	6.405.517	2.714.167
Actuarial gains/(losses)	5.626.383	2.929.294
Losses/(gains) on remeasurements of defined benefit plans	(7.720)	758.946
Adjustments for inflation	(3.943.758)	2.263.638
End of the Period – 31 December	13.879.307	7.836.485

The breakdown of actuarial gains/(losses) is as follows:

	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Actuarial gains/(losses) recognised under other comprehensive income (taxable)	3.834.480	2.929.292
Tax calculated at domestic tax rate 20%-25%	(958.620)	(585.857)
Actuarial gains/(losses), net	2.875.860	2.343.435

NOTE 26 - TAX ASSETS AND LIABILITIES

As of 31 December 2023 and 2022, the detailed analysis of current income tax assets and liabilities is as follows:

Account Name	31.12.2023	31.12.2022
Current income tax liabilities	39.783.982	25.413.238
Less: Prepaid taxes (-)	(9.621.158)	(21.006.406)
Current income tax liabilities, net	30.162.824	4.406.832

Account Name	31.12.2023	31.12.2022
Prepaid taxes	951.675	16.437.700
Total	951.675	16.437.700

NOTE 27 - OTHER ASSETS AND LIABILITIES

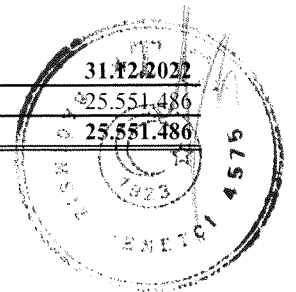
As of 31 December 2023 and 2022, the detailed analysis of other current assets is as follows:

Account Name	31.12.2023	31.12.2022
Deferred VAT	327.008.818	56.802.748
Cash advances	4.802.320	5.515.653
VAT deductible	30.338	
Advances given to employees	1.156.659	902.246
Other	-	3.329.590
Other current assets, net	332.998.135	66.550.237

As of 31 December 2023 and 2022, the detailed analysis of other non-current assets is as follows:

Account Name	31.12.2023	31.12.2022
Long-term income tax withholding allowances	66.202.697	25.551.486
Other non-current assets, net	66.202.697	25.551.486

As of 31 December 2023 and 2022, the Group has no other current and non-current liabilities.



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

NOTE 28 - EQUITY

i) *Non-controlling interests*

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

The movement of non-controlling interests is as follows:

Account Name	31.12.2023	31.12.2022
Beginning of the Period – 1 January	20.289.155	2.596.870
Capital increases	39.200.000	16.371.606
Other comprehensive income	(2.140.480)	10.051
Profit for the period	(23.780.841)	1.310.628
End of the Period – 31 December	33.567.834	20.289.155

As of 31 December 2023 and 2022, other comprehensive income or expenses to be reclassified to profit or loss is as follows:

Account Name	31.12.2023	31.12.2022
Currency translation differences	7.679.723	2.605.578
Total	7.679.723	2.605.578

ii) *Share capital*

As of 31 December 2023, paid-in share capital of the Group is amounting to TL 96.000.000. Yeo Teknoloji has not been adopted the registered share capital system. As of 31 December 2023 and 2022, the principal shareholders and their respective shareholding rates in Yeo Teknoloji are as follows:

	31.12.2023		31.12.2022	
	Amount	Share (%)	Amount	Share (%)
Tolunay Yıldız	13.336.384	13.9	14.593.216	15.20
Orhan Yıldız	13.336.384	13.9	14.593.216	15.20
Özbeş Yıldız	13.330.272	13.9	14.586.528	15.19
Bariş Esen	6.112.000	6.4	6.688.000	6.97
Sinan Karahan	6.112.000	6.4	6.688.000	6.97
Yasin Düven	6.112.000	6.4	6.688.000	6.97
Caner Karataş	2.780.960	2.9	3.043.040	3.17
Listed shares (Other)	34.880.000	36.3	29.120.000	30.33
Total share capital	96.000.000	100	96.000.000	100
Unpaid share capital	-	-	-	-
Total paid-in share capital	96.000.000		96.000.000	

Capital increases during the period

None.

iii) *Restricted reserves*

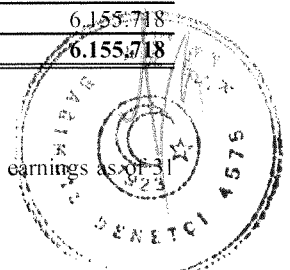
The legal reserves consist of first and second legal reserves, appropriated in accordance with the Turkish Commercial Code (TCC). The TCC stipulates that the first legal reserve is appropriated out of historical statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the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

As of 31 December 2023 and 2022, the breakdown of restricted reserves is as follows:

Account Name	31.12.2023	31.12.2022
Legal reserves	8.274.832	6.155.718
Total	8.274.832	6.155.718

iv) *Retained earnings*

Retained earnings include and other retained earnings and extraordinary reserves. The breakdown of retained earnings as of 31 December 2023 and 2022, is as follows:



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Account Name	31.12.2023	31.12.2022
Retained earnings	356.795.738	153.806.676
Total	356.795.738	153.806.676

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

Account Name	Statutory records recognised in accordance with TPL	Amounts adjusted for inflation in the Consolidated financial statements prepared in accordance with TFRS	Retained earnings, net
Adjustment to share capital	167.256.290	142.573.451	24.682.839
Share premium	65.944.070	119.411.591	(53.467.521)
Legal reserves	6.073.743	8.274.832	(2.201.089)
Total	239.274.103	270.259.874	(30.985.771)

v) *Share premium*

Account Name	31.12.2023	31.12.2022
Share premium	119.411.591	119.411.591
Total	119.411.591	119.411.591

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

As of 31 December 2023 and 2022, the breakdown of other comprehensive income or expenses not to be reclassified to profit or loss recognized in equity is as follows:

Account Name	31.12.2023	31.12.2022
Gains/(losses) on remeasurements of defined benefit plans	(5.219.295)	(2.343.435)
Gains/(losses) on revaluation and remeasurements	81.400.591	-
Total	76.181.296	(2.343.435)

vii) *Other*

As of 31 December 2023 and 2022, the breakdown of equity items is as follows:

Account Name	31.12.2023	31.12.2022
Paid-in share capital	96.000.000	96.000.000
Adjustment to share capital	142.573.451	142.573.451
Share premium	119.411.591	119.411.591
Other comprehensive income or expenses not to be reclassified to profit or loss	76.181.296	(2.343.435)
- Gains/(losses) on remeasurements of defined benefit plans	(5.219.295)	(2.343.435)
- Gains/(losses) on revaluation and remeasurements	81.400.591	-
Currency translation differences	7.679.723	2.605.578
Restricted reserves	8.274.832	6.155.718
Retained earnings	356.795.738	153.806.676
Profit for the period	424.780.555	205.108.176
Equity holders of the parent	1.231.697.186	723.317.755
Non-controlling interests	33.567.834	20.289.155
Total equity	1.265.265.020	743.606.910

NOTE 29 - REVENUE AND COST OF SALES

As of 31 December 2023 and 2022, the functional breakdown of revenue and cost of sales is as follows:

Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Domestic sales	5.623.092.931	2.558.935.138
Foreign sales	900.907.148	421.674.145
Other revenue	16.147.365	15.066.748
Sales returns (-)	(157.847.477)	(38.430.490)
Sales discounts (-)	-	(5.602.030)
Other discounts (-)	-	(21.903)
Net sales	6.382.299.967	2.951.601.608

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Cost of sales (-)	(4.990.486.132)	(2.317.641.496)
Gross profit	1.391.813.835	633.960.112

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

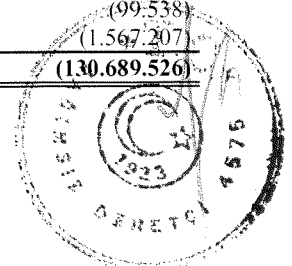
As of 31 December 2023 and 2022, the functional breakdown of operating expenses is as follows:

Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Research and development expenses (-)	(32.263.101)	(1.279.161)
Marketing, sales and distribution expenses (-)	(136.227.601)	(93.008.983)
General administrative expenses (-)	(121.116.789)	(36.401.382)
Total operating expenses (-)	(289.607.491)	(130.689.526)

NOTE 31 - EXPENSES BY NATURE

As of 31 December 2023 and 2022, the functional breakdown of research and development expenses, marketing, sales and distribution expenses and general administrative expenses recognized under expenses by nature is as follows:

Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Research and Development Expenses (-)	(32.263.101)	(1.279.161)
Personnel Expenses	(24.416.797)	(1.279.161)
Outsourcing Expenses	(6.758.466)	-
Other	(1.087.838)	-
Marketing, Sales and Distribution Expenses (-)	(136.227.601)	(93.008.983)
Fair, Travel and Accommodation Expenses	(7.694.026)	(2.402.969)
Personnel Expenses	(29.488.639)	(5.975.531)
Outsourcing Expenses	(7.392.733)	(211.229)
Storage Expenses	(1.858.469)	(673.635)
Transportation and Distribution Expenses	(345.605)	(155.111)
Other	(3.715.949)	(886.221)
Motor Vehicle Expenditures	(1.573.859)	(596.884)
Consultancy Expenses	(5.369.312)	(212.580)
Advertisement and Promotion Expenses	(5.372.176)	(1.108.313)
Rent Expenses	(588.713)	(135.620)
Commission Expenses	(72.828.120)	(80.650.890)
General Administrative Expenses (-)	(121.116.789)	(36.401.382)
Personnel Expenses	(26.087.319)	(11.596.984)
Depreciation and Amortisation Charges	(16.056.482)	(1.809.977)
Consultancy Expenses	(17.098.466)	(2.240.379)
Tender Costs	(241.319)	-
Motor Vehicle Expenditures	(4.642.782)	(3.434.757)
Employment Termination Benefits	(3.111.881)	(998.778)
Grants and Donations	(2.401.045)	(229.466)
Taxes, Duties and Charges	(4.160.899)	(2.783.591)
Insurance Expenses	(36.677)	(115.244)
Other	(15.143.099)	(3.393.431)
Maintenance and Repair Expenses	(152.243)	(102.517)
Fair, Travel and Accommodation Expenses	(1.838.825)	(667.754)
Rent Expenses	(536.919)	(138.856)
Furniture and Fixture Costs	(611.625)	(54.586)
Outsourcing Expenses	(14.768.678)	(3.747.123)
Transportation and Distribution Expenses	(285.917)	(55.486)
Stationery Expenses	(346.638)	(137.727)
Vacation Rights	(6.315.037)	(2.344.903)
Audit and Litigation Fees and Charges	(2.451.761)	(883.078)
Information Systems and Communication Expenses	(1.092.841)	(99.538)
Daily Allowance Fees and Charges	(3.736.366)	(1.567.207)
Total operating expenses, net (-)	(289.607.491)	(130.689.526)



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
General administrative expenses	(16.056.482)	(1.809.977)
Service costs	(16.649.057)	(10.647.450)
Depreciation and amortisation charges, net	(32.705.539)	(12.457.427)

NOTE 32 - OTHER OPERATING INCOME/(EXPENSES)

As of 31 December 2023 and 2022, the breakdown of other operating income and expenses is as follows:

Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Other operating income	301.022.307	53.693.978
Provisions no longer required (Doubtful receivables)	95.081	948.524
Discount income	40.739.747	6.908.756
Reversal of discounts	4.265.996	2.601.703
Foreign exchange gains	239.453.935	35.808.256
Other	16.467.548	7.426.739
Other operating expenses (-)	(778.271.805)	(112.566.760)
Provision for doubtful receivables	(320.578)	-
Discount expenses	(17.512.263)	(7.029.195)
Reversal of discounts	(4.192.891)	(2.629.311)
Foreign exchange losses	(741.591.394)	(89.188.484)
Other	(14.654.679)	(13.719.770)
Other operating income/(expenses), (net)	(477.249.498)	(58.872.782)

NOTE 33 - GAINS/ (LOSSES) FROM INVESTMENT ACTIVITIES

As of 31 December 2023 and 2022, the breakdown of gains and losses from investment activities is as follows:

Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Gains from investment activities	115.991.122	66.041.163
Interest income	14.579.343	22.301.991
Gain on bargain purchases	-	2.038.471
Gain on sale of securities	101.411.779	41.700.701
Losses from investment activities (-)	(8.380.443)	(6.199.489)
Loss on sale of securities	(8.380.443)	(6.199.489)
Gains/(losses) from investment activities, (net)	107.610.679	59.841.674

NOTE 34 - FINANCIAL INCOME/(EXPENSES)

As of 31 December 2023 and 2022, the breakdown of financial income and expenses is as follows:

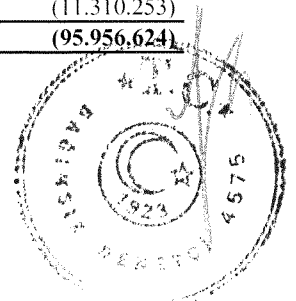
Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Foreign exchange gains	209.217.559	22.173.021
Financial income, net	209.217.559	22.173.021

Account Name	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Bank commissions, fees and charges	(3.297.280)	(8.963.828)
Letter of guarantee fees and charges	(20.631.037)	(7.697.399)
Interest expenses	(142.198.416)	(67.985.144)
Foreign exchange losses	(27.741.942)	(11.310.253)
Financial expenses, net	(193.868.675)	(95.956.624)

NOTE 35 – NON-CURRENT ASSETS HELD FOR SALE

None.

NOTE 36 – INCOME TAXES



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

The Group's tax expense (or income) consists of current period's corporate tax expense and deferred tax expense (or income). As of 31 December 2023 and 2022, the breakdown and detailed analysis of income taxes are as follows:

	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Current period tax expense	(49.502.636)	(16.876.103)
Deferred income tax expense	(233.484.561)	(64.386.688)
Total tax income/(expense)	(282.987.197)	(81.262.791)

i) Corporate tax

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.

In accordance with the first paragraph of Article 32 of the Corporate Tax Law numbered 5520 (to be applied to corporate earnings in 2023 and subsequent taxation periods). "Corporate tax is collected at a rate of 20% on corporate earnings." is determined as the current period corporate tax.

Law No.7456 has entered into force as of July 15th, 2023, by being promulgated on the Official Gazette.

In the Official Gazette dated 15/7/2023 and numbered 32249, Law No.7456, "Law on the Amendment of Additional Motor Vehicles Tax for Compensation of Economic Losses Caused by Earthquakes Occurring on 6/2/2023 and Amendments to Some Laws and Decree-Law No. 375" was published. However, as per the Article 21st of the new Law: For companies other than those in the financial sector, the corporate tax rate is increased from 20% to 25% with effect from 1 October 2023.

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. However, in accordance with the presidential decision No.4936 published in the Official Gazette on 22 December 2021 reduces the concerned withholding tax rate to 10% from 15%. No withholding tax is imposed on dividends paid to a resident company and hence the recent decision does not have impact on profit distributions from a resident company to another resident company.

Provision for income taxes is calculated as follows:

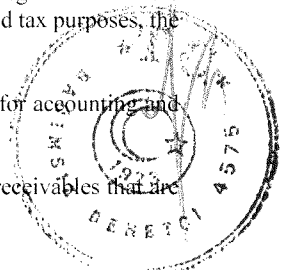
	31.12.2023	31.12.2022
Operating profit	183.059.261	34.763.869
Tax base additions	24.939.145	12.647.405
Non-deductible expenses	24.939.145	12.647.405
Tax losses and other advantages (-)	(25.734.617)	(24.875.279)
Exemptions and deductions	(25.734.617)	(24.875.279)
Operating profit, net	182.263.789	22.535.995
Current period tax expense of Yeo Teknoloji Enerji ve Endüstri A.Ş.	(37.952.046)	(4.732.559)
Operating profit of group companies	62.864.292	23.794.575
Provision for income taxes	(1.687.543)	(4.723.395)
Provision for income taxes, net	(39.639.589)	(9.455.954)
Net monetary gains/losses	(9.863.047)	(7.420.149)
Current period tax expense, net	(49.502.636)	(16.876.103)

ii) Deferred tax

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

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

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

Account Name	31.12.2023 Cumulative temporary differences	31.12.2023 Deferred tax assets/ (liabilities)	31.12.2022 Cumulative temporary differences	31.12.2022 Deferred tax assets/ (liabilities)
Discount on Notes Receivables	14.023.048	3.505.762	6.027.952	1.267.508
Provision for Doubtful Receivables	3.853.352	963.338	5.986.016	1.197.203
Receivables from Contracts with Customers	2.310.460.213	(231.023.025)	1.749.286.616	(64.015.823)
Property, Plant and Equipment	45.265.575	(11.624.518)	53.558.588	(10.785.375)
Intangible Assets	99.137.833	(24.784.458)	171.535	(34.307)
Right of Use Assets	31.874.705	(3.305.696)	6.778.831	(732.633)
Inventories	1.100.149	8.666	1.325.307	(265.061)
Prepaid Expenses	11.211.422	2.802.856	35.275.096	(7.407.770)
Provision for Lawsuits	30.244	7.561	49.834	9.967
Time Deposits	39.536	(9.884)	1.386.555	(291.177)
Leasing	764.233	191.058	-	-
Loans	18.921.841	4.730.460	10.262.506	2.155.125
Discount on Notes Payable	32.622.593	(8.155.648)	5.924.660	(1.318.486)
Short-Term Prepaid Expenses	32.541.775	(8.135.444)	63.539.212	(13.062.918)
Financial Investments	66.477.912	(4.167.280)	-	-
Employment Termination Benefits	13.274.630	3.318.658	7.836.485	1.567.298
Provision for Unused Vacation	13.835.180	3.458.795	5.988.856	1.257.660
Notes Receivables	1.753.784	438.446	-	-
Currency Translation Differences	25.055.029	4.783.686	11.447.775	920.735
Other	4.919.311	960.066	10.266.524	1.508.686
Deferred tax assets/(liabilities), (net)		(266.036.601)	-	(88.029.368)

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

	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Beginning of the period - 1 January	(88.029.369)	(35.150.255)
Charge to equity	(26.174.910)	585.857
Charge to profit or loss	(233.484.561)	(64.386.688)
Net monetary gains/losses	81.642.070	10.921.717
Currency translation differences	10.168	-
End of the period - 31 December	(266.036.602)	(88.029.369)

Income tax expenses in the consolidated statements of profit or loss and reconciliation of the effective tax charges are summarised as follows:

	01.01.2023 31.12.2023	01.01.2022 31.12.2022
Profit before tax	684.178.292	287.681.595
Tax calculated at domestic tax rate	(171.044.573)	(60.413.135)
Tax effect	(111.942.624)	(20.849.656)
- Tax allowances/exemptions	20.243.280	8.567.045
- Non-deductible expenses	(6.234.786)	(4.355.766)
- The effect of revaluation, net (Tax procedure law numbered 32 and 298ç)	(9.379.235)	(1.875.130)
- Monetary gains/losses	(64.552.111)	(39.622.298)
- Other (Tax rate changes)	(52.019.772)	16.436.493
Tax income/(expense)	(282.987.197)	(81.262.791)

NOTE 37 - EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Accordingly, the weighted average number of shares used in earnings per share calculation as of 31 December 2023 and 2022, which is as follows:

Earnings per share	31.12.2023	31.12.2022
Profit for the period	424.780.555	214.391.077
Weighted average number of shares	96.000.000	96.000.000
Earnings per share	4.4248	2.2333

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

NOTE 38 - RELATED PARTY DISCLOSURES

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

a) Related party balances are as follows:

	Receivables		Payables	
	Trade Receivables	Other Receivables	Trade Payables	Other Payables
31.12.2023				
Yılmaz İnşaat Mak. Elek. San. Tic. Ltd. Şti.	5.239.155	-	-	-
Mikrohes A.Ş.	-	3.433.054	-	-
Yeo Contracting I.Lc	11.219.652	-	-	-
Hk Endüstri Enerji İnşaat San. Ve Dış Tic. A.Ş	530.483	-	-	-
Yeo-Bemoni Partnership (*)	-	-	221.375.264	-
Emsolt Investments	-	-	-	342.015.985
Yaşar Tuncer	-	2.167.939	-	-
Nicat batarya Tekn Tic A.Ş.	283.919	-	-	-
Yeo Teknoloji -Hk Enerji Joint Venture	3.580.550	-	-	-
Yeo Teknoloji - Hsy Yapı Joint Venture	1.909.601	-	-	-
Other	-	2.167.939	350.156	-
Total	22.763.360	5.600.993	221.725.420	342.015.985

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

	Receivables		Payables	
	Trade Receivables	Other Receivables	Trade Payables	Other Payables
31.12.2022				
Yılmaz İnşaat Mak. Elek. San. Tic. Ltd. Şti.	-	-	577.442	-
Hk Endüstri Enerji İnşaat San. Ve Dış Tic. A.Ş	2.562.827	-	-	-
Yeo Contracting I.Lc	7.318.154	-	-	-
Yeo Teknoloji -Hk Enerji Joint Venture	3.015.361	-	-	-
Yeo Teknoloji - Hsy Yapı Joint Venture	3.076.000	-	-	-
Mikrohes Tekn.Tic A.Ş.	-	272.652	-	-
Seiso Enerji Sist. Müh. San. Tic. A.Ş.	-	-	9.203.946	-
Emsolt Investments	-	8.381.421	-	-
Other	-	476.202	-	-
Total	15.972.342	9.130.275	9.781.388	-

b) Related party transactions are as follows:

31.12.2023

Sales

Related parties	Goods and services	Rent income	Other	Currency translation differences	Total
Yeo Contracting I.Lc	-	-	950.224	-	950.224
Mikrohes A.Ş.	-	-	309.878	-	309.878
Yeo Teknoloji -Hk Enerji Joint Venture	3.935.720	-	-	-	3.935.720
Seiso Enerji Sist. A.Ş.	25.148.826	-	-	-	25.148.826
Total	29.084.546	-	1.260.102	-	30.344.648

Purchases

Related parties	Goods and services	Rent expenses	Other	Currency translation differences	Total
Yılmaz İnşaat A.Ş.	2.841.089	-	-	-	2.841.089
Orhan Yıldız	-	2.207.950	-	-	2.207.950
Total	2.841.089	2.207.950	-	-	5.049.039

31.12.2022

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

Sales

Related parties	Goods and services	Rent income	Other	Total
Yeo Teknoloji -Hk Enerji Joint Venture	22.341.677	-	-	22.341.677
Seiso Enerji Sist. A.Ş.	68.839.657	-	-	68.839.657
İlk End. Enerji a.ş.	15.416.731	-	-	15.416.731
Yeo Teknoloji - Hsy Yapı Joint Venture	6.387.752	-	-	6.387.752
Mikrohes Tekn. A.Ş.	-	-	2.560	2.560
Yeo Contracting İ.Lc	238.066	-	-	238.066
Total	113.223.883	-	2.560	113.226.443

Purchases

Related parties	Goods and services	Rent expenses	Other	Total
Yılmaz İnşaat Mak. Elek. San. Tic. Ltd. Şti.	878.287	-	-	878.287
Orhan Yıldız	-	816.270	-	816.270
Total	878.287	816.270	-	1.694.557

c) Key management compensation

Total key management compensation incurred by Yeo Teknoloji as of 31 December 2023 amounted to TL 9.961.596 (31 December 2022: TL 7.873.671).

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

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

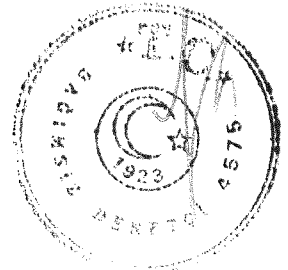
The Group monitors capital on the basis of the net financial debt/total equity ratio. This ratio calculated as dividing net debt by total capital. Net debt is calculated by deducting cash and cash equivalents from the total debt amount (includes borrowings and finance leases as disclosed in the consolidated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

Consolidated net financial debt/invested capital ratio as of 31 December 2023 and 2022 is as follows:

	31.12.2023	31.12.2022
Total borrowings	1.476.575.880	479.247.124
Less: Cash and cash equivalents	(814.499.186)	(143.282.718)
Net financial debt	662.076.694	335.964.406
Equity	1.264.475.512	743.606.910
Invested capital	1.926.552.206	1.079.571.316
Net financial debt/invested capital ratio	34.37%	31.12%

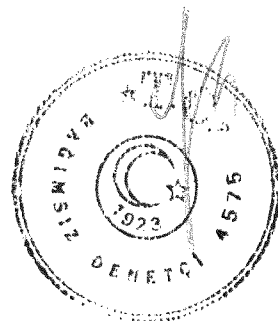
Foreign exchange risk

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



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

Foreign Exchange Position										
	31.12.2023					31.12.2022				
	TL equivalent	USD	EUR	GBP	Other	TL equivalent	USD	EUR	GBP	Other
1. Trade Receivables	521,534,595	14,753,732	2,535,594	-	709,086	1,060,788,011	29,678,230	4,048,992	-	744,203
2a. Monetary Financial Assets	2,580,183,718	72,860,479	10,907,377	-	467,437,430	20,553,154	209,626	177,302	-	1,220,651,248
2b. Non-Monetary Financial Assets	198,040	-	-	-	5,664	68,687,893	25,887	1,109,456	-	944,735
3. Other	-	-	-	-	-	29,315,126	269,658	508,094	-	1,569,027,563
4. Total Current Assets (1+2+3)	3,101,916,354	87,614,211	13,442,972	-	468,152,180	1,179,344,183	30,183,401	5,843,844	-	2,791,367,749
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)	3,101,916,354	87,614,211	13,442,972	-	468,152,180	1,179,344,183	30,183,401	5,843,844	-	2,791,367,749
10. Trade Payables	176,535,249	3,464,069	1,778,134	-	90,311,517	212,274,155	5,562,357	933,823	-	789,058,963
11. Financial Liabilities	171,012,975	-	5,250,000	-	-	10,532,358	5,119	315,268	-	-
12a. Other Monetary Liabilities	911,347,208	25,827,227	4,529,743	-	1,459,721,810	430,447,553	9,861,380	3,730,052	-	1,210,731,569
12b. Other Non- Monetary Liabilities	-	-	-	-	-	590,053	-	922	-	142,088,879
13. Total Current Liabilities (10+11+12)	1,258,895,431	29,291,296	11,557,877	-	1,550,033,327	653,844,119	15,428,856	4,980,064	-	2,141,879,411
14. Trade Payables	-	-	-	-	-	-	-	-	-	-
15. Financial Liabilities	90,033,269	-	-	-	13,827,234	-	-	-	-	-
16a. Other Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
16b. Other Non- Monetary Liabilities	-	-	-	-	-	-	-	-	-	-
17. Total Non-Current Liabilities (14+15+16)	-	-	-	-	13,827,234	-	-	-	-	-
18. Total Liabilities (13+17)	1,258,895,431	29,291,296	11,557,877	-	1,563,860,561	653,844,119	15,428,856	4,980,064	-	2,141,879,411
19. Off-Balance Sheet Derivative Instruments Net /Asset / (Liability) Position (19a-19b)										
19a. Total Asset Amount of Hedged	-	-	-	-	-	-	-	-	-	-
19b. Total Liabilities Amount of Hedged	-	-	-	-	-	-	-	-	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	1,843,020,923	58,322,916	1,885,095	-	(1,095,708,381)	525,500,064	14,754,545	863,780	-	649,488,338
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	1,752,789,614	58,322,916	1,885,095	-	(1,095,714,045)	457,402,223	14,728,658	(244,755)	-	790,632,482
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge										
23. Foreign Exchange Hedged Portion Amount of Assets	-	-	-	-	-	-	-	-	-	-
24. Foreign Exchange Hedged Portion Amount of Liabilities	-	-	-	-	-	-	-	-	-	-
25. Export	573,014,771	8,983,947	12,305,016	-	8,280	280,552,086	4,236,792	5,108,849	-	-
26. Import	410,012,254	3,922,547	11,187,091	-	3,136,944	101,451,665	1,307,681	1,609,749	-	7,553,872



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023

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

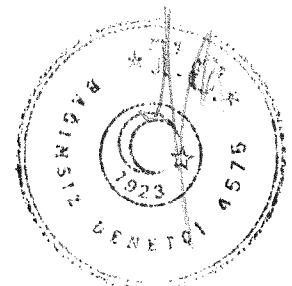
The following table details the Group's foreign currency sensitivity as at 31 December 2023 and 2022 for the changes at the rate of 10%:

Foreign Exchange Sensitivity Analysis		
31.12.2023		
	Profit/Loss	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
Change in USD against TL by 10%		
1- USD Net Asset / Liability	171.692.165	(171.692.165)
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	171.692.165	(171.692.165)
Change in EUR against TL by 10%		
4- EUR Net Asset / Liability	6.140.490	(6.140.490)
5- Hedged portion of EUR Risk (-)	-	-
6- EUR Net Effect (4+5)	6.140.490	(6.140.490)
Change in Other currencies against TL by 10%		
7- Other Currencies Net Asset / Liability	13.151.091	(13.151.091)
8- Hedged portion of Other Currencies Risk (-)	-	-
9- Other Currencies Net Effect (7+8)	13.151.091	(13.151.091)
TOTAL	190.983.746	(190.983.746)
Foreign Exchange Sensitivity Analysis		
31.12.2022		
	Profit/Loss	
	Appreciation of Foreign Currency	Depreciation of Foreign Currency
Change in USD against TL by 10%		
1- USD Net Asset / Liability	45.372.709	(45.372.709)
2- Hedged portion of USD Risk (-)	-	-
3- USD Net Effect (1+2)	45.372.709	(45.372.709)
Change in EUR against TL by 10%		
4- EUR Net Asset / Liability	2.807.826	(2.807.826)
5- Hedged portion of EUR Risk (-)	-	-
6- EUR Net Effect (4+5)	2.807.826	(2.807.826)
Change in Other currencies against TL by 10%		
7- Other Currencies Net Asset / Liability	4.369.472	(4.369.472)
8- Hedged portion of Other Currencies Risk (-)	-	-
9- Other Currencies Net Effect (7+8)	4.369.472	(4.369.472)
TOTAL	52.550.007	(52.550.007)

Credit risk

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

As of 31 December 2023 and 2022, the exposure of consolidated financial assets to credit risk is as follows:



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

CREDIT RISK DETAILS IN RESPECT OF FINANCIAL INSTRUMENT TYPES

31.12.2023	Receivables						
	Trade Receivables		Other Receivables		Notes	Bank Deposits	Not
	Related Party	Other	Related Party	Other			
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	22.763.360	504.221.778	5.600.993	24.817.070	10-11	811.769.274	6
- Maximum risk secured with guarantees and collaterals	-	-	-	-	10-11	-	6
A. Net book value of neither past due nor impaired financial assets	22.763.360	504.221.778	5.600.993	24.817.070	10-11	811.769.274	6
B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
C. Net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
- Secured with guarantees and collaterals	-	-	-	-	10-11	-	6
D. Net book value of impaired assets	-	-	-	-	10-11	-	6
- Past due (gross book value)	-	6.691.524	-	203.954	10-11	-	6
- Impairment (-)	-	(6.691.524))	-	(203.954)	10-11	-	6
- Secured with guarantees and collaterals	-	-	-	-	10-11	-	6
- Not past due (gross book value)	-	-	-	-	10-11	-	6
- Impairment (-)	-	-	-	-	10-11	-	6
- Secured with guarantees and collaterals	-	-	-	-	10-11	-	6
E. Off-balance sheet expected credit losses (-)	-	-	-	-	10-11	-	6

31.12.2022	Receivables						
	Trade Receivables		Other Receivables		Notes	Bank Deposits	Not
	Related Party	Other	Related Party	Other			
Maximum exposure to credit risk as of reporting date (A+B+C+D+E)	15.972.342	483.040.173	9.130.275	6.647.640	10-11	123.503.254	6
- Maximum risk secured with guarantees and collaterals	-	-	-	-	10-11	-	6
A. Net book value of neither past due nor impaired financial assets	15.972.342	483.040.173	9.130.275	6.647.640	10-11	123.503.254	6
B. Conditions are renegotiated otherwise, net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
C. Net book value of past due but not impaired financial assets	-	-	-	-	10-11	-	6
- Secured with guarantees and collaterals	-	-	-	-	10-11	-	6
D. Net book value of impaired assets	-	-	-	-	10-11	-	6
- Past due (gross book value)	-	10.755.464	-	357.765	10-11	-	6
- Impairment (-)	-	(10.755.464)	-	(357.765)	10-11	-	6
- Secured with guarantees and collaterals	-	-	-	-	10-11	-	6
- Not past due (gross book value)	-	-	-	-	10-11	-	6
- Impairment (-)	-	-	-	-	10-11	-	6
- Secured with guarantees and collaterals	-	-	-	-	10-11	-	6
E. Off-balance sheet expected credit losses (-)	-	-	-	-	10-11	-	6

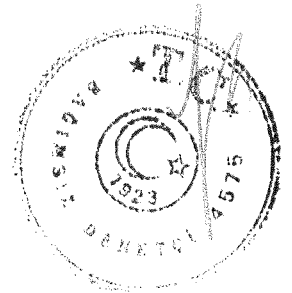
Liquidity risk

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

Liquidity risk statements

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

Undiscounted contractual cash flows of the derivative and non-derivative consolidated financial liabilities in TL as of 31 December 2023 and 2022 are as follows:



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

31.12.2023					
Contractual maturities	Carrying Value	Total Contractual Cash Outflows	Demand or up to 3 months	3-12 months	1 year and over
Non-Derivative Financial Liabilities					
Financial Liabilities (Borrowings)	1.383.275.133	1.507.123.588	376.240.568	181.049.289	949.833.731
Leasing	29.168.600	35.006.610	3.193.302	5.322.170	26.491.138
Lease Liabilities	64.132.147	212.395.847	1.763.617	5.290.851	205.341.379
Trade Payables	1.021.846.023	1.054.468.616	1.054.468.616	-	-
Other Payables	344.712.707	344.712.707	344.712.707	-	-
	2.843.134.610	3.153.707.368	1.780.378.810	191.662.310	1.181.666.248
31.12.2022					
Contractual maturities	Carrying Value	Total Contractual Cash Outflows	Demand or up to 3 months	3-12 months	1 year and over
Non-Derivative Financial Liabilities					
Financial Liabilities (Borrowings)	479.247.124	562.046.651	183.449.795	267.069.191	111.527.665
Lease Liabilities	5.647.269	10.133.540	339.844	1.019.533	8.774.162
Trade Payables	331.449.252	337.373.912	337.373.912	-	-
Other Payables	650.275	650.275	650.275	-	-
	816.993.920	910.204.378	521.813.827	268.088.724	120.301.827

Interest rate risk

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

Interest Position

Fixed-interest rate financial instruments	31.12.2023	31.12.2022
Financial assets	128.808.522	75.913.088
Financial liabilities	1.412.443.733	479.247.124
Floating- interest rate financial instruments	31.12.2023	31.12.2022
Financial assets	-	-
Financial liabilities	-	-

Fair value of financial assets and liabilities

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

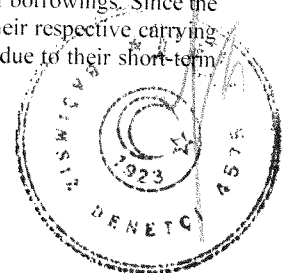
The following methods and assumptions are used to estimate the fair values of financial instruments:

Financial assets

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

Financial liabilities

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



YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

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

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

Financial risk management

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

Fair value of financial instruments

The fair value of financial instruments is determined using valuation techniques based on observable market data, market comparable approach that reflects recent transaction prices for similar properties and discounted cash flows. Estimated fair values of financial instruments have been determined by the Group by using available market information and appropriate valuation methodologies. However, judgment is necessarily required to interpret market data. Accordingly, estimates presented herein are not necessarily indicative of the amounts the Group could realise in a current market exchange. The following methods and assumptions are used to estimate the fair values of financial instruments:

Monetary assets

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

Monetary liabilities

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

31.12.2023	Other financial assets at amortised cost	Loans and receivables	Financial assets / (liabilities) at fair value through profit or loss	Other financial liabilities at amortised cost	Carrying value	Fair value	Notes
Financial assets							
Cash and cash equivalents	814.499.186	-	-	-	814.499.186	814.499.186	6
Trade receivables	526.985.138	-	-	-	526.985.138	526.985.138	10
Other receivables	30.418.063	-	-	-	30.418.063	30.418.063	11
Financial investments	13.683.018	-	-	-	13.683.018	13.683.018	7
Financial liabilities							
Borrowings	1.412.443.733	-	-	1.412.443.733	1.412.443.733	1.412.443.733	8
Trade payables	1.021.846.023	-	-	1.021.846.023	1.021.846.023	1.021.846.023	10
Other financial liabilities	-	-	-	-	-	-	9
31.12.2022	Other financial assets at amortised cost	Loans and receivables	Financial assets / (liabilities) at fair value through profit or loss	Other financial liabilities at amortised cost	Carrying value	Fair value	Notes
Financial assets							
Cash and cash equivalents	143.282.718	-	-	-	143.282.718	143.282.718	6
Trade receivables	499.012.515	-	-	-	499.012.515	499.012.515	10
Other receivables	15.777.915	-	-	-	15.777.915	15.777.915	11
Financial investments	61.634.863	-	-	-	61.634.863	61.634.863	7
Financial liabilities							
Borrowings	479.247.124	-	-	479.247.124	479.247.124	479.247.124	8
Trade payables	331.449.252	-	-	331.449.252	331.449.252	331.449.252	10
Other financial liabilities	-	-	-	-	-	-	9

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.

YEO TEKNOLOJİ ENERJİ VE ENDÜSTRİ ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023
(Amounts are expressed in Turkish Lira unless otherwise indicated.)

Financial assets

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

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

Within the framework of the methods and assumptions explained above, the carrying values and estimated fair values of financial assets as of 31 December 2023 and 2022 are presented in the table below:

31.12.2023		Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets at fair value through profit or loss		-	-	-	-
31.12.2022					
Financial assets		Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss		-	-	-	-

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

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

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

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

NOTE 41 – 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:

	31.12.2023	31.12.2022
Audit fee for the reporting period (*)	1.700.000	468.308
Other service fee apart from audit (**)	-	49.953
Total	1.700.000	518.260

(*) 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.

(**) Other service fees consist of fees for assurance and related services that are reasonably related to the performance of the audit or review of the Group's consolidated financial statements or that are traditionally performed by the external auditors, and include consultations concerning financial accounting and reporting standards for assurance services and relevant contracts.

NOTE 42 - EVENTS AFTER THE REPORTING PERIOD

The Group was established a company for operating in the field of energy production in Mongolia on 8 January 2024. The Company has not started its operating activities as of the balance sheet date.

NOTE 43 - THE OTHER MATTERS WHICH SUBSTANTIALLY AFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR ARE REQUIRED TO BE DESCRIBED IN TERMS OF MAKING THE CONSOLIDATED FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.

