

VBT YAZILIM A.Ş.
AS O F JUNE 30, 2023 CONSOLIDATED FINANCIAL
STATEMENTS AND NOTES

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**Review Report on Interim Condensed Consolidated Financial Information To the
Board of Directors of VBT YAZILIM A.Ş.**

Introduction

We have reviewed the accompanying consolidated statement of financial position of VBT Yazılım A.Ş. and its subsidiaries (the "Group") as at June 30, 2023 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Group management is responsible for the preparation and fair presentation of these interim consolidated financial information in accordance with Turkish Accounting Standard 34 "Interim Financial Reporting" ("TAS 34") issued by the Public Oversight Accounting and Auditing Standards Authority ("POA"). Our responsibility is to express a conclusion on the interim consolidated financial information based on our review.

Scope of the Limited Review

We conducted our review in accordance with the Standard on Review Engagements (SIA) 2410 "Review of Interim Financial Information by the Auditor who conducted the audit of the Company's Annual Financial Statements". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review of interim financial information is substantially less in scope than an audit conducted in accordance with the Standards on Auditing, the objective of which is to express an opinion on the financial statements. Consequently, a review of interim financial information does not provide assurance that the audit firm will be aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial information does not present fairly, in all material respects, the financial position of the Group as at June 30, 2023 and its financial performance and its cash flows for the six-month period then ended in accordance with TAS 34 "Interim Financial Reporting".

**Istanbul, August 14, 2023 Ayşe
KARAUSTA**

**Responsible Auditor
KAVRAM INDEPENDENT AUDIT AND CONSULTANCY INC.
Member Crowe Global**

VBT YAZILIM A.Ş.
30 JUNE 2023 and 31 DECEMBER 2022 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)
(All amounts expressed in TL)

		Limite d Audit Backgrou	Audit Background
	Footnote Ref.	CURRENT PERIOD 30.06.2023	PREVIOUS PERIOD 31.12.2022
ASSETS			
Current Assets			
Cash and Cash Equivalents	7	136.093.524	236.681.036
Financial Investments	8	40.411.437	294.519
--Financial Assets at Fair Value Through Profit or Loss	5	40.411.437	294.519
Trade Receivables	10	59.316.575	104.788.021
-Trade Receivables from Related Parties	6-10	36.274	-
-Trade Receivables from Third Parties	10	59.280.301	104.788.021
Other Receivables	13	40.388.152	1.428.957
-Other Receivables from Related Parties	6-13	16.098.894	-
-Other Receivables from Third Parties	13	24.289.258	1.428.957
Stocks	16	16.714.387	4.728.591
Prepaid Expenses	18	51.928.731	448.605.504
-Prepaid Expenses to Related Parties	6-18	1.369.020	347.100
-Prepaid Expenses to Third Parties	18	50.559.711	448.258.404
Current Period Tax Related Assets	21	303	-
Other Current Assets	22	68.438	47.066
-Other Current Assets due from Third Parties	22	68.438	47.066
Total Current Assets		344.921.547	796.573.694
Fixed Assets			
Other Receivables	13	37.500	468.805
-Other Receivables from Related Parties		-	466.305
-Other Receivables from Third Parties	13	37.500	2.500
Investments Accounted through Equity Method	25	16.897.718	17.407.911
Tangible Fixed Assets	27	23.799.311	21.863.533
-Buildings		5.053.399	5.427.286
-Vehicles		3.885.063	4.277.191
-Plant, Machinery and Equipment		7.160.137	6.244.692
-Furniture and Fixtures		5.646.163	3.680.984
-Special Costs		2.054.549	2.233.380
Right of Use Assets	29	4.094.265	2.779.096
Intangible Assets	28	17.275.407	19.015.102
-Licenses		2.431	3.909
-Activated Development Costs		17.272.976	19.011.193
Prepaid Expenses	18	13.810.554	26.861.577
-Prepaid Expenses to Third Parties	18	13.810.554	26.861.577
Deferred Tax Asset	42	3.645.506	-
Total Fixed Assets		79.560.261	88.396.024
Total Assets		424.481.808	884.969.718

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

VBT YAZILIM A.Ş.

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

(All amounts expressed in TL)

		Limited Independent Audit Background	Independ ent Audit Background
	Footnote Ref.	CURRENT PERIOD 30.06.2023	CURRENT PERIOD 31.12.2022
SOURCES			
Short Term Liabilities			
Short Term Borrowings	9		
Short-term portion of long-term borrowings	9	3.172.192	2.474.896
-Bank Loans		1.267.854	1.703.114
-Payables from Leasing Transactions		1.904.338	771.782
Other Financial Liabilities	9	273.862	908.926
-Other Miscellaneous Financial Liabilities		273.862	908.926
Trade Payables	10	14.920.474	124.653.957
-Trade payables to related parties	6-10	710.781	2.231.220
-Trade payables to third parties	10	14.209.693	122.422.737
Employee Benefit Payables	14	7.035.381	4.934.158
Other Payables	13	14.621.040	30.150.925
-Other payables to related parties	6-13	2.065.848	3.903.787
-Other payables to third parties	13	12.555.192	26.247.138
Obligations Arising from Customer Contracts	11	62.325.504	455.229.168
-Sales of Goods and Services Contractual Obligations Arising from Sales of Goods and Services	11	62.325.504	455.229.168
Government Incentives and Aids	19	44.148	44.148
Current Period Profit Tax Liability	20	10.909.856	5.949.093
Short Term Provisions	30	4.773.848	3.324.047
-Short Term Provision for Employee Benefits	30	1.076.108	970.940
-Other Short Term Provisions	30	3.697.740	2.353.107
Other Short Term Liabilities	23	180.194	116.530
-Other Short Term Liabilities to Third Parties	23	180.194	116.530
Total Short Term Liabilities		118.256.499	627.785.848
Long Term Liabilities			
Long Term Borrowings	9	3.361.802	3.094.402
-Long Term Borrowings from Third Parties		3.361.802	3.094.402
--Bank Loans		-	618.542
--Payables from Leasing Transactions		3.361.802	2.475.860
Obligations Arising from Customer Contracts	11	10.764.416	22.790.447
-Contractual Obligations Arising from Sales of Goods and Services.		10.764.416	22.790.447
Government Incentives and Aids	19	88.296	110.370
Long Term Provisions	30	7.693.342	6.002.209
-Long Term Provision for Employee Benefits	30	7.693.342	6.002.209
Deferred Tax Liability		-	19.735
Total Long Term Liabilities		21.907.856	32.017.163
TOTAL LIABILITIES		140.164.355	659.803.011
EQUITY			
Equity attributable to equity holders of the parent	31	284.848.022	225.478.184
-Paid-in Capital		26.000.000	26.000.000
-Received Shares (-)		-	14.111.566
-Premiums Related to Shares (Discounts)	31	65.190.632	65.190.632
-Profit/Loss Renewal. Unclassified Accum. Other. Covered. Income (Expense)	31	(2.697.260)	(2.723.583)
--Gains (Losses) on Revaluation and Measurement		(2.697.260)	(2.723.583)
---Defined. Benefit Plans Remeasurement Gain (Loss)		(2.697.260)	(2.723.583)
-Profit/Loss. New Accum. to be Reclassified Other Comprehensive. Income (Expense)		6.233.898	1.256.515
--Foreign Currency Translation Differences		6.233.898	1.256.515
-Restricted Reserves	31	7.465.271	4.965.332
--Legal Reserves		7.175.940	4.676.001
--Entrepreneurship Capital Fund		289.331	289.331
-Retained Earnings or Losses	31	108.789.338	40.351.102
-Net Profit or Loss for the Period	43	73.866.143	76.326.620
Non-controlling Interests		(530.569)	(311.477)
Total Equity		284.317.453	225.166.707
Total Resources		424.481.808	884.969.718

VBT YAZILIM A.Ş.
30 JUNE 2023 and 31 DECEMBER 2022 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)
(All amounts expressed in TL)
(The accompanying notes are an integral part of these financial statements.)

VBT YAZILIM A.Ş.
LIMITED INDEPENDENT AUDITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER comprehensive income for the periods January 1, 2023-June 30, 2023 and January 1, 2022-June 30, 2022
(All amounts expressed in TL)

	Footnote Ref.	Current Period January 01, 2023 June 30, 2023	Prior Period January 01, 2022 June 30, 2022	Current Period April 01, 2023 June 30, 2023	Prior Period April 01, 2022 June 30, 2022
Revenue	32	1.053.462.097	208.497.533	287.044.861	140.853.932
Cost of Sales	32	(980.925.065)	(163.882.795)	(253.524.122)	(114.502.945)
GROSS PROFIT (LOSS)		72.537.032	44.614.738	33.520.739	26.350.987
General Administrative Expenses	33	(12.766.170)	(6.972.559)	(7.849.665)	(4.163.369)
Marketing Expenses	33	(1.613.660)	(228.366)	(1.089.955)	(64.085)
Research and Development Expenses	33	(29.481.936)	(15.047.353)	(14.765.371)	(8.504.214)
Other Operating Income	35	35.215.460	9.912.211	31.135.311	8.162.897
Other Operating Expenses	35	(6.566.116)	(16.626.224)	(4.431.845)	(12.119.381)
OPERATING PROFIT (LOSS)		57.324.610	15.652.447	36.519.214	9.662.835
Income from Investing Activities	36	2.236.718	1.153.249	2.236.718	1.153.249
Share of Profit (Loss) of Investments Accounted Through Equity Method	25	(6.010.193)	(893.655)	(1.112.636)	(571.613)
OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSE)		53.551.135	15.912.041	37.643.296	10.244.471
Financing Revenues	38	33.205.470	17.354.803	28.511.756	9.719.177
Finance Expenses	39	(2.539.441)	(2.184.950)	(1.407.827)	(1.437.252)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		84.217.164	31.081.894	64.747.225	18.526.396
Tax (Expense) Income from Continuing Operations		(10.627.358)	(4.734.052)	(8.623.926)	(3.045.212)
-Period Tax (Expense) Income	42	(14.300.462)	(4.940.856)	(11.517.780)	(3.849.025)
-Deferred Tax (Expense) Income	42	3.673.104	206.804	2.893.854	803.813
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		73.589.806	26.347.842	56.123.299	15.481.184
PROFIT (LOSS) FOR THE PERIOD		73.589.806	26.347.842	56.123.299	15.481.184
Distribution of Profit (Loss) for the Period		73.589.806	26.347.842	56.123.299	15.481.184
-Non-Controlling Interests		(276.337)	(87.207)	(255.284)	(87.207)
-Main Partnership Shares		73.866.143	26.435.049	56.378.583	15.568.391
Earnings per Share					
--Earnings (Loss) per Share from Continuing Operations	43	2,84	1,02	2,17	0,60
Other Comprehensive Income:					
Items not to be reclassified to profit or loss		26.323	(272.941)	(827.086)	(880.651)
-Gain (loss) on remeasurement of defined benefit plans, net of tax	41	26.323	(272.941)	(827.086)	(880.651)
Items to be Reclassified to Profit or Loss		4.828.162	130.976	4.324.522	146.942
Gains (losses) on foreign currency translation differences, net of tax		4.828.162	130.976	4.324.522	146.942
OTHER COMPREHENSIVE INCOME (EXPENSE)		4.854.485	(141.965)	3.497.436	(733.709)
TOTAL COMPREHENSIVE INCOME (EXPENSE)		78.444.291	26.205.877	59.620.735	14.747.475
Breakdown of Total Comprehensive Income		78.444.291	26.205.877	59.620.735	14.747.475
-Non-Controlling Interests		(425.556)	(111.633)	(404.504)	(111.633)
-Main Partnership Shares		78.869.847	26.317.510	60.025.238	14.859.108

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

VBT YAZILIM A.Ş.
INDEPENDENTLY AUDITED
30 JUNE 2023 and 30 JUNE 2022 CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(All amounts expressed in TL)

	Paid-in Capital	Repurchased Shares	Share Premiums / Discounts	Gain / Loss on Revaluation and Remeasurement	Other Comprehensive Income or Expense to be Reclassified to Profit or Loss	Retained Earnings					Equity
				Gain/Loss on Remeasurement of Defined Benefit Plans	Foreign Currency Translation Differences	Restricted Reserves	Retained Earnings	Net Profit/Loss for the Period	Equity Attributable to Equity Holders of the Parent	Non-controlling Interests	
PREVIOUS PERIOD											
Balances as of January 1, 2022	26.000.000	(9.955.039)	65.190.632	(297.659)	286.829	11.729.891	12.281.894	34.146.203	139.382.751	-	139.382.751
Transfers						3.264.199	30.882.004	(34.146.203)	-		-
Total Comprehensive Income (Loss)	-	-	-	(248.515)	130.976	-	-	26.435.049	26.317.510	(111.633)	26.205.877
-Period Profit (Loss)	-	-	-	-	-	-	-	26.435.049	26.435.049	(87.207)	26.347.842
-Other Comprehensive Income (Expense)	-	-	-	(248.515)	130.976	-	-	-	(117.539)	(24.426)	(141.965)
Dividends	-	-	-	-	-	-	(13.000.000)	-	(13.000.000)	-	(13.000.000)
Acquisition or Disposal of Subsidiaries	-	-	-	-	-	-	-	-	-	8.182.071	8.182.071
Increase (Decrease) Due to Other Changes	-	-	-	-	-	(73.719)	814.421	-	740.702	-	740.702
Look at June 30, 2022.	26.000.000	(9.955.039)	65.190.632	(546.174)	417.805	14.920.371	30.978.319	26.435.049	153.440.963	8.070.438	161.511.401
CURRENT PERIOD											
Balances as of January 1, 2023	26.000.000	14.111.560	65.190.632	(2.723.583)	1.256.515	4.965.332	40.351.102	76.326.620	225.478.184	(311.477)	225.166.707
Balances at the Beginning of the Period									-		-
Amount After Adjustments	26.000.000	14.111.560	65.190.632	(2.723.583)	1.256.515	4.965.332	40.351.102	76.326.620	225.478.184	(311.477)	225.166.707
Transfers	-	(14.111.560)	-	-	-	2.499.939	87.938.241	(76.326.620)	-	-	-
Total Comprehensive Income (Loss)	-	-	-	26.323	4.977.383	-	-	73.866.143	78.869.849	(276.337)	78.593.512
-Period Profit (Loss)	-	-	-	-	-	-	-	73.866.143	73.866.143	(276.337)	73.589.806
-Other Comprehensive Income (Expense)	-	-	-	26.323	4.977.383	-	-	-	5.003.706	-	5.003.706
Dividends	-	-	-	-	-	-	(19.500.005)	-	(19.500.005)	-	(19.500.005)
Non-controlling Interest Transactions with Owners	-	-	-	-	-	-	-	-	-	57.239	57.239
Increase (Decrease) Due to Other Changes	-	-	-	-	-	-	-	-	(6)	6	-
Look at June 30, 2023.	26.000.000	-	65.190.632	(2.697.260)	6.233.898	7.465.271	108.789.338	73.866.143	284.848.022	(530.569)	284.317.453

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

VBT YAZILIM A.Ş.
LIMITED INDEPENDENT AUDITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS JANUARY 1, 2023-JUNE 30, 2023 and JANUARY 1, 2022-JUNE 30, 2022
(All amounts expressed in TL)

	Footnote Ref.	Current Period January 01, 2023 June 30, 2023	Prior Period January 01, 2022 June 30, 2022
A) Cash Flows from Operating Activities		(99.045.975)	(142.376.199)
Profit (Loss) for the Period		73.589.806	26.347.842
Profit (Loss) for the Period from Continuing Operations		73.589.806	26.347.842
Adjustments Related to Reconciliation of Net Profit (Loss) for the Period.		5.212.254	2.777.796
Adjustments Related to Depreciation and Amortization Expenses	27-28	4.798.996	3.332.805
Adjustments Related to Impairment (Reversal)	10-28-35-36	117.229	1.294.356
-Adjustments for Impairment (Reversal) of Receivables	10	117.229	1.294.356
Adjustments Related to Provisions	30	1.830.487	3.866.033
-Adjustments Related to Provisions (Reversal) for Employee Benefits	30	1.830.487	3.866.033
Adjustments for Interest (Income) and Expenses	35-38-39	(2.645.706)	(4.045.865)
-Adjustments related to interest income	38	(4.808.923)	(5.498.491)
-Adjustments Related to Interest Expense	39	2.163.217	1.452.626
Adjustments for Fair Value Losses (Gains)	41	(2.236.718)	(903.037)
-Adjustments for Fair Value Losses (Gains) on Financial Assets		(2.236.718)	(903.037)
Adjustments Related to Undistributed Earnings of Investments Accounted Through Equity Method	25	(6.010.193)	(722.912)
-Adjustments related to undistributed profits of associates	25	(6.010.193)	(722.912)
Adjustments Related to Tax (Income) Expense	30	9.331.836	204.931
Other adjustments related to non-cash items		26.323	(248.515)
Changes in Working Capital		(158.348.032)	(158.501.837)
Decrease (Increase) in Financial Investments		(37.880.200)	(10.000.000)
Trade Receivables. Adjustments for Decrease (Increase) in Trade Receivables	6-10	45.354.217	(40.336.789)
-Decrease (Increase) in Trade Receivables from Related Parties	6	(36.274)	-
-Trade Receivables from Third Parties Decrease (Increase)	10	45.390.491	(40.336.789)
Operations Other Receivables. Decrease (Increase) in Other Receivables Adjustment.	6-13	(38.527.890)	(2.735.558)
-Other Receivables from Related Parties Other Related Receivables. Decrease (Increase)	6	(15.632.589)	(2.413.111)
-Not Related Party. Operations. Other Related Receivables. Decrease (Increase)	13	(22.895.301)	(322.447)
Consultancy Contract. Born. Asset. Decrease (Increase) Related to Correction.	11	0	1.871.988
-Sale of Goods and Services. Born Promise. Asset Decrease (Increase)	11	0	1.871.988
Adjustments for Decrease (Increase) in Inventories	16	(11.985.796)	10.832.202
Decrease (Increase) in Prepaid Expenses	18	409.727.796	(4.345.499)
Adjustments related to increase (decrease) in trade payables	6-10	(109.733.483)	(110.353.310)
-Increase (Decrease) in Trade Payables to Related Parties	6	(1.520.439)	-
-Increase (Decrease) in Trade Payables to Third Parties	10	(108.213.044)	(110.353.310)
Increase (Decrease) in Employee Benefit Payables	14	2.101.223	1.721.765
Adjustments related to increase (decrease) in liabilities arising from customer contracts	11	(404.929.695)	2.837.787
-Increase (Decrease) in Contractual Obligations arising from Sales of Goods and Services	11	(404.929.695)	2.837.787
Adjustments Related to Increase (Decrease) in Other Payables Related to Operations	6-13	(15.529.885)	351.590
-Increase (decrease) in other payables to related parties Increase (Decrease) in other payables to related parties	6	(1.837.939)	3.816.493
-Unrelated Due to Third Parties Related Other Payables. Increase (Decrease)	13	(13.691.946)	(3.464.903)
Increase (Decrease) in government grants and subsidies	19	(22.074)	443.197

VBT YAZILIM A.Ş.
LIMITED INDEPENDENT AUDITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS JANUARY 1, 2023-JUNE 30, 2023 and JANUARY 1, 2022-JUNE
30, 2022

(All amounts expressed in TL)			
Adjustments for Other Increase (Decrease) in Working Capital	22-23	3.077.755	(8.789.210)
-Decrease (Increase) in Other Assets Related to Operations	22	(21.675)	(3.735.839)
-Increase (Decrease) in Other Operating Liabilities	23	3.099.430	(5.053.371)
Cash Flows from Operating Activities		(79.545.972)	(129.376.199)
Dividends Paid		(19.500.003)	(13.000.000)

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

VBT YAZILIM A.Ş.
LIMITED INDEPENDENT AUDITED
CONSOLIDATED STATEMENT OF CASH FLOW FOR THE PERIODS JANUARY 1, 2023-JUNE 30, 2023 and JANUARY 1, 2022-JUNE 30, 2022
(All amounts expressed in TL)

	Footnote Ref.	Current Period January 01, 2023 June 30, 2023	Prior Period January 01, 2022 June 30, 2022
B) Cash Flows from Investing Activities		(4.497.579)	(13.465.738)
Cash outflows due to share purchases or capital increases in associates and/or joint ventures		-	(8.014.020)
-Cash inflows from sale of property, plant and equipment	27	-	142.658
Cash outflows from the acquisition of property, plant and equipment and intangible assets	27-28	(4.497.579)	(5.594.376)
-Cash outflows from purchase of property, plant and equipment	27	(4.497.579)	(3.682.916)
-Cash outflows from acquisition of intangible assets	28	-	(1.911.460)
C) Cash Flows from Financing Activities		2.956.042	2.551.427
Cash Inflows from Borrowing	9	-	250.000
-Cash inflows from loans	9	-	250.000
-Cash inflows from other financial borrowings	9		
Cash Outflows Related to Debt Payments	9	(956.258)	(1.319.015)
-Cash outflows related to loan repayments	9	(956.258)	(1.319.015)
Cash outflows related to debt payments arising from lease agreements		(1.371.407)	(664.435)
Interest Paid	39	(2.163.217)	(1.452.626)
Interest Received	38	4.808.923	5.498.491
Other Cash Inflows (Outflows)		2.638.001	239.012
Net increase/decrease in cash and cash equivalents before the effect of foreign currency translation differences (A+B+C)		(100.587.512)	(153.290.510)
D) THE EFFECT OF FOREIGN CURRENCY TRANSLATION DIFFERENCES ON CASH AND CASH EQUIVALENTS			
Net increase/decrease in cash and cash equivalents (A+B+C+D)		(100.587.512)	(153.290.510)
E-CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		236.681.036	224.819.836
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (A+B+C+D+E)		136.093.524	71.529.326

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

VB T YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

NOTE 1 - ORGANIZATION AND FIELD OF ACTIVITY OF THE COMPANY

VB T Yazılım A.Ş. was established on June 24, 1993 under the name "Vizyon Bilgi İşlem ve Danışmanlık Limited Şirketi" . With the decision of the General Assembly dated 04.08.2014 and numbered 13292, the Company has changed its title and type and its new title has been changed as VB T Bilgi Teknolojileri Anonim Şirketi. The related change was registered and announced in the Turkish Trade Registry Gazette dated 11.08.2014 and numbered 8628. The Company then changed its title to VB T Yazılım A.Ş. with the decision taken at the general assembly dated 20.11.2020 and registered and announced in the Turkish Trade Registry Gazette dated 15.12.2020 and numbered 10224.

The Company is registered with the Istanbul Trade Registry Office with the registration number 6120-8.

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

VB T Yazılım A.Ş. headquarters address İçerenköy Mah. Umut Sk. Quick Tower Site Block N10-12 Interior Door N 57 Ataşehir/ Istanbul.

The Company's branch address information is as follows

Ankara Head Office: Mahall Business Center B Blok No:127 Çankaya - Ankara, Turkey

Adana Branch Office: Central Plaza Business Center Hurmalı Mah. Kurtulus Caddesi No: 39 Kat: 8 D.85 Seyhan - Adana, Turkey

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

30.06.2023, the average number of employees working during the year is 310. (December 31, 2022: 324)

	30.06.2023	31.12.2022
Administrative Staff	30	31
Technical Staff	195	205
R&D Personnel	85	88
Total	310	324

1.2 Information on the Company's Subsidiaries and Associates

a. VB T Academy Education Inc.

VB T Akademi Eğitim Anonim Şirketi was established on April 17, 2018 under the name "Cambridge Eğitim Servisleri Anonim Şirketi". With the decision of the General Assembly dated 06.12.2019 and numbered 475574, the Company has changed its title and type and changed its new title to VB T Akademi Eğitim Anonim Şirketi. The relevant change was registered and announced in the Turkish Trade Registry Gazette dated January 9, 2020 and numbered 9990.

The address and principal place of business of the Company is İçerenköy Yolu , Bodur İş Merkezi No: 8/11 İçerenköy - İstanbul.

VB T Yazılım A.Ş. owns 100% of the shares of VB T Akademi Eğitim Anonim Şirketi. The aforementioned subsidiary As of December 31, 2019, it is included in the scope of consolidation and consolidated according to the full consolidation method.

Subsidiaries and Affiliates of VB T Akademi Eğitim A.Ş. Stoneity

Yazılım A.Ş.

Stoneity Yazılım A.Ş. was established on April 05, 2021 and the establishment was registered and announced in the Turkish Trade Registry Gazette dated April 05, 2021 and numbered 10302.

The address and principal place of business of the Company is İçerenköy Yolu , Bodur İş Merkezi No: 8/11 Ataşehir - İstanbul.

The share capital of the Company is TL 200.000 and VB T Akademi Eğitim A.Ş. owns 20% of the shares of Stoneity Yazılım A.Ş. This subsidiary is included in the scope of consolidation for the first time as of 31.12.2021 and consolidated with VB T Akademi Eğitim A.Ş. according to the equity method.

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

b. VBT Europe AG

The Company was established under the name "VBT Europe AG" and the establishment procedures were completed as of 07.10.2021. The main activity of the Company is software and project development.

The address and principal place of business of the Company is Franklinstrasse 9 8050 Zürich.

The Company's share capital is CHF 100.000 and VBT Yazılım A.Ş. holds 51% of the shares of VBT Europe AG. The subsidiary is consolidated on a line-by-line basis.

c. VBT Albania Sh.P.K

The Company was established under the name "VBT Albania Sh.P.K" and the establishment procedures were completed as of 26.11.2021. The main activity of the Company is to operate in the field of IT services.

The address and principal place of business of the Company is Tirane Kashar KASHAR Rruga "Egantia", Zona Kadastrale 2105, Nr pasurie 1249/6, Kashar.

The Company was established with a capital of LEK 6.000.000 and VBT Yazılım A.Ş. holds 100% of the shares of VBT Albania Sh.P.K. The subsidiary in question is newly established and as of 31.03.2023, no capital commitment payment has been made yet.

d. VBT Software UK Limited

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

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

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

The share capital of the Company is GBP 50.000 (TL 590.955) and VBT Yazılım A.Ş. owns 100% of the shares of VBT Software UK Limited. The subsidiary is consolidated for the first time as of 31.12.2021 and consolidated with VBT Yazılım A.Ş. according to the full consolidation method.

e. Phexum Software Inc.

The Company was established on February 6, 2017 as "Phexum Yazılım Limited Company". On October 4, 2021, with the General Assembly Decision dated October 4, 2021, the title of the company was changed to Phexum Yazılım A.Ş.. The relevant change was announced and registered in the Turkish Trade Registry Gazette on December 1, 2021. The Company is registered with the Istanbul Trade Registry Office with the registration number 69601-5.

The Company develops, purchases, sells and franchises all kinds of computer software and technologies, primarily to engage in software activities and to provide consultancy services on these software, to collect, lease, distribute, import and export marketing of all products related to its subject, to provide services such as registered electronic service provider, time stamp, electronic and certificate service provider.

The address and principal place of business of the Company is İçerenköy Yolu , Bodur İş Merkezi No: 8/11 Ataşehir - İstanbul.

The capital of the Company was increased from TL 10,000 to TL 50,000 with the General Assembly Decision dated October 4, 2021 and the related change was announced and registered in the Turkish Trade Registry Gazette on December 1, 2021. The share capital of Phexum Yazılım A.Ş. is divided into 50.000 shares with a value of TL 1 each and the total value is TL 50.000. As of December 31, 2021, VBT Yazılım A.Ş. participates in Phexum Yazılım A.Ş. with 15.000 shares of TL 1 each, amounting to TL 15.000.

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

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023 (Amounts expressed in Turkish Lira (TL))

f. Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş.

The Company was established on February 3, 2009 under the name "Buz İletişim Hizmetleri Sanayi ve Ticaret Ltd.Şti.". On November 29, 2019, with the General Assembly Decision dated November 29, 2019, the title of the company was changed to Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş.. The related change was registered in the Turkish Trade Registry Gazette on December 30, 2019. The Company is registered with Bursa Trade Registry Office with registration number 80281.

The Company's principal activity is to engage in engineering, research and development, repair, installation, assembly, testing and consultancy activities related to domestic and international telecommunication networks.

The address and principal place of business of the Company is Alaaddin Bey Mah.642 sok. No:2/1 Nilüfer Bursa.

The capital of the Company was increased from TL 16.000.000 to TL 20.000.000 with the General Assembly Decision dated June 16, 2022 and the related change was registered in the Turkish Trade Registry Gazette on June 23, 2022. The share capital of Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. is divided into 20.000.000 shares with a value of TL 1 each and the total value of the shares is as follows

TL 20.000.000. As of December 31, 2022, VBT Yazılım A.Ş. participates in Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş. with 10.000.000 shares of TL 1 each amounting to TL 10.000.000.

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

g. VBT Software DE GMBH

The company was established on 10.03.2022 under the name "VBT Software DE GmbH".

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

The address and principal place of business of the Company is Grafenberger Allee 293, 40237 Düsseldorf.

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

h. English Guru LLC

The Company was incorporated in the United States of America on 28.01.2021 under the name "English Guru LLC" and its registered office is located at Woodport RD STE A 336 SPARTA NJ 07871-2611-999. The Company operates in the Online Language Industry, registered with registration number 32-0646571.

The Company was established with "0" capital in accordance with the relevant legislation. According to the partnership agreement of VBT Yazılım A.Ş.

USD 100.000 and became a 20% shareholder of the Company. The aforementioned subsidiary has been included in the scope of consolidation for the first time as of 31.12.2022 and consolidated by equity method.

i. KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.S.

The Company was established on July 26, 2018 under the name "KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş." on July 26, 2018. The Company is registered with the Istanbul Trade Registry Office with the registration number 149.295-5.

The Company's principal activities include satellite and local telecommunication services, internet service provider services, satellite platform and mobile platform operations and other services to be authorized by the Information and Communication Technologies Authority. The Company also continues its activities as the private integrator of PayTR Ödeme ve Elektronik Para Kuruluşu A.Ş., which was granted an operating license by the BRSA decision dated April 27, 2016 and numbered 6684.

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

The share capital of the Company is TL 214.286 and VBT Yazılım A.Ş. has become a 30% shareholder of KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş., which has a total share capital of TL 214.286 consisting of 214.286 shares each with a nominal value of TL 1. A.Ş. with a total share capital of TL 214.286, consisting of 214.286 shares each with a nominal value of TL 1.

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

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

j. Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.

The Company was established on February 5, 2018 under the name "Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.". The Company is registered with the Istanbul Trade Registry Office with the registration number 123235-5.

The main field of activity of the Company is to produce standard and corporate-specific Human Resources management systems software, payroll, accounting, finance, tax incentives, etc. operation software, to develop and test special software, etc. in line with the needs of various sectors in domestic and foreign markets.

The address and principal place of business of the Company is Fethi Mah. Tahralı Sok. No:7 C/11 Ataşehir/Istanbul.

The Company's share capital is TL 50,000 and VBT Yazılım A.Ş. has a total of 500 shares, each with a nominal value of TL 100. In the current period, the Company has become a 50% shareholder in Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş., which has a capital amounting to TL 25.000.

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

1.3 Capital Structure;

The issued capital structure of the Company as of June 30, 2023 and December 31, 2022 is as follows

Partners	30.06.2023		31.12.2022	
	Share Rate %	Share Amount	Share Rate %	Share Amount
Birol Basaran	46,35%	12.050.000	46,91%	12.200.000
Ipek Canan Basaran	7,50%	1.950.300	7,69%	2.000.000
Tayfun Yurdagul	2,50%	650.000	3,08%	800.000
Osman Çaylı	2,12%	550.666	2,31%	600.000
Mümin Sürer	1,73%	450.000	2,31%	600.000
Zahide Kocayigit	1,73%	450.333	2,31%	600.000
Unal Kirikci	0,96%	250.767	1,54%	400.000
Metin Faruk Tufan	1,35%	350.666	1,54%	400.000
Abdulkadir Aydogan	0,96%	250.500	1,54%	400.000
Taner Yildirim	0,19%	50.000	-	-
Other	0,38%	100.000	-	-
Shares Offered to the Public	34,22%	8.896.768	30,77%	8.000.000
Paid-in Capital	100%	26.000.000	100%	26.000.000

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1. Basis of Presentation and Declaration of Conformity with TAS

The Group maintains its books of account and prepares its statutory financial statements in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts and principles issued by the Ministry of Finance.

The accompanying financial statements have been prepared in accordance with the Communiqué Serial II, No: 14.1 "Communiqué on the Principles of Financial Reporting in Capital Markets" ("the Communiqué") published in the Official Gazette dated June 13, 2013 and numbered 28676 by the Capital Markets Board ("CMB") and are based on the Turkish Accounting Standards/Turkish Financial Reporting Standards and related appendices and interpretations ("TAS/TFRS") promulgated by the Public Oversight Accounting and Auditing Standards Authority ("POA") in accordance with Article 5 of the Communiqué.

The Group's financial statements and notes are presented in accordance with the formats announced by the CMB on June 7, 2013, including the mandatory disclosures.

The Group's financial statements are presented in accordance with the TAS taxonomy published by the POA with the decision numbered 30 on June 2, 2016 and subsequently published as "2019 TFRS" with the amendments to TFRS-15 Revenue from Contracts with Customers and TFRS-16 Leases standards announced to the public on April 15, 2019.

The Group's financial statements prepared in accordance with the TAS/TFRSs accepted by the POA were approved by the Board of Directors on August 14, 2023. The General Assembly has the power to amend the financial statements after the publication of the financial statements.

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

Reporting Currency

The financial statements of the Group are presented in Turkish Lira ("TL"), which is the currency of the primary economic environment in which the Group operates (its functional currency). In the presentation of the financial statements, TL, which is the functional currency of the Company, has been selected as the presentation currency and amounts are expressed in TL.

Restatement of Consolidated Financial Statements in Hyperinflationary Periods

TAS 29 Financial Reporting in Hyperinflationary Economies requires entities whose functional currency is the currency of a hyperinflationary economy to report their consolidated financial statements in terms of the purchasing power of money at the end of the reporting period. TAS 29 defines the characteristics that may indicate that an economy is a hyperinflationary economy and recommends that entities begin applying the Standard at the same time. The Public Oversight Accounting and Standards Authority (POA) announced on January 20, 2022 that entities are not required to make any adjustments to their consolidated financial statements for 2021 in accordance with TAS 29. However, the POA did not make any statement on whether adjustments will be made in the consolidated financial statements for the period ending June 30, 2023 within the scope of TAS 29. In this context, since there is no nationwide consensus on the application of inflation accounting and the POA is expected to postpone the application of TAS 29, no inflation adjustment has been made in accordance with TAS 29 while preparing the consolidated financial statements dated June 30, 2023 in order to ensure comparability.

Comparative Information

In order to enable the determination of the financial position and performance trends, the Group's current period financial statements are prepared comparatively with the prior period. Comparative information is reclassified, where necessary, to conform to the presentation of the current period financial statements.

Foreign Currency Transactions

The Group translates transactions and balances denominated in foreign currencies into Turkish Lira at the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange buying rate of the Central Bank of the Republic of Turkey at the balance sheet date. Exchange gains or losses arising from the settlement and translation of foreign currency items and balances denominated in foreign currencies are recognized in the statement of income/(expense) in the related period.

Netting - Offsetting

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Going Concern Assumption:

The financial statements have been prepared on a going concern basis, which assumes that the Group will realize the benefits from its assets and settle its liabilities within the next year and in the normal course of business.

2.2. Changes in Accounting Policies

Changes in accounting policies resulting from the first-time adoption of a new standard are applied retrospectively or prospectively in accordance with the transition requirements, if any. Changes that do not include any transitional provisions, significant optional changes in accounting policies or identified accounting errors are applied retrospectively and prior period financial statements are restated. The accounting policies applied in the comparative financial statements of the Company are the same.

In order to maintain consistency with the presentation of the current period consolidated financial statements, comparative information is reclassified when necessary and significant differences are explained.

2.3. Changes in Accounting Estimates and Errors

Accounting estimates are made on the basis of reliable information and reasonable estimation methods. However, estimates are revised if there is a change in the circumstances under which the estimate was made, or if new information becomes available, or if additional developments occur. If the effect of a change in an accounting estimate relates to only one period, it is recognized in the current period in which the change is made; if the effect of a change in an accounting estimate also relates to future periods, it is recognized in the financial statements both in the period in which the change is made and prospectively in future periods, in a manner that takes into account in determining the profit or loss for the period.

Significant accounting errors are applied retrospectively and prior period financial statements are restated. An error is corrected by restating comparative amounts for the prior periods in which it occurred or, if it occurred before the next reporting period, by restating the retained earnings account for that period. If restating the information would result in an excessive cost, comparative information for prior periods is not restated, but the retained earnings account for the subsequent period is restated for the cumulative effect of the error before the beginning of that period.

VB T YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

2.4. Summary of Significant Accounting Policies

2.4.1 Consolidation principles

The consolidated financial statements include the financial statements of VBT Yazılım A.Ş. (the Company) and its subsidiaries. During the preparation of the financial statements of the companies included in the scope of consolidation, necessary adjustments and reclassifications have been made in order to conform to TAS/IFRS and to comply with the accounting policies and presentation formats applied by the Group.

The basis of preparation of consolidated financial statements is as follows;

- The consolidated financial statements include the financial statements of the Company and its subsidiary.
- Subsidiaries are companies in which the parent company, directly or through other subsidiaries or associates, has more than 50% of the voting rights, voting rights or the right to elect the majority of the management or the majority of the management within the framework of capital and management relations. Control power is defined by the parent company as the power to govern the financial and operating policies of its subsidiaries and the power to obtain benefits from their activities.
- Subsidiaries are included in the scope of consolidation from the date on which control over their activities is transferred to the Group and will be deconsolidated from the date on which control ceases. The accounting policies applied by the subsidiaries are harmonized with those applied by the Group to ensure consistency.
- The financial statements of subsidiaries are consolidated on a line-by-line basis. Accordingly, the carrying value of the investment held by the Company and the related dividends arising from the shares held by the Company in its subsidiaries are eliminated from shareholders' equity and income statement accounts, respectively.
- Receivables and payables of subsidiaries within the scope of consolidation, sales of goods and services to each other, income and expense items arising from transactions with each other are offset against each other.
- All equity items, including paid-in/issued capital, of the subsidiaries within the scope of consolidation are deducted from the equity account group items of the subsidiaries within the scope of consolidation, and the amounts corresponding to the shares outside the parent company and subsidiaries are deducted and presented in the equity account group of the consolidated balance sheet as "Non-controlling Interests" account group.

Subsidiaries and Associates

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

	30.06.2023				
	Subsidiary Capital	Subsidiary Ratio (%)	Total Voting rights (%)	Number of Subsidiary Shares	Subsidiary Amount(Nominal)
VB T Akademi Eğitim A.Ş.(*)	50.000 TL	100%	100%	50.000	50.000 TL
VB T Europe AG	CHF 100,000	51%	51%	51.000	CHF 51,000
VB T Albania Sh.P.K	6.000.000 LEK	100%	100%	6.000.000	6.000.000 LEK
VB T Software UK Limited	50,000 GBP	100%	100%	100	50,000 GBP
VB T Software DE GmbH	100.000 EURO	100%	100%	100.000	100.000 EURO
VB T Software Austria GMBH	100.000 EURO	%90	%90	90.000	90.000 EURO
VB T Software INC	100.000 USD	100%	100%	100.000	100.000 USD
	Share Capital of the Subsidiary	Participation Rate (%)	Total Votes rights (%)	Number of Subsidiary Shares	Subsidiary Amount
Phexum Software Inc.	50.000 TL	30%	30%	15.000	15.000 TL
Ice Contact Services Industry and Trade Inc.	20.000.000 TL	50%	50%	10.000.000	10.000.000 TL
English Guru LLC	-	20%	20%	20.000	20.000 USD
KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.(**)	214.286 TL	%30	%30	64.285	64.285
Vision Technical Bilgi Sistemleri ve İnsan Kaynakları A.Ş.(***)	50.000 TL	%50	%50		

VB T YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023**
(Amounts expressed in Turkish Lira (TL))

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

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

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

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

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

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

VB T Yazılım A.Ş. owns 100% of the shares of VB T Albania Sh.P.K. The subsidiary is newly established and as of 30.06.2023, no capital commitment payment has been made yet.

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

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

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

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

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

(**)KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş.'s capital is TL 214.285 and VB T Yazılım A.Ş. participates in 30% of the company with TL 64.285. KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş. is TL 5.527.677 (USD 300.000).

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

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

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

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2.4.2 Cash and Cash Equivalents

Cash represents cash on hand and demand deposits. Cash equivalents are assets held to meet short-term cash requirements and are not used for investment or other purposes. For an asset to be considered a cash equivalent, it must be readily convertible to a known amount of cash and the risk of changes in its value must be insignificant.

Cash and cash equivalents are an integral part of an entity's cash management. Financial instruments to be included in the scope of cash equivalents consist of cheques (demand deposits), liquid funds and short-term bond and bill funds, receivables from reverse repo transactions, deposits with a maturity of less than 3 months (deposits with a maturity of more than 3 months are classified as financial investments), government bonds and treasury bills with a maturity of less than 3 months at the acquisition date or other liquid debt instruments with an active market, receivables from money markets.

In the Group's financial statements, cash and cash equivalents consist of cash on hand, time and demand deposits at the balance sheet date.

2.4.3 Financial Investments:

TAS 32 Financial Instruments: Presentation Standard and TFRS 9, except for those held for investment purposes, cash and cash equivalents, receivables from financial sector activities, trade and other receivables and investments accounted for using the equity method.

Financial assets classified under current assets are financial assets held for the purpose of utilizing idle funds, earning direct interest, dividend income, trading profit, etc., or hedging against a loss, other than for the purpose of meeting short-term cash obligations.

Financial assets with maturities less than 12 months as of the reporting date and those with maturities longer than 12 months but which are expected to be disposed of within 12 months are classified under "Financial Investments" in current assets; those with maturities longer than 12 months and those that are expected to be held for more than 12 months are classified under "Financial Investments" in non-current assets.

2.4.4 Derivative Instruments

Derivative instruments that meet the definition of financial assets or financial liabilities under TAS 32 are accounted for in accordance with TFRS 9 and presented separately in the statement of financial position.

The Group has no derivative financial instruments as of the balance sheet date.

2.4.5 Receivables from Finance Sector Operations

Receivables from financial sector activities, excluding cash and cash equivalents and financial investments, are presented here.

The Group has no receivables from finance sector operations as of the balance sheet date.

2.4.6 Trade Receivables/Related Parties

- Trade Receivables

Receivables from customers recognized in the financial statements in respect of all or part of an element of revenue. Under IFRS 15 Revenue from Contracts with Customers, a trade receivable arises when an entity has an unconditional right to receive consideration from a customer that it expects to collect. An unconditional right to receive consideration exists only if the collection of the consideration is contingent on a maturity date. Therefore, in order for a receivable to be a trade receivable, a n invoice must be issued or a binding agreement must be reached with the customer in a similar manner. In cases where the entity fulfills its performance by transferring its goods or services to the customer without the unconditional right to receive the price, no trade receivable arises and the related asset is recognized under "Contract Assets".

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

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

Amounts such as maturity differences, interest, etc. of trade receivables, if any, are recognized in the financial statements not against revenue but against interest income, foreign exchange differences, etc.; however, these amounts are also recognized in trade receivables and related disclosures are made in the footnotes. Such interest income, foreign exchange differences, etc. are recognized in profit or loss and other comprehensive income. Such interest income, foreign exchange differences, etc. are recognized in Other Operating Income in the Statement of Profit or Loss and Other Comprehensive Income.

Trade receivables are classified as current assets if they are within the normal operating cycle of the entity, even if the period required to realize the receivables is longer than 12 months.

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- Related Parties

Related parties of the Group include entities that can control or significantly influence the other party directly or indirectly through shareholding, contractual rights, family relationships or similar means. In the accompanying financial statements, the Company's shareholders and companies owned by these shareholders, their key management personnel and other companies known to be related to them are defined as related parties.

2.4.7 Contract Assets

It is used to monitor assets that are defined as contract assets in TFRS 15. Under IFRS 15, a contract asset is a right to receive consideration for goods or services that an entity transfers to a customer that is conditional on something other than the passage of time (for example, future performance by the entity). The total amount of contract assets is recognized separately in the statement of financial position.

2.4.8 Other Receivables

Receivables other than trade receivables and financial investments. Examples include deposits and guarantees given, other receivables from related parties, receivables from public authorities other than assets related to current period tax and other miscellaneous receivables. The portion of these receivables from related parties is presented in a separate sub-item in accordance with the sample format.

2.4.9 Stocks

In the ordinary course of business, the Group's assets held for sale, produced for sale, in the form of materials and supplies to be used in the production process or in the provision of services are recognized as inventories. Advances given are not inventories and are recognized in "Prepaid Expenses" until the related inventory is recognized.

2.4.10 Live Assets

Living assets within the scope of TAS 41 and agricultural products at harvest are recognized in this item if they are related to agricultural activities. This item is used only by entities engaged in agricultural activities. The Company does not have any living assets as of the financial statement period.

2.4.11 Prepaid Expenses

Generally, amounts paid to suppliers that will be transferred to cost and expense accounts in a later period (or periods) are presented in this item. If the item is immaterial, the related amounts are presented in other current assets.

2.4.12 Current Period Tax Related Assets

In accordance with TAS 12 Income Taxes, assets related to current income taxes, such as prepaid and deductible income taxes and various taxes and funds payable on income, are recognized in this item.

2.4.13 Other Current Assets

Current/non-current assets not shown in the above items such as VAT carried forward, discount VAT, other VAT, counting and receipt deficiencies are shown in this item.

2.4.14 Non-current Assets Classified as Held for Sale

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, non-current assets that are classified as held for sale because their carrying amount will be recovered through a sale transaction rather than through continuing use and all assets related to disposal groups are recognized in this item.

In addition, non-current assets classified as held for distribution to shareholders in accordance with IFRS 5 and all assets relating to disposal groups are recognized in this line item from the time a commitment is made to distribute them to shareholders. In this case, the item name may be renamed to refer to these assets.

The Group has no non-current assets classified as held for sale as of the balance sheet date.

2.4.15 Investments Accounted through Equity Method

Associates and joint ventures accounted for using the equity method in accordance with TAS 28 Investments in Associates and Joint Ventures are recognized in this item.

Information about the Company's associates accounted through equity method as of the financial statement period is provided in "Note 25 - Investments Accounted through Equity Method".

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2.4.16 Investment Properties

In accordance with TAS 40 Investment Property, real estate (land, building, land and building, part of a building) that is held (either by the owner or by the lessee under a finance lease agreement) to earn rental income or for capital appreciation or both are recognized in this item. If the real estate is subject to financial leasing, the disclosures specified in TAS 17 Leases are made additionally.

A right to real estate held by a lessee under an operating lease may be classified as investment property if it falls within the definition of investment property and the lessee uses the fair value method.

The Group does not have any investment property.

2.4.17 Property, Plant and Equipment, Intangible Assets and Right of Use Assets

-Tangible Fixed Assets :

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment consists of the purchase price, import duties and non-refundable purchase taxes, and the costs of preparing the property, plant and equipment for its intended use. Repair and maintenance costs are recognized in the statement of profit or loss in the period in which they are incurred.

Depreciation of property, plant and equipment is provided on a straight-line basis over their estimated useful lives, based on the dates when the assets are available for use. The estimated useful life, depreciation method and estimates are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives of property, plant and equipment are as follows

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

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Advances given for the purchase of property, plant and equipment are presented under "Prepaid Expenses" and not under this item until the related asset is capitalized.

-Right of Use Assets

IFRS 16 Leases requires lessees to present right-of-use assets separately from other assets in the statement of financial position or notes to the financial statements. Entities that choose to present right-of-use assets separately in the statement of financial position present these assets in this line item.

-Intangible Assets

a. Intangible assets acquired

Intangible assets are carried at cost less accumulated amortization and impairment losses.

The estimated useful life, residual value and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

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b. Internally generated intangible assets/Research and Development Expenses i) Expenses related

to research activities: Recognized in the statement of profit or loss in the period in which they are incurred.

ii) Expenses related to development activities:

-Activated Development Costs

Internally-generated intangible assets that are acquired on a purchase order basis or that result from the development of a project initiated by a new internal idea are capitalized and recognized only when all of the following conditions are met

- It is technically feasible to complete the intangible asset so that it is ready for use or sale,
- The intention to complete, use or sell the intangible asset to more than one customer,
- The intangible asset can be used or sold,
- It is clear how the asset is likely to generate future economic benefits,
- The availability of adequate technical, financial and other resources to complete the development of the intangible asset and to use or sell the asset; and
- The development cost of the asset can be measured reliably during the development process.

During the period, the Group management has analyzed the existence of probable economic benefits of internally generated intangible assets. The Group management believes that the projects will continue as expected and based on the analysis, the Group management anticipates that the projects will generate economic benefits. Management is confident that the carrying amount of the assets will be recovered even if the economic benefits diminish. This situation is closely monitored by the Group management and management will make adjustments if future market activity requires such adjustments.

-Special software project expenses:

Special software project expenditures that are developed specifically for the customer and will not be sold to another customer are recognized as expense depending on the realization of revenue as of the date of completion of the work. For custom software projects that extend over more than one period, the project expenses determined by matching the amount of revenue accrued based on the invoice issued within the scope of partial deliveries with the expenses corresponding to the completed part of the project are recognized as expense in the period in which the partial delivery is made. Development costs related to such special software projects are not capitalized.

The amount of internally generated intangible asset is the total amount of expenditures incurred from the time the intangible asset meets the conditions for recognition set out above. When internally generated intangible assets do not meet the above conditions, development expenditure is recognized as an expense in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets, like separately acquired intangible assets, are carried at cost less accumulated amortization and accumulated impairment losses.

c. Derecognition of intangible assets

An intangible asset is derecognized when it is disposed of or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition of an intangible asset is calculated as the difference, if any, between the net proceeds from the disposal of the asset and its carrying amount. This difference is recognized in profit or loss when the asset is derecognized.

The Group's intangible assets comprise acquired rights and computer programs, development costs related to internally generated computer software and programs and other identifiable rights. Development costs consist of salaries of personnel directly involved in the creation of the asset and costs directly attributable to the creation of the intangible asset. Government grants associated with development costs are recognized as income over the amortization period of the intangible asset.

The ratios determined by taking into account the useful lives of Intangible Assets are as follows

Economic Lifetime

Licenses	5 Years
Capitalized Development Costs	7-12 Years

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2.4.18 Deferred Tax Assets

Deferred tax assets represent the amount expected to be recovered in future periods in respect of taxes levied on income due to deductible temporary differences, unused tax losses carried forward to future periods and unused tax benefits carried forward to future periods.

Deferred tax assets are not recognized for amounts that are not deductible for tax purposes (permanent).

2.4.19 Short Term / Long Term Liabilities

Liabilities are present obligations that arise from past events and, if paid or settled, will result in an outflow of economic benefits from the entity. This definition specifies the basic characteristics of liabilities and does not specify the basic criteria that must be met for them to be recognized in the Statement of Financial Position. Therefore, the definition of a liability also includes liabilities that cannot be recognized in the Statement of Financial Position because they do not meet the criteria for recognition in the financial statements.

In accordance with paragraphs 69-76 of TAS 1, liabilities that meet any of the following criteria are classified as current:

(a) Expected to be paid within the normal operating cycle; (b) Held primarily

for trading purposes;

(c) It is payable within twelve months after the end of the reporting period (balance sheet date); or

(d) The entity does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period (balance sheet date). Provisions for settlement of a liability by issuing equity instruments at the option of the counterparty do not affect its classification. The Company classifies all other liabilities as non-current.

2.4.20 Borrowings

Financial liabilities as defined in TAS 32, financial liabilities obtained from financial institutions or money and capital market instruments are recognized in this item. Bank loans, issued bonds, bills and notes are examples of borrowings.

Entities that prefer not to present their lease liabilities separately in the statement of financial position also present their lease liabilities in this item. In this case, it is explained in the footnotes that this item includes lease liabilities.

Borrowings that meet the definition of current liabilities are classified as current and the others as non-current.

Disclosures are made in accordance with TFRS 7 Financial Instruments: Disclosures are made within the framework of

the Explanations. Financial Leasing Transactions

Leases where the lessee retains substantially all the risks and rewards of ownership are classified as finance leases. Other leases are classified as operating leases.

Leasing - Company in case of lessor

Rental income from operating leases is recognized on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging the lease are included in the cost of the leased asset and amortized on a straight-line basis over the lease term.

Leasing - in the case of a lessee, the Company

Assets held under finance leases. The fair value of the asset at the inception of the lease, or the present value of the minimum lease payments, whichever is lower, is capitalized. The liability to the lessor is recognized as a finance lease liability in the balance sheet.

Finance lease payments are split into finance costs and principal payments that reduce the lease liability, thereby enabling interest to be calculated at a fixed rate on the remaining principal balance of the debt. Finance costs are recognized in the statement of profit or loss, except for the capitalized portion of finance costs in accordance with the Company's general borrowing policy detailed above. Contingent rentals are recognized as an expense in the period in which they are incurred.

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Payments made under operating leases (including any incentives received or receivable from the lessor to grant the lease are recognized in profit or loss on a straight-line basis over the lease term) are recognized in profit or loss on a straight-line basis over the lease term. Contingent rentals under operating leases are recognized as an expense in the period in which they are incurred.

Sale and leaseback transactions

A sale and leaseback transaction involves the sale of an asset and the leaseback of the same asset. The lease payments and the sale price are often interdependent, as they are negotiated as a whole. The method of accounting for a sale and leaseback transaction depends on the type of lease. When a sale and leaseback transaction results in a finance lease, the portion of the sale proceeds in excess of the carrying amount is not recognized immediately as revenue by the seller-lessor. Instead, such income is deferred and amortized over the lease term. If the leaseback transaction is a finance lease, the transaction is a means by which the lessor provides financing to the lessee, with the leased asset as collateral for the transaction. Therefore, it is not correct to recognize sales proceeds in excess of the carrying amount of the related asset as income. Such excess amounts are deferred and amortized over the lease term.

2.4.21 Short-term portion of long-term borrowings

Short-term portion of long-term borrowings. If the short-term portion of long-term borrowings is immaterial, it is presented together with "Short-Term Borrowings" under a new and single item named "Financial Liabilities".

2.4.22 Other Financial Liabilities

Of the financial liabilities defined in TAS 32, financial liabilities that do not have the characteristics of borrowings, i.e. liabilities arising from derivative instruments that are not measured at amortized cost calculated using the effective interest method after initial recognition, such as financial guarantee contracts, are presented in this item.

2.4.23 Payables from Finance Sector Operations

The liabilities of the subsidiaries included in the consolidation and operating in the finance sector arising from these activities are presented in this item. In the footnote, details are given on the basis of each sector. For example; payables from banking activities (deposits, participation accounts), payables from insurance activities (payables from insurance and reinsurance activities, deposits, payables from pension activities, etc.), payables from financial leasing activities, etc.

The Group has no payables from finance activities as of the financial statement period.

2.4.24 Trade Payables

Obligations to third parties in their capacity as suppliers.

In accordance with paragraph 11 of TAS 37, in order for a debt to be a trade payable, it must be invoiced or similarly agreed with the supplier in a way that is binding on the parties. Payables that meet the criteria for recognition in the financial statements as at the reporting date but have not yet been so agreed are classified as accruals in the same paragraph. However, such accruals are presented in the Statement of Financial Position under "Trade Payables" in order to be in line with the national practice in financial reporting. Deposits and guarantees received are not presented under this item but under other payables.

Accruals made for maturity differences, interest, etc. of trade payables, if any, are also shown in trade payables and related explanations are made in the footnotes. Such interest expenses and foreign exchange differences are recognized under "Other Operating Expenses" in the Statement of Profit or Loss and Other Comprehensive Income.

Trade payables are classified as current liabilities even if their maturities are longer than 12 months if they are within the normal operating cycle of the entity.

2.4.25 Employee Benefit Payables

Amounts owed for employee benefits during the period, such as wages, salaries and social security contributions, are recognized in this item. It may alternatively be named as "Employee Wage Accruals", etc., provided that it reflects its content. If the item is immaterial, the related amount is presented in "Trade Payables".

2.4.26 Other Payables

Payables other than trade payables and not arising from financing activities. Payables to related parties that are not suppliers or customers, deposits and guarantees received, payables from public administrations, other miscellaneous payables can be given as examples.

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Borrowings from related parties for the purpose of obtaining financing from financial markets are not presented in this item but under short-term or long-term borrowings according to their maturities. If the amounts are material, separate line items are created for them.

2.4.27 Contractual Obligations

It is used to monitor the liabilities defined as contract liabilities in TFRS 15. Under TFRS 15, a contract liability is an obligation of an entity to transfer goods or services to a customer in exchange for consideration that the entity collects (or has the right to collect) from the customer.

A contract liability arises when the customer pays or the entity has an unconditional right to receive consideration (i.e. a receivable) before the goods or services are transferred to the customer. The total amount of contract liabilities is recognized separately in the statement of financial position.

2.4.28 Government Incentives and Aids

In accordance with IAS 20, this item includes amounts recognized as deferred income when the relevant alternative is selected in the presentation of incentives related to assets.

2.4.29 Deferred Income (Other than Contractual Obligations)

Liabilities related to revenues collected in the current period or unconditionally entitled to be collected in the current period but belonging to future periods. Contractual obligations that have these characteristics but are required to be presented separately in the statement of financial position in accordance with TFRS 15 are presented in the "Contractual Obligations" item, not in this item.

2.4.30 Tax Liability on Profit for the Period

The portion of taxes on income within the scope of TAS 12 that is expected to be paid to the tax administration in the following period is recognized in this item. Prepaid taxes on income for the period are deducted from this amount and recognized under "Assets Related to Current Period Tax".

Taxes calculated on corporate income

The tax liability on profit or loss for the period comprises current and deferred tax. Current period tax

Current year tax liability consists of tax liability on period income calculated based on taxable profit for the period using tax rates enacted or substantively enacted at the statement of financial position date.

Deferred tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the statement of financial position. Deferred tax is recognized on differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and the corresponding tax bases used in the computation of taxable profit. Deferred tax is measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates and tax laws enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. To the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered, the carrying amount of the deferred tax asset is reduced.

Deferred tax assets and deferred tax liabilities are offset when they relate to income taxes levied by the same taxation authority and there is a legally enforceable right to set off current tax assets against current tax liabilities.

Current and deferred tax for the period

Current and deferred tax are recognized as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognized directly in equity, or where they arise from the initial accounting for a business combination.

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2.4.31 Provisions

Provisions are liabilities of uncertain timing or amount and are calculated based on the most realistic estimate made by the Company management. Provisions for employee benefits within the scope of IAS 19 Employee Benefits, provisions for financial sector activities and other provisions such as warranty provisions, provisions for possible indemnities, penalties and losses, restructuring provisions, provisions for economically disadvantageous contracts and other provisions within the scope of IAS 37 are presented in sub-items.

Employee Benefits

Accrued liabilities (or provisions) required to be recognized in the financial statements under IAS 19 Employee benefits are included in this item.

Under Turkish law, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan in accordance with the revised IAS 19 Employee Benefits ("IAS 19").

Under Turkish law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, is called up for military service, dies or who retires after completing 25 years of service (25 years for men and 20 years for women) and reaches the retirement age. Severance payments are calculated on the basis of 30 days' gross salary for each year of service. In the calculation, the present value of the severance pay to be paid in the future is calculated as of the balance sheet date using the real discount rate.

The amendments to IAS 19 change the accounting for defined benefit plans and termination benefits. The most significant change relates to the accounting for defined benefit obligations and plan assets. The amendments require the recognition of changes in defined benefit obligations and plan assets when there is a change in their fair value, thereby eliminating the 'corridor method' permitted under the previous version of IAS 19 and accelerating the recognition of past service costs.

All actuarial gains and losses are recognized immediately in other comprehensive income so that the net pension asset or liability recognized in the statement of financial position reflects the full value of the plan deficit or surplus.

Pension plans

The Company does not have any retirement benefit plans.

2.4.32 Current Period Tax Liabilities

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

2.4.33 Deferred Tax Liability

Deferred tax liabilities represent future income taxes payable on taxable temporary differences. The "Deferred Tax Liability" item is not used for amounts that are not taxable (permanent) in terms of tax legislation.

2.4.34 Other Short Term / Long Term Liabilities

Short-term liabilities not included in the above items, such as counting and receiving surpluses, other miscellaneous payables and liabilities / long-term liabilities are recognized in this item.

2.4.35 Liabilities for Assets Classified as Held for Sale

In accordance with IFRS 5, liabilities for disposal groups whose carrying amount will be recovered through a sale transaction rather than through continuing use are recognized in this item.

In addition, liabilities relating to disposal groups classified as held for distribution to shareholders in accordance with IFRS 5 are recognized in this line item from the date of the commitment to distribute to shareholders. In this case, the line item may be renamed to refer to these liabilities. The Company has no liabilities related to disposal groups classified as held for sale as of the balance sheet date.

2.4.36 Equity

Shareholders' equity is the share of the entity's assets remaining after deducting all liabilities from the entity's assets. Paid-in capital, share premium, positive differences arising from capital restatement, restricted reserves, retained earnings and losses and profit or loss for the period are shown here.

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2.4.37 Positive Capital Adjustment Differences

The Group does not have any positive capital adjustment differences as of the financial statement period.

2.4.38 Repurchased Shares (-)

If the entity acquires its own shares within the scope of paragraph 33 of TAS 32, the purchase price of these shares is deducted from equity and presented in the "Repurchased Shares (-)" item. In the event that the shares are purchased by other parties included in the consolidation, the shares purchased are also included in this scope, but these amounts are shown in the "Capital Adjustment of Mutual Subsidiaries" item within the scope of TAS 32, and the differences arising from the purchase and sale of treasury shares are not shown in profit or loss.

2.4.39 Adjustment to share capital of cross shareholding (-)

This item is used to adjust the paid-in capital amount by an item other than paid-in capital to ensure that the paid-in capital amount is presented with the amount in the statutory records in the event that the shares of the entity are acquired by other parties included in the consolidation.

The Group does not have any cross shareholding capital adjustments as of the financial statement period.

2.4.40 Share Premiums/Discounts

Share premiums, cancelled shares, gains on sale of shares of subsidiaries with retained control are recognized as an item that arises from capital movements and are considered as part of share capital.

Negative differences arising from the difference between the nominal value and the issue price of shares issued at a price below the nominal value are disclosed separately in the footnotes.

2.4.41 Other comprehensive income or expenses not to be reclassified to profit or loss

This item accounts for items of other comprehensive income (revaluation gains/losses on revaluation of property, plant and equipment, revaluation gains/losses on revaluation of intangible assets, gains/losses on remeasurement of defined benefit plans) and other gains and losses that are recognized directly in equity in the period in which they arise and that will never be reclassified to profit or loss.

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

2.4.42 Other Comprehensive Income or Expense to be Reclassified to Profit or Loss

Foreign currency translation differences, which are recognized directly in equity as an item of other comprehensive income (loss) in the period in which they arise and which can be subsequently transferred to profit or loss, Revaluation and reclassification gains/losses (Gains/losses on revaluation and/or reclassification of available-for-sale financial assets, Other comprehensive income (loss) items such as Other comprehensive income (loss), Hedging gains/losses (Cash flow hedge gains/losses, Gains/losses on hedging of investment in foreign operations) and Other gains/losses are monitored.

The Group does not have any accumulated other comprehensive income or expenses to be reclassified to profit or loss as of the financial statement period.

2.4.43 Restricted Reserves (Reserves set aside for purposes other than profit distribution)

These reserves are appropriated out of the profits of previous periods, either as a result of legal or contractual obligations or for specific purposes other than profit distribution (e.g. to obtain tax advantage from gain on sale of subsidiaries). These reserves will be carried at their statutory amounts and any differences arising on the revaluation of these reserves in accordance with TAS will be recognized in retained earnings.

2.4.44 Retained Earnings

Accumulated profits/losses other than net profit for the period are netted off and presented in this item. Extraordinary reserves, which are in their nature of accumulated profit/loss and therefore not restricted, are also considered as accumulated profit and presented in this item.

2.4.45 Cash Flow Statement

The Group prepares cash flow statements in order to inform the users of the financial statements about the changes in its net assets, its financial structure and its ability to manage the amount and timing of its cash flows according to changing conditions. In the statement of cash flows, cash flows for the period are classified and reported based on operating, investing and financing activities.

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Cash flows from operating activities represent the cash flows generated from the Company's operating activities. Cash flows from investing activities represent the cash flows used in and provided from investing activities (fixed asset investments and financial investments). Cash flows from financing activities represent the resources used in financing activities and the repayment of these resources. Cash and cash equivalents comprise cash on hand and demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities of three months or less.

2.4.46 Main Activities

Core activities are those activities from which an entity derives its main revenue. Other activities that are not included in the scope of investment and financing activities defined below are also considered as core activities.

Revenue/Income Recognition

The Group's revenues mainly consist of license and hardware sales, internally generated software development and custom software project sales, custom integrator services, outsourcing services, maintenance and support services.

Revenue is recognized when the Group fulfills its performance obligation by transferring a promised good or service to a customer.

The Group recognizes revenue from contracts with customers when (or as) the customer obtains control of the goods and services promised under the contract if the Group meets all of the contractual requirements of TFRS 15.

In accordance with TFRS 15, a 5-step process is applied for revenue recognition.

- Defining contracts with the customer,
- Identification of separate performance criteria and obligations in the contract,
- Determination of the contract price,
- Allocation of the Sale Price to Liabilities,
- Recognizing revenue as contractual obligations are fulfilled,

If there is a significant financing element in the sales, the fair value is determined by discounting the future cash flows with the hidden interest rate included in the financing element. The difference is recognized in the financial statements on an accrual basis. Considering that the maturity of the sales is less than 1 year, it is accepted that the sales do not include a significant interest component and the sales are reflected in the financial statements at the invoice amount.

The Group gives these performance obligations alone or together in contracts.

The Group recognizes these performance obligations in its financial statements over time and at a certain point in time. As a result of the fulfillment of obligations over time, revenue is also recognized in the financial statements over time.

The Group uses the output method to determine how much of the work has been completed as of the balance sheet date when accounting for performance obligations over time for which control has been transferred. With the output method, contract progress is measured as the ratio of the goods and services provided to the customer as of that day to the goods and services expected to be provided within the scope of the total project.

Additional explanations for some important income groups are provided below.

Revenue from sale of licenses

The Group may sell licenses by entering into simultaneous contracts with the licensor and the customer. In such contracts, the Group is not directly responsible for the performance of the license performance obligation (e.g. updating the license), but has discretion in determining the license price and bears all the risks of collection in case of non-payment of the licenses. Therefore, it considers itself as a principal in these contracts. Revenues related to the license performance obligation are recognized "at a point in time" and "gross" when control is transferred to the customer.

Revenue from sale of hardware

The hardware performance obligation consists of products that are procured from other manufacturers and sold. The hardware may be an integral part of the installation, which takes some time to integrate, or it may be sold to the customer on its own.

Internally generated Software and Technology Development Revenues

The Group's software development services consist of services that are contracted on a per hour basis and provided to the customer by providing human resources or projected software development services. Control of software development services is transferred to the customer as the service is provided and the customer receives and consumes the benefit of this performance at the same time.

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The stage of completion of the contract is determined based on the time spent and revenue from contracts is recognized over the contract fees as the working hours and direct expenses are incurred. Revenues from such services are recognized on an accrual basis over the hours of service rendered in accordance with the principle of periodicity based on the contractual basis.

For short-term and one-off services, the Group recognizes revenue "at a point in time" when control is transferred to the customer.

Special Software Project Revenues

Custom software development project revenues are recognized in the consolidated financial statements as revenue based on the level of completion of contractual obligations as of the balance sheet date.

Special Integrator Service Revenues

The Company, which is a Private Integrator Service provider that has received special integration permission from the Revenue Administration, provides e-transformation services such as e-invoice, e-archive, e-delivery note, e-ticket to its customers through its own IT system. The special integrator service is in the form of top-up sales and revenue is recognized based on top-up usage.

Income from care services

The Group sells maintenance and repair services for its products and software. The prices of the maintenance and repair services offered are determined separately from the products sold and are considered as a different service promised in the contract. Therefore, the Company recognizes the service to be provided within the scope of maintenance and repair as a separate performance obligation.

For each performance obligation, the Company determines at the inception of the contract whether the performance obligation is satisfied over time or whether the performance obligation is satisfied at a particular point in time. For maintenance and repair sales, the Group transfers control of the service over time and therefore fulfills the performance obligations related to such sales over time and recognizes revenue over time by measuring the progress towards the full fulfillment of this performance obligation.

The Group may sell maintenance support packages of the licensor together with the license and hardware. In these maintenance support packages, the Company considers itself as a principal in the contracts in which it is responsible for the performance of the performance. The Company recognizes the amount paid to the service provider as a cost in the financial statements as it fulfills the performance in the contracts in which it is the principal, and the amount of maintenance service provided to the customer is recognized as income.

When determining the stand-alone selling price of maintenance services sold together with other performance obligations in the contracts, the management has estimated the stand-alone selling price of maintenance services by using the cost plus profit margin method, taking into account past experience and observable prices in similar contracts. In contracts where there is a discount, the discount is reflected to all performance obligations in proportion to the discount rate.

Revenue from outsourcing and support services sales

The Group provides staffing, support and consultancy services in line with the expectations of its customers. The control of staffing and some support services passes as the service is provided to the customer and the customer receives and consumes the benefit from this performance at the same time. Therefore, they are recognized as "over time" in the financial statements.

2.4.47 General Administrative Expenses, Marketing Expenses, Research and Development Expenses

General administrative expenses, marketing, selling and distribution expenses and research and development expenses(*) directly attributable to profit or loss in accordance with TAS 38 Intangible Assets are presented separately. Depreciation and amortization expenses and employee benefits are also included in these expenses.

(*) The Group recognizes research expenses directly in the statement of profit or loss in the period in which they are incurred. Expenditures made within a project to produce a new product, software or program based on research findings are defined as development and development expenditures are capitalized by carrying forward to future periods when the future realizable value is certain. In this context, while capitalizing the salaries of the personnel directly involved in the creation of the project and other costs incurred, it is taken into consideration how much time each personnel spends on research and development activities. Personnel costs related to research activities are recognized as expenses when incurred.

2.4.48 Other Operating Income/Expenses

Income and expenses arising from operating activities that do not meet the definition of revenue, gains that do not meet the definition of revenue, losses that are not included in cost of sales, and income and expenses related to activities that are considered within the scope of operating activities because they do not fall within the scope of investment and financing activities, other than income and expenses related to operating activities.

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2.4.49 Investment Activities

Investing activities are activities related to the acquisition and disposal of long-term assets and other investments that are not included in cash equivalents. Which activities fall within the scope of investing activities is assessed in accordance with TAS 7.

Profit/loss from investing activities is calculated by deducting income from investing activities and related expenses. Profit or loss shares, if any, of investments accounted for using the equity method are added to or subtracted from the related item. If the investments accounted for using the equity method are a part of the core business of the reporting entity, this item is reported in the "Core Business".

2.4.50 Finance Income/Financing Expenses

Financing activities are activities that result in changes in the structure and amount of equity and liabilities. Which activities fall within the scope of financing activities are evaluated within the framework of TAS 7.

Where unpaid interest accrues prior to the acquisition of an interest-bearing security, the interest subsequently collected is split into pre-acquisition and post-acquisition periods and recognized in the financial statements as post-acquisition income only.

Interest on overdraft accounts and short-term and long-term borrowings, and exchange differences on borrowings denominated in foreign currencies, to the extent that they are considered as adjustments to interest costs, are recognized in finance costs.

2.4.51 Earnings per Share

Earnings per ordinary share is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent (the numerator) by the weighted average number of ordinary shares outstanding during the period (the denominator). In computing diluted earnings per share, the Company adjusts the profit or loss attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares outstanding for the effects of dilutive potential ordinary shares.

2.4.52 Effects of Exchange Rate Changes

Transactions in foreign currencies are translated into TL at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into TL at the exchange rate prevailing at the balance sheet date. Exchange differences arising on such transactions are recognized in the income statement and/or balance sheet.

Foreign currency exchange rates used by the Group at the end of the period are as follows

	<u>30.06.2023</u>	<u>31.12.2022</u>
US Dollar	25.8231	18.6983
Euro	28.1540	19.9349
British Pound	32.8076	22.4892
Swiss Franc	28.8079	20.2019

2.4.53 Events after the Balance Sheet Date

Subsequent events cover all events that take place between the balance sheet date and the date when the balance sheet is authorized for issue, even if they occurred after the announcement of any profit or other selected financial information publicly disclosed. The Company adjusts the amounts recognized in the financial statements if events requiring an adjustment occur after the balance sheet date.

2.5. Significant Accounting Judgments, Estimates and Assumptions

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates and assumptions are based on the Company management's best knowledge of current events and transactions, actual results may differ from the assumptions.

2.6 New and Revised Turkish Financial Reporting Standards

As at June 30, 2023, the accounting policies adopted in preparation of the consolidated financial statements for the year ended June 30, 2023 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards ("TAS")/IFRS and TAS/IFRS interpretations effective as of January 1, 2023. The effects of these standards and interpretations on the financial position and performance of the Group are disclosed in the related paragraphs.

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As at June 30, 2023, new standards, amendments and interpretations to existing standards effective as of June 30, 2023:

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

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

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

IFRS 17, 'Insurance contracts'; effective from annual periods beginning on or after January 1, 2023. This standard replaces TFRS 4, which currently permits a wide range of applications. IFRS 17 will fundamentally change the accounting for all entities that issue insurance contracts and investment contracts with discretionary participation features.

Standards and amendments to standards issued but not yet effective as at March 31, 2023:

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

Amendment to IAS 1, Long-term liabilities with contractual conditions, effective from annual periods beginning on or after January 1, 2024. These amendments clarify how conditions that an entity must comply with within twelve months of the reporting period affect the classification of a liability.

IFRS 16, Sale and leaseback transactions; effective from annual periods beginning on or after January 1, 2024. These amendments include the sale and leaseback provisions in TFRS 16 that clarify how an entity accounts for a sale and leaseback transaction after the transaction date. It is likely to affect sale and leaseback transactions where some or all of the lease payments are variable lease payments that are not linked to an index or rate.

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

NOTE 3 - BUSINESS COMBINATIONS

The Group has no business combinations as of June 30, 2023 (December 31, 2022-None).

NOTE 4 - INTERESTS IN OTHER ENTITIES AND JOINT VENTURES

The Group has no joint ventures as of June 30, 2023 (December 31, 2022-None).

NOTE 5 - FINANCIAL INVESTMENTS

As at June 30, 2023 and December 31, 2022, the details of short-term and long-term financial investments are as follows

a) Short Term Financial Investments

	30.06.2023	31.12.2022
Financial assets at fair value through profit or loss	40.411.437	294.519
- Currency Protected Deposit	40.004.853	-
- Investment Funds	406.584	294.519

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NOTE 6 - RELATED PARTY DISCLOSURES

Transactions with Related Parties during the Period A-

Receivables and Payables

Receivables

a- Trade Receivables / Short-Long Term

The Group's short term trade receivable balance from related parties is TL 36.274 and this balance is related to Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş. There is no long term trade receivable balance. (December 31, 2022-None.)

b- Other Receivables

-Short Term

Name-Surname/Title	Nature of Partnership/Party	30.06.2023	31.12.2022
Biro Basaran	Partner	13.665.130	-
Buz İletişim Hiz. San. Tic. A.S.	Subsidiary	2.053.485	
Stoneity Software Inc.	Subsidiary	380.279	
Total		16.098.894	-

-Long Term

Name-Surname/Title	Nature of Partnership/Party	30.06.2023	31.12.2022
KPAY Payment Technologies Consulting San.ve Tic. A.S.	Subsidiary	-	466.305

c- Prepaid Expenses / Short Term

Name-Surname/Title	Nature of Partnership/Party	31.03.2023	31.12.2022
Personnel Advances	Related Person	1.369.020	347.100

d- Prepaid Expenses/Long Term

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

Payables

a- Trade Payables /Short-Long Term

Name-Surname/Title	Nature of Partnership/Party	30.06.2023	31.12.2022
Phexum Software Inc.	Subsidiary	672.305	466.100
English Guru	Subsidiary	38.476	-
Buz İletişim Hiz.San.ve Tic. A.S.	Subsidiary	-	1.765.120
Total		710.781	2.231.220

b- Other Payables

-Short Term

Name-Surname/Title	Nature of Partnership/Party	30.06.2023	31.12.2022
Birol Basaran	Partner	-	164.127
KPAY Payment Technologies Consulting San.ve Tic. A.S.	Subsidiary	2.065.848	3.739.660
Total		2.065.848	3.903.787

-Long Term

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

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B-Related Party Purchases-Sales

- **Service Sales**

Name-Surname/Title	Partnership/Party Attribute	January 1, 2023 June 30, 2023	January 1, 2022 June 30, 2022
Ice Communications Inc.	Subsidiary	14.096	-

- **Service Procurement**

Name-Surname/Title	Partnership/Party Attribute	January 1, 2023 June 30, 2023	January 1, 2022 June 30, 2022
Phexum Yaz. INC.	Subsidiary	1.813.250	210.000
Stoneity Software Inc.	Subsidiary	414.000	336.000
Total		2.227.250	546.000

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

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

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

D - Remuneration and Similar Benefits Provided to the Chairman, Members of the Board of Directors, General Manager and Assistant General Managers

The Company's senior management consists of the Chairman of the Board of Directors and members of the Board of Directors as well as general managers. Benefits provided to key management personnel include salaries and bonuses. Benefits provided to key management personnel during the period are as follows:

	January 1, 2023 June 30, 2023	January 1, 2022 June 30, 2022
Chairman and Members of the Board of Directors and Senior Management	3.547.563	2.095.211

E - Mortgaged and collateralized receivables and payables from related parties and their maturity terms

There are no mortgaged and collateralized receivables and payables from related parties. (31 December 2022 -

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

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

NOTE 7 - CASH AND CASH EQUIVALENTS

	30.06.2023	31.12.2022
Safe deposit box	1.177	1.434
Banks	136.092.353	236.679.602
- Time deposits(*)	1.879.657	63.768.570
- Demand deposits	134.212.696	172.911.032
Total	136.093.530	236.681.036

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

30.06.2023		
Currency Denomination	Currency Amount	TL Equivalent
EURO	-	-
USD	-	-
TL	1.879.657	1.879.657
Total		1.879.657

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31.12.2022

Currency Denomination	Currency Amount	TL Equivalent
EURO	1.600.862	31.913.024
USD	1.703.660	31.855.546
TL	-	-
Total		63.768.570

NOTE 8 - INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND SUBSIDIARIES

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

NOTE 9- FINANCIAL LIABILITIES

a) Short Term Borrowings from Third Parties

The Group has no short-term borrowings from third parties as of June 30, 2023 (December 31, 2022: None).

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

	Currency Unit	Interest Rate	TL Amount	Accrued Interest	Total
Bank Loans					
June 30, 2023	TL	7,76-34,00	1.263.986	3.868	1.267.854
December 31, 2022	TL	7,76-34,00	1.628.127	74.987	1.703.114

Payables from Leasing Transactions

	30.06.2023	31.12.2022
Short Term Lease Liabilities from Third Parties	1.904.338	771.782

c) Long Term Borrowings from Third Parties

	Currency Unit	Interest Rate	TL Amount
Bank Loans			
June 30, 2023	-	-	-
December 31, 2022	TL	7,76-34,00	618.542

Payables from Leasing Transactions

	30.06.2023	31.12.2022
Long Term Lease Liabilities from Third Parties	3.361.802	2.475.860

As of June 30, 2023 and December 31, 2022, the maturities of bank borrowings are as follows

Loans and Lease Liabilities	30.06.2023	31.12.2022
0-3 months	889.571	833.189
4-12 months	2.282.621	1641707
1-5 years	3.361.802	3.094.402
Total	6.533.994	5.569.298

f) Other Financial Liabilities

	30.06.2023	31.12.2022
Credit Card Debts	273.862	908.926

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(Amounts expressed in Turkish Lira (TL))****NOTE 10 - TRADE RECEIVABLES AND PAYABLES**

a-Short Term Trade Receivables	30.06.2023	31.12.2022
Trade Receivables	60.951.111	106.305.328
<i>Trade Receivables Due from Third Parties</i>	60.914.837	106.305.328
<i>Trade Receivables from Related Parties</i>	36.274	-
Doubtful Trade Receivables	197.398	197.398
<i>Doubtful Trade Receivables Except Related Party</i>	197.398	197.398
Provision for Doubtful Trade Receivables (-)	(197.398)	(197.398)
<i>Provision for Doubtful Trade Receivables Except Related Parties Provision (-)</i>	(197.398)	(197.398)
Provision for Expected Credit Losses (-)	(1.634.536)	(1.517.307)
<i>Provision for Expected Credit Losses Excluding Related Parties (-)</i>	(1.634.536)	(1.517.307)
Total	59.316.575	104.788.021

The Company's transactions related to overdue receivables for which allowance for doubtful receivables has been recognized are as follows

	30.06.2023	31.12.2022
Opening Balance	197.398	202.034
<i>Collected Receivables</i>	-	(4.636)
<i>Provision Allocated in the Current Period</i>	-	-
Total	197.398	197.398

b-Long Term Trade Receivables

The Group has no long term trade receivables as of June 30, 2023.

As at June 30, 2023, trade receivables amounting to TL 41.772.236 (December 31, 2022: TL 96.672.981) are neither past due nor impaired. The maturity information of these receivables is as follows:

Maturity periods	30.06.2023	31.12.2022
1-30 days	41.772.236	96.672.981
1-3 months	-	-
Total	41.772.236	96.672.981

As of June 30, 2023, trade receivables amounting to TL 17.544.339 (December 31, 2022 - TL 8.115.039.) Past due information of these receivables is given in Note 44.

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

Trade Payables:

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

a-Short Term Trade Payables	30.06.2023	31.12.2022
Sellers	14.920.474	124.653.957
- <i>Trade payables due to third parties</i>	14.209.693	122.422.737
- <i>Trade payables to related parties</i>	710.781	2.231.220
Total	14.920.474	124.653.957

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

b-Long Term Trade Payables

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

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))****NOTE-11 RECEIVABLES AND LIABILITIES ARISING FROM CUSTOMER CONTRACTS****a- Receivables from Customer Contracts**

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

b- Short Term Customer Contracts Liabilities Arising from Short Term Customer Contracts	30.06.2023	31.12.2022
Sale of Goods and Services. Contractual Obligations(*)	62.325.504	455.229.168
c- Long Term Customer Contracts Liabilities Arising from Long Term Customer Contracts	30.06.2023	31.12.2022
Sale of Goods and Services. Contractual Obligations(*)	10.764.416	22.790.447

(*) Contractual Obligations arising from the sale of goods and services consist of the Company's revenue from the transactions invoiced to the customer within the scope of customer contracts but the service will be realized in the following periods.

NOTE 12 - RECEIVABLES AND PAYABLES FROM FINANCE SECTOR OPERATIONS

The Group has no receivables and payables from finance sector operations (December 31, 2022 - None).

NOTE 13 - OTHER RECEIVABLES AND PAYABLES

a- Other Short Term Receivables	30.06.2023	31.12.2022
Deposits and Guarantees Given	21.719	21.719
Receivables from Shareholders	13.665.130	-
Other Miscellaneous Receivables	26.701.303	1.407.238
-Other Receivables from Related Parties	2.433.764	-
-Other Receivables from Third Parties	24.267.539	1.407.238
Total	40.388.152	1.428.957
b-Long Term Other Receivables	30.06.2023	31.12.2022
Deposits and Guarantees Given	37.500	2.500
Due from Related Parties (Note: 6)	-	466.305
Total	37.500	468.805
c- Other Short Term Payables	30.06.2023	31.12.2022
Other payables to related parties (Note: 6)	2.065.848	3.903.787
Other Miscellaneous Payables	652.390	455.989
Taxes and Funds Payable	11.902.802	25.791.149
Total	14.621.040	30.150.925

d- Other Long Term Payables

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

NOTE 14 - EMPLOYEE BENEFIT OBLIGATIONS

	30.06.2023	31.12.2022
Payables to Personnel	1.025.003	141.276
Withholding and Stamp Taxes Payable	690.196	727.537
Social Security Debts Payable	5.320.182	4.065.345
Total	7.035.381	4.934.158

NOTE 15 - DERIVATIVE INSTRUMENTS

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

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NOTE 16 - INVENTORIES

	30.06.2023	31.12.2022
Trade Goods (*)	16.714.387	4.728.591

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

NOTE 17 - LIVING ASSETS

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

NOTE 18 - PREPAID EXPENSES

	30.06.2023	31.12.2022
Order Advances Given	14.058	221.366
Expenses for Future Months(*)	50.388.656	448.000.875
Work Advances	156.997	36.163
Personnel Advances	1.369.020	347.100
Total	51.928.731	448.605.504

(*)As of June 30, 2023, TL 50.388.656 reported in prepaid expenses consists of the costs of maintenance services to be provided to customers in the future periods (December 31, 2022: TL 448.000.875).

	30.06.2023	31.12.2022
Expenses for Future Years(*)	13.810.554	26.861.577

(*)As of June 30, 2023, TL 13.810.554 reported in deferred expenses consists of the costs of maintenance services to be provided to customers in the future periods.(December 31, 2022: TL 26.861.577)

NOTE 19 - GOVERNMENT GRANTS AND SUBSIDIES

Short Term Government Incentives and Aids	30.06.2023	31.12.2022
Government Incentives and Aids(*)	44.148	44.148
Long Term Government Incentives and Aids	30.06.2023	31.12.2022
Government Incentives and Aids(*)	88.296	110.370

*The Company receives incentives related to Tübitak projects related to R&D activities. The incentive to be received is not recognized as income in the initial accounting records and is recognized as income in proportion to the amortization of the R&D investment. The R&D incentives that will be recognized as income in the future periods are reported under short and long term "Government Incentives and Grants" account items in the balance sheet accounts.

The Group benefits from the incentives and exemptions provided under the Law No. 5746 on Supporting Research, Development and Design Activities.

In this context, as of June 30, 2023, the Company is entitled to a corporate tax deduction amounting to TL 28.082.754 arising from the R&D incentive and has used all of it as of June 30, 2023.

(In this context, as of December 31, 2022, the Company is entitled to corporate tax deduction arising from R&D incentive amounting to TL 42.007.496 and has used all of it as of December 31, 2022).

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

Social Security and Income Tax Incentives	30.06.2023	31.12.2022
Law No. 5510 Scope. Benefit Incentive	1.132.863	2.763.632
Law No. 14857 Scope. Benefit Incentive	4.654	10.672
Law No. 6111 Scope. Benefit Incentive	258.733	566.960
Law No. 17103 Scope. Benefit Incentive	-	1.901.818
Law No. 7252 Scope. Benefit Incentive	-	-
Law No. 5746 Scope. Benefit Incentive	826.177	2.070.935
Total	2.222.427	5.412.197

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))****NOTE 20 - TAX LIABILITIES FOR THE PERIOD**

	30.06.2023	31.12.2022
Current Period Legal Tax Provision	14.300.462	12.397.884
Prepaid Taxes (-)	(3.390.606)	(6.448.791)
Total Net Tax Payable	10.909.856	5.949.093

NOTE 21 -ASSETS RELATED TO CURRENT PERIOD INCOME TAX

As of June 30, 2023, the Group's assets related to current period tax is TL 303.(December 31, 2022-None.)

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

The Group has other current assets amounting to TL 68.438 as of June 30, 2023. (December 31, 2022 - TL 47.066) The

Group has no other non-current assets as of June 30, 2023 (December 31, 2022 - None).

NOTE 23- OTHER LIABILITIES

a. Other Short Term Liabilities	30.06.2023	31.12.2022
Expense Accruals	180.194	116.530

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

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

b- Guarantees-Pledges-Mortgages Given by the Company

	30.06.2023(TL)	31.12.2022(TL)
A. Total amount of GPMs given on behalf of its own legal entity	90.728.546	65.687.632
Letters of Guarantee	90.728.546	65.687.632
Pledge	-	-
Mortgage	-	-
Cash Collaterals	-	-
B. Total amount of GPMs given in favor of subsidiaries included in the scope of full consolidation	-	-
C. Total amount of GPMs given in order to ensure the debts of other third parties for the execution of ordinary commercial activities	-	-
D. Total amount of other GPMs given	-	-
Total	90.728.546	65.687.632

NOTE 25 - INVESTMENTS ACCOUNTED THROUGH EQUITY METHOD

	30.06.2023	31.12.2022
Investments Accounted through Equity Method	16.897.718	17.407.911
- Phexum Software Inc.	210.437	207.832
- Stoneity Software Inc.	30.301	60.129
- Buz İletişim Hizmetleri San.ve Tic. A.S.	4.289.552	10.006.527
- English Guru LLC	1.525.915	1.646.208
- KPAY Payment Technologies Consulting San.ve Tic. A.S.	5.447.778	5.487.215
- Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	5.393.735	-

VB T YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

- Phexum Software Inc.

Phexum Yazılım A.Ş. is the associate of the Group, which is consolidated through equity method. The share capital of the associate is TL 50.000 and the cost of participation in VBT Yazılım A.Ş. is TL 15.000.

Balance sheet value of this associate as of June 30, 2023 after valuation by equity method
TL 210.437.

As of June 30, 2023, information on valuation by equity method is as follows

Phexum Software Inc.	30.06.2023	31.12.2022
Opening Balance	207.832	15.000
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of profit/(loss) for the financial year	2.605	192.832
Correction	-	-
December 31 Closing Balance	210.437	207.832

- Stoneity Software Inc.

Stoneity Yazılım A.Ş. (see Note-1), a subsidiary of VBT Akademi Eğitim A.Ş., is consolidated with VBT Akademi Eğitim A.Ş. through equity method. The share capital of the subsidiary is TL 200.000 and the cost of participation in VBT Akademi Eğitim A.Ş. is TL 40.000.

Balance sheet value of this associate as of June 30, 2023 after valuation by equity method
TL 30.301 (December 31, 2022: TL 60.129).

As of June 30, 2023, information on valuation by equity method is as follows

Stonity Software Inc.	31.03.2023	31.12.2022
Opening Balance	60.129	23.069
Cost Price (Purchase Price)	-	-
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of profit/(loss) for the financial year	(29.828)	37.060
December 31 Closing Balance	30.301	60.129

- Buz İletişim Hizmetleri San. And Tic. A.S.

VBT Yazılım A.Ş. is consolidated through equity method with Buz İletişim Hizmetleri Sanayi ve Ticaret A.Ş., which has a total capital of TL 20.000.000, consisting of 20.000.000 shares with a nominal value of TL 1 each. The share capital of the aforementioned subsidiary is TL 20.000.000 and its cost in VBT Yazılım A.Ş. is TL 10.000.000.

Balance sheet value of this associate as of June 30, 2023 after valuation by equity method
4.289.552 TL.

As of June 30, 2023, information on valuation by equity method is as follows

Buz İletişim Hizmetleri San. And Tic. A.S.	31.03.2023	31.12.2022
Opening Balance	10.006.527	8.294.097
Cost Price (Purchase Price)	-	-
Capital Increase/(Decrease)	-	2.000.000
Impairment	-	-
Share of profit/(loss) for the financial year	(5.716.975)	(287.570)
December 31 Closing Balance	4.289.552	10.006.527

- English Guru LLC

VBT Yazılım A.Ş. has become a 20% shareholder of English Guru LLC, which was established with "0" capital in accordance with the US legislation, with TL 1.723.430 (USD 100.000).

After the valuation by equity method, the balance sheet value of this associate as of June 30, 2023 is TL 1.525.915.

As of June 30, 2023, information on valuation by equity method is as follows

VB T YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))**

English Guru LLC	30.06.2023	31.12.2022
Opening Balance	1.646.208	-
Cost Price (Purchase Price)	-	1.723.430
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of profit/(loss) for the financial year	(120.293)	(77.222)
December 31 Closing Balance	1.525.915	1.646.208

- KPAY Payment Technologies Consulting San.ve Tic. A.Ş.

VB T Yazılım A.Ş. is consolidated through equity with KPAY Ödeme Teknolojileri Danışmanlık San.ve Tic. A.Ş., which has a total capital of TL 214.286, consisting of 214.286 shares each with a nominal value of TL 1. A.Ş. with a total share capital of TL 214.286, consisting of 214.286 shares each with a nominal value of TL 1. The capital of the subsidiary is TL 214.286 and VB T Yazılım A.Ş. has become a 30% shareholder with a nominal value of 64.285. The acquisition cost of VB T Yazılım A.Ş. is USD 300.000 equivalent to TL 5.527.677.

After the valuation by equity method, the balance sheet value of this associate as of June 30, 2023 is TL 5.447.778.

As of June 30, 2023, information on valuation by equity method is as follows

KPAY Payment Technologies Consulting San.ve Tic. A.Ş.	30.06.2023	31.12.2022
Opening Balance	5.487.215	-
Cost Price (Purchase Price)	-	5.527.677
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of profit/(loss) for the financial year	(39.437)	(40.462)
December 31 Closing Balance	5.447.778	5.487.215

- Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.

The Company's share capital is TL 50,000 and VB T Yazılım A.Ş. has a total of 500 shares, each with a nominal value of TL 100. In the current period, the Group has become a 50% shareholder in Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş., which has a capital amounting to TL 25.000. The acquisition cost of VB T Yazılım A.Ş. is TL 5.500.000.

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

After the valuation by equity method, the balance sheet value of this associate as of June 30, 2023 is TL 5.393.735.

As of June 30, 2023, information on valuation by equity method is as follows

Vizyon Teknik Bilgi Sistemleri ve İnsan Kaynakları A.Ş.	30.06.2023	31.12.2022
Opening Balance	-	-
Cost Price (Purchase Price)	5.500.000	-
Capital Increase/(Decrease)	-	-
Impairment	-	-
Share of profit/(loss) for the financial year	(106.265)	-
December 31 Closing Balance	5.393.735	-

After the valuation by equity method, the balance sheet value of all these subsidiaries as of June 30, 2023 is TL 16.897.718 (December 31, 2022- 17.407.911).

NOTE 26 - INVESTMENT PROPERTY

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

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023**
(Amounts expressed in Turkish Lira (TL))**NOTE 27 - PROPERTY, PLANT AND EQUIPMENT****-As of 30.06.2023, Movements in Property, Plant and Equipment are as follows**

Cost Value	December 31, 2022	Purchases	Transfer	Sales	June 30, 2023
Buildings	5.838.214	-	-	-	5.838.214
Vehicles	5.349.738	-	-	-	5.349.738
Plant, Machinery and Equipment	8.326.256	1.770.198	-	-	10.096.454
Furniture and Fixtures	7.006.301	2.606.331	-	-	9.612.632
Special Costs	3.192.561	121.050	-	-	3.313.611
Total	29.713.070	4.497.579	-	-	34.210.649

Accumulated Depreciation	December 31, 2022	Period Expense	Transfer	Sales	June 30, 2023
Buildings	410.928	373.887	-	-	784.815
Vehicles	1.072.547	392.128	-	-	1.464.675
Plant, Machinery and Equipment	2.081.564	854.753	-	-	2.936.317
Furniture and Fixtures	3.325.317	641.152	-	-	3.966.469
Special Costs	959.181	299.881	-	-	1.259.062
Total	7.849.537	2.561.801	-	-	10.411.338

Net Book	December 31, 2022	June 30, 2023
Buildings	5.427.286	5.053.399
Vehicles	4.277.191	3.885.063
Plant, Machinery and Equipment	6.244.692	7.160.137
Furniture and Fixtures	3.680.984	5.646.163
Special Costs	2.233.380	2.054.549
Total	21.863.533	23.799.311

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

Cost Value	December 31, 2021	Purchases	Transfer	Sales	December 31, 2022
Buildings	4.496.200	1.342.014	-	-	5.838.214
Vehicles	1.946.555	3.597.717	-	(194.534)	5.349.738
Plant, Machinery and Equipment	8.326.256	-	-	-	8.326.256
Furniture and Fixtures	3.927.685	3.078.616	-	-	7.006.301
Special Costs	2.487.166	705.395	-	-	3.192.561
Total	21.183.862	8.723.742	-	(194.534)	29.713.070

Accumulated Depreciation	December 31, 2021	Period Expense	Transfer	Sales	December 31, 2022
Buildings	46.900	364.028	-	-	410.928
Vehicles	721.173	403.250	-	(51.876)	1.072.547
Plant, Machinery and Equipment	416.313	1.665.251	-	-	2.081.564
Furniture and Fixtures	2.222.736	1.102.581	-	-	3.325.317
Special Costs	426.389	532.792	-	-	959.181
Total	3.833.511	4.067.902	-	(51.876)	7.849.537

Net Book	December 31, 2021	December 31, 2022
Buildings	4.449.300	5.427.286
Vehicles	1.225.382	4.277.191
Plant, Machinery and Equipment	7.909.943	6.244.692
Furniture and Fixtures	1.704.950	3.680.984
Special Costs	2.060.776	2.233.380
Total	17.350.351	21.863.533

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

Pledges and Mortgages on Assets

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

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))**

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

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

June 30, 2023: Of the total amortization expense of TL 4.798.996 for property, plant and equipment, intangible assets and right of use assets, TL 2.137.861 belongs to cost of sales, TL 1.870.727 belongs to research and development expenses and TL 790.408 belongs to general administrative expenses.

June 30, 2022: Of the total amortization expense of TL 3.332.805 calculated for property, plant and equipment, intangible assets and right of use assets, TL 1.532.522 belongs to cost of sales, TL 1.506.641 belongs to research and development expenses and TL 293.642 belongs to general administrative expenses.

NOTE 28 - INTANGIBLE ASSETS

Cost Value	December 31, 2022	Purchases	Transfer	Sales	June 30, 2023
Licenses	381.782	-	-	-	381.782
Capitalized Development Costs	24.027.618	-	-	-	24.027.618
Total	24.409.400	-	-	-	24.409.400

Accumulated Depreciation	December 31, 2022	Period Expense	Transfer Adjustment	Sales	June 30, 2023
Licenses	377.873	1.478	-	-	379.351
Capitalized Development Costs	5.016.425	1.369.340	368.877	-	6.754.642
Total	5.394.298	1.370.818	368.877	-	7.133.993

Net Book	December 31, 2022	June 30, 2023
Licenses	3.909	2.431
Capitalized Development Costs	19.011.193	17.272.976
Total	19.015.102	17.275.407

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

Cost Value	December 31, 2021	Purchases	Transfer	December 31, 2022
Licenses	381.782	-	-	381.782
Capitalized Development Costs	22.116.157	1.911.461	-	24.027.618
<i>Completed projects</i>	19.024.407	-	-	19.024.407
<i>Ongoing projects</i>	3.091.750	1.911.461	-	5.003.211
Total	22.497.939	1.911.461	-	24.409.400

Accumulated Depreciation	December 31, 2021	Period Expense	Transfer	December 31, 2022
Licenses	374.917	2.956	-	377.873
Capitalized Development Costs	2.848.266	2.168.159	-	5.016.425
<i>Completed projects</i>	2.848.266	2.168.159	-	5.016.425
Total	3.223.183	2.171.115	-	5.394.298

Net Book	December 31, 2021	December 31, 2022
Licenses	6.865	3.909
Capitalized Development Costs	19.267.891	19.011.193
<i>Completed projects</i>	16.176.141	14.007.982
<i>Ongoing projects</i>	3.091.750	5.003.211
Total	19.274.756	19.015.102

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

The amortization periods of Intangible Assets are as follows:

	Economic Lifetime
Licenses	5 Years
Capitalized Development Costs	7-12 Years

NOTE 29 - RIGHT OF USE ASSETS

The balance of right-of-use assets as of June 30, 2023 and December 31, 2022 and the related depreciation and amortization expenses for the period are as follows ;

Net Value	1.01.2022	Adjustments(*)	Purchases	Amortization Expense (-)	30.06.2023
Building Rent	2.779.096	(388.664)	2.570.210	(866.377)	4.094.265
Net Value	1.01.2022	Adjustments(*)	Purchases	Amortization Expense (-)	31.12.2022
Building Rent	279.082	-	3.406.177	(906.163)	2.779.096

* arises from the changes in the Right of Use Assets.

NOTE 30 - SHORT/LONG TERM PROVISIONS

	30.06.2023	31.12.2022
Employee Benefits Benefit Short Term Provision for Employee Benefits(*)	1.076.108	970.940
- Provision for Unused Vacation	1.076.108	970.940
Other Short Term Provisions(**)	3.697.740	2.353.107
- Cost Expense Provision	3.697.740	2.353.107
Provision as of December 31	4.773.848	3.324.047

(*) As of June 30, 2023, as a result of the unused vacation of the Company personnel, a vacation pay provision of TL 1.076.108 has been allocated.(December 31, 2022-TL 970.940.)

(**) It is related to license costs that have been sold but not invoiced as of the balance sheet date. The movement of provision for vacation pay liability is as follows

	30.06.2023	31.12.2022
Provision as of January 1	970.940	1.545.843
Increase during the year (+)	105.168	-
Decrease during the year (-)	-	(574.903)
Provision as of December 31	1.076.108	970.940

Seniority Incentive Bonus

As of June 30, 2023, there is no severance incentive premium liability amount (December 31, 2022 - None).

Other

The Company has no provisions for social benefit increases and tax risks (December 31, 2022 - None).

b-Long Term Provisions (Long Term Provisions for Employee Benefits)

- Provision for Employment Termination Benefits

Under the Turkish Labor Law, the Company is required to pay termination benefits to each employee whose employment is terminated without due cause and whose employment is terminated without due cause. In addition, the Company is required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities in accordance with Article 60 of the Social Insurance Law No: 506 as amended by Laws No: 2422 dated March 6, 1981 and No: 4447 dated August 25, 1999.

Severance payments are calculated on the basis of one month's salary for each year of service. As of the balance sheet date, the severance payment is subject to a ceiling of TL 23.490 (December 31, 2022 - TL 19.983).

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023**
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The provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The revised IAS 19 "Employee Benefits" requires actuarial valuation methods to be used to estimate the enterprise's obligation under defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of the total liability are set out below.

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

As of June 30, 2023 In the accompanying financial statements, liabilities are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees. Based on the assumptions of 16,91% inflation (December 31, 2022: 16,91%) and 19,36% interest rate (December 31, 2022: 19,36%), a real discount rate of approximately 2,10% (December 31, 2022: 2,10%) has been calculated.

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

	30.06.2023	31.12.2022
Provision for Employment Termination Benefits	7.693.342	6.002.209
	30.06.2023	31.12.2022
Opening Balance	6.002.209	3.274.259
Service Cost	2.771.655	1.622.465
Definition. Benefit Plans Remeasurement Gain/Loss	(34.186)	2.958.444
Interest Cost	467.763	403.801
Payment (-)	(1.514.099)	(2.256.760)
End of Period	7.693.342	6.002.209

NOTE 31 - SHAREHOLDERS' EQUITY**a- Paid-in Capital**

Shares with a nominal value of TL 6,000,000 issued due to the increase in the Company's issued capital from TL 20,000,000 to TL 26,000,000 and shares with a nominal value of TL 2,000,000 belonging to Birol Başaran, one of the shareholders, in total 8,000,000 shares were offered to the public on July 6-7, 2021 with the permission of Borsa İstanbul A.Ş. As a result of the public offering, the shareholding structure of the Company is as follows

Partners	30.06.2023		31.12.2022	
	Share Rate %	Share Amount	Share Rate %	Share Amount
Birol Basaran	46,35%	12.050.000	46,91%	12.200.000
Ipek Canan Basaran	7,50%	1.950.300	7,69%	2.000.000
Tayfun Yurdagul	2,50%	650.000	3,08%	800.000
Osman Çaylı	2,12%	550.666	2,31%	600.000
Mümin Sürer	1,73%	450.000	2,31%	600.000
Zahide Kocyigit	1,73%	450.333	2,31%	600.000
Unal Kirikci	0,96%	250.767	1,54%	400.000
Metin Faruk Tufan	1,35%	350.666	1,54%	400.000
Abdulkadir Aydogan	0,96%	250.500	1,54%	400.000
Taner Yildirim	0,19%	50.000	-	-
Other	0,38%	100.000	-	-
Shares Offered to the Public	34,22%	8.896.768	30,77%	8.000.000
Paid-in Capital	100%	26.000.000	100%	26.000.000

b- Gain (Loss) on Remeasurement of Defined Benefit Plans

The Company has calculated remeasurement gains/losses on defined benefit plans related to personnel and presented them in the financial statements

	30.06.2023	31.12.2022
Transfer	(2.723.583)	(297.659)
Actuarial Gain/Loss	34.186	(2.958.444)
Deferred Tax Asset	(7.863)	532.520
Net Actuarial Gain/Loss	(2.697.260)	(2.723.583)

VBT YAZILIM A.Ş.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

c- Share Premiums (Discount)

	30.06.2023	31.12.2022
Share Premiums (Discount)	65.190.632	65.190.632

d- Restricted Reserves

The legal reserves are divided into first and second legal reserves in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the Company's paid-in share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company's paid-in share capital. Under the Turkish Commercial Code, the general legal reserve is not available for any other usage unless it exceeds half of the share capital or issued capital, in which case it can only be used to absorb losses, to continue as a going concern in times of business difficulties, or to take measures to prevent unemployment and mitigate its consequences.

	30.06.2023	31.12.2022
Legal reserves	7.175.940	4.676.001
Venture Capital Fund (R&D Fund)	289.331	289.331
Total	7.465.271	4.965.332

e- Retained Earnings/Losses

Retained earnings and accumulated losses other than net profit for the period are recognized in this item. Unrestricted extraordinary reserves, which are in substance retained earnings, are also recognized as retained earnings and presented in this item.

	30.06.2023	31.12.2022
Retained Earnings / (Losses)	108.789.338	40.351.102

Dividend Distribution

Companies whose shares are traded on BIST are subject to the dividend requirement introduced by the CMB as follows:

According to Article 19 of the Capital Markets Law No. 6362, which entered into force on December 30, 2012, and CMB's Communiqué on Dividend Distribution No. II-19.1, which entered into force on February 1, 2014, publicly traded companies distribute their profits within the framework of the profit distribution policies to be determined by their general assemblies and in accordance with the provisions of the relevant legislation. The Board may determine different principles regarding the dividend distribution policies of publicly traded companies on the basis of similar companies.

Unless the reserves required to be set aside in accordance with the Turkish Commercial Code and the dividend determined for the shareholders in the articles of association or the dividend distribution policy are set aside; it cannot be decided to set aside other reserves, to transfer profit to the following year and to distribute dividends to the members of the board of directors, company employees and persons and institutions other than shareholders, and dividends cannot be distributed to these persons unless the dividend determined for the shareholders is paid in cash.

Dividends are distributed equally to all existing shares as of the distribution date, regardless of their issue and acquisition dates.

The method and time of distribution of the profit decided to be distributed shall be decided by the General Assembly upon the proposal of the Board of Directors on this matter. The Company may decide to distribute dividends in accordance with the Turkish Commercial Code and Capital Markets Legislation and may authorize the Board of Directors for this purpose by a resolution of the General Assembly limited to the relevant accounting period.

f- Repurchased Shares

	30.06.2023	31.12.2022
Repurchased Shares	-	-
Profit on Sale of Repurchased Own Shares	-	14.111.566
Total	-	14.111.566

As of December 31, 2022, the Group has sold 485.500 shares, which are all of its repurchased shares, and recognized the profit amounting to TL 14.111.566 in the "Profit arising from the sale of repurchased own shares" account in equity. In the current period, the repurchased shares were transferred to retained earnings.

g- Foreign Currency Translation Differences

	30.06.2023	31.12.2022
Foreign Currency Translation Differences	6.233.898	1.256.515

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023**
(Amounts expressed in Turkish Lira (TL))**NOTE 32 - REVENUE AND COST OF SALES**

	1.01.2023	1.01.2022	1.04.2023	1.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Domestic Sales	1.051.865.630	206.551.479	285.413.675	138.587.853
Foreign Sales	1.930.210	2.753.140	682.437	2.646.507
Other Income	6.229	546.087	6.229	546.087
Returns from Sales (-)	(339.972)	(1.353.173)	942.520	(926.515)
Net Sales(*)	1.053.462.097	208.497.533	287.044.861	140.853.932
Cost of Trade Goods Sold (-)(*)	(525.437.545)	(89.802.771)	(213.067.410)	(67.458.024)
Cost of Services Sold (-) (**)	(455.487.520)	(74.080.024)	(40.456.712)	(47.044.921)
Cost of Sales(-)	(980.925.065)	(163.882.795)	(253.524.122)	(114.502.945)
Gross Profit / (Loss)	72.537.032	44.614.738	33.520.739	26.350.987

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

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

Cost of Services Sold	1.01.2023	1.01.2022	1.04.2023	1.04.2022
Detail (*)	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Personnel Wage Expenses	(32.470.810)	(17.308.235)	(15.814.890)	(8.593.607)
Consultancy Expenses	(18.196.532)	(28.860.089)	(8.879.247)	(22.381.361)
Stamp Duty Expenses	(2.415.673)	(1.043.080)	(67.439)	(82.509)
Depreciation Expenses	(2.137.861)	(1.532.522)	(1.180.883)	(798.003)
License Maintenance Support Expenses	(399.085.335)	(23.870.905)	(14.392.582)	(14.347.395)
Other Expenses	(1.181.309)	(1.465.193)	(121.671)	(842.046)
Total	(455.487.520)	(74.080.024)	(40.456.712)	(47.044.921)

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

	01.01.2023	01.01.2022	01.04.2023	01.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
General Administrative Expenses (-)	(12.766.170)	(6.972.559)	(7.849.665)	(4.163.369)
Marketing Expenses (-)	(1.613.660)	(228.366)	(1.089.955)	(64.085)
Research and Development Expenses (-)	(29.481.936)	(15.047.353)	(14.765.371)	(8.504.214)
Total	(43.861.766)	(22.248.278)	(23.704.991)	(12.731.668)

a) General Administrative Expenses	01.01.2023	01.01.2022	01.04.2023	01.04.2022
Detail	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Personnel Expenses	(5.558.276)	(3.106.730)	(3.417.455)	(1.900.945)
Depreciation Expenses	(790.408)	(293.642)	(422.666)	(126.726)
Taxes, Duties and Fees	(67.354)	(271.706)	(35.230)	(19.445)
Consultancy and Consultancy Expenses	(772.136)	(107.402)	(526.194)	(26.987)
Representation and Hospitality Expenses	(193.751)	(212.319)	(159.589)	(87.126)
Attendance Right	(627.361)	(398.046)	(348.731)	(218.906)
Travel, Accommodation, Food Expenses	(393.446)	(167.299)	(199.181)	(97.267)
Operating Expenses	(1.060.081)	(424.378)	(851.546)	(220.219)
Vehicle and Fuel Expenses	(680.452)	(279.502)	(543.613)	(181.497)
Dues and Membership Expenses	(50.167)	(433.211)	(9.587)	(433.211)
Miscellaneous Expenses	(2.572.738)	(1.278.324)	(1.335.873)	(851.040)
Total	(12.766.170)	(6.972.559)	(7.849.665)	(4.163.369)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023**
(Amounts expressed in Turkish Lira (TL))

Marketing Expenses	01.01.2023	01.01.2022	01.04.2023	01.04.2022
Detail (*)	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Personnel Wage Expenses	(335.935)	(91.526)	(191.146)	-
Representation and Hospitality Expenses	(78.127)	(9.745)	246.322	-
Advertising and Promotion Expenses	(1.131.502)	(94.093)	(1.131.502)	(31.083)
Miscellaneous Expenses	(68.096)	(33.002)	(13.629)	(33.002)
Total	(1.613.660)	(228.366)	(1.089.955)	(64.085)

c-Research and Development Expenses	01.01.2023	01.01.2022	01.04.2023	01.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Personnel Expenses	(27.343.102)	(12.290.159)	(13.640.979)	(6.513.253)
Depreciation Expenses	(1.870.727)	(1.506.641)	(1.117.804)	(779.477)
Other Expenses	(268.107)	(1.250.553)	(6.588)	(1.211.484)
Total	(29.481.936)	(15.047.353)	(14.765.371)	(8.504.214)

NOTE 34 - EXPENSES BY NATURE

a-Depreciation and Amortization Expenses (-)	01.01.2023	01.01.2022	01.04.2023	01.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Service Cost	(2.137.861)	(1.532.522)	(1.180.883)	(798.003)
Research and Development Expenses	(1.870.727)	(1.506.641)	(1.117.804)	(782.643)
General Administrative Expenses	(790.408)	(293.642)	(422.666)	(126.726)
Total	(4.798.996)	(3.332.805)	(2.721.353)	(1.707.372)

b-Personnel Expenses (-)	01.01.2023	01.01.2022	01.04.2023	01.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Service Cost	(32.470.810)	(17.308.235)	(15.814.890)	(8.593.607)
Research and Development Expenses	(27.343.102)	(12.290.159)	(13.640.979)	(6.513.253)
General Administrative Expenses	(5.558.276)	(3.106.730)	(3.417.455)	(1.900.945)
Marketing Expenses	(335.935)	(91.526)	(191.146)	-
Total	(65.708.123)	(32.796.650)	(33.064.470)	(17.007.805)

NOTE 35 - OTHER OPERATING INCOME AND EXPENSES

a-Other Operating Income	1.01.2023	1.01.2022	1.04.2023	1.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Foreign Exchange Gain from Operating Activities	34.383.519	9.012.913	31.739.296	7.511.987
Provisions for Uncollectible Provisions	218.601	353.887	(877.624)	122.933
Other Extraordinary Income and Profit	613.340	545.411	273.639	527.977
Total	35.215.460	9.912.211	31.135.311	8.162.897

b-Other Operating Expenses	1.01.2023	1.01.2022	1.04.2023	1.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Foreign Exchange Expense from Operating Activities	(2.345.306)	(14.110.136)	(1.073.359)	(10.147.531)
Provision Expenses	(117.229)	(1.206.570)	(117.229)	(729.820)
Other Expenses	(4.103.581)	(1.309.518)	(3.241.257)	(1.242.030)
Total	(6.566.116)	(16.626.224)	(4.431.845)	(12.119.381)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023**
(Amounts expressed in Turkish Lira (TL))**NOTE 36-INCOME FROM INVESTING ACTIVITIES**

	1.01.2023	1.01.2022	1.04.2023	1.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
a-Other Operating Income				
Mutual Fund Value Increase	112.065	-	112.065	-
Interest and Exchange Differences on Currency Protected Deposits	2.124.653	-	2.124.653	-
Financial Investments Valuation Difference	-	903.037	-	903.037
Fixed Asset Sales Revenue	-	250.212	-	250.212
Total	2.236.718	1.153.249	2.236.718	1.153.249

NOTE 37-EXPENSES FROM INVESTING ACTIVITIES

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

NOTE 38-FINANCING INCOME

	1.01.2023	1.01.2022	1.04.2023	1.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Interest Income	4.808.923	5.498.491	3.205.256	1.406.893
Foreign Exchange Gain	28.396.547	11.856.312	25.306.500	8.312.284
Total	33.205.470	17.354.803	28.511.756	9.719.177

NOTE 39-FINANCING EXPENSES

	1.01.2023	1.01.2022	1.04.2023	1.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Foreign Exchange Expense	(376.224)	(732.324)	(118.606)	(544.643)
Interest Expenses	(2.163.217)	(1.452.626)	(1.289.221)	(892.609)
Total	(2.539.441)	(2.184.950)	(1.407.827)	(1.437.252)

NOTE 40-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

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

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

	30.06.2023	31.12.2022
Handover	(2.723.583)	(297.659)
Actuarial Gain/Loss	34.186	(2.958.444)
Deferred Tax Asset	(7.863)	532.520
Net Actuarial Gain/Loss	(2.697.260)	(2.723.583)

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

	30.06.2023	31.12.2022
Current Period Legal Tax Provision	14.300.462	12.397.884
Prepaid Taxes (-)	(3.390.606)	(6.448.791)
Total Net Tax Payable	10.909.856	5.949.093

	1.01.2023	1.01.2022	1.04.2023	1.04.2022
	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Tax Expense in the Statement of Profit or Loss				
Current Period Legal Tax Provision (-)	(14.300.462)	(5.220.874)	(11.517.780)	(4.129.043)
Effect of Subsidiary Acquisition	-	280.018	-	280.018
Deferred Tax Income / (Expense)	3.673.104	206.804	2.893.854	803.813
Total Tax Expense	(10.627.358)	(4.734.052)	(8.623.926)	(3.045.212)

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))****A. Current Period Profit Tax Liability**

The Group is subject to corporate tax in Turkey. Provision is made in the accompanying financial statements for the estimated charge based on the Company's results for the current period.

Corporate tax is payable on the total income of the companies after a d j u s t i n g for certain disallowable expenses, corporate income tax exemptions (such as participation exemption) and corporate income tax deductions (such as research and development deductions). Prior years' losses, which are deducted from the corporate tax base, can be carried forward for a maximum of 5 years to be deducted from future taxable income. However, losses cannot be deducted retrospectively from the profits of previous years. In addition, advance tax is calculated and accrued quarterly at the corporate tax rate.

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

With the 6th paragraph added to Article 32 of the Corporate Tax Law with the Law No. 7256, the corporate tax rate is reduced by 2 points for the corporate earnings of the corporations whose shares are offered to the public at a rate of at least 20% to be traded for the first time in the Borsa Istanbul Equity Market for 5 accounting periods starting from the accounting period in which the shares are offered to the public for the first time.

After the reduced corporate tax (2 points corporate tax deduction), 23% rate is used in deferred tax calculation.

B. Deferred Tax Assets and Liabilities

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TAS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for the financial statements prepared in accordance with TAS and tax legislation.

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

Deferred Tax - Temporary Differences:	30.06.2023	31.12.2022
a-Prepaid Expenses	(63.568.991)	(473.645.532)
b-Right of Use Assets	3.483.704	2.228.663
c-Provision for Employment Termination Benefits	7.693.342	6.002.209
d-Trade Receivables and Payables	1.831.933	1.886.755
e-Material and Intangible Fixed Assets. Related Adjustments.	(6.227.134)	(7.144.632)
f-Sale of Goods and Services. Sales of Goods and Services. Adjustments Related to Contracts for Sale of Goods and Services.	73.089.920	477.031.096
g-Payables from Leasing Transactions	(2.311.829)	(1.760.117)
h-Leave Provisions	1.076.108	970.940
i-Adjustments Related to Provisions for Expenses.	936.383	(5.714.689)
i-Other	(153.413)	84.703
Total	15.850.023	(60.604)
	30.06.2023	31.12.2022
Deferred Tax Assets/(Liabilities):		
a-Prepaid Expenses	(14.620.868)	(85.256.196)
b-Right of Use Assets	801.252	401.159
c-Provision for Employment Termination Benefits	1.769.469	1.080.398
d-Trade Receivables and Payables	421.345	339.616
e-Material and Intangible Fixed Assets. Related Adjustments.	(1.432.241)	(1.294.861)
f-Sale of Goods and Services. Sales of Goods and Services. Adjustments Related to Contracts for Sale of Goods and Services.	16.810.682	85.865.597
g-Payables from Leasing Transactions	(531.721)	(316.821)
h-Leave Provisions	247.505	174.769
i-Adjustments Related to Provisions for Expenses.	215.368	(1.028.644)
i-Other	(35.285)	15.248
Total	3.645.506	(19.735)

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As of June 30, 2023 and December 31, 2022, the movement of deferred tax assets / (liabilities) is as follows

	30.06.2023	31.12.2022
January 1 Balance	(19.735)	(1.132.680)
Current Period Deferred Tax Income/Expense	3.673.104	580.425
Reflected in Comprehensive Income. Actuarial Gain/Loss	(7.863)	532.520
Total	3.645.506	(19.735)

NOTE 43-EARNINGS PER SHARE

As of the current and prior periods, the number of shares and profit/loss per share calculations are as follows

	30.06.2023	30.06.2022
Net Profit/Loss for the Period	73.589.806	26.435.049
Number of shares	26.000.000	26.000.000
Profit/loss per share	2,83	1,02

NOTE 44 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The principal financial instruments used by the Group are bank borrowings, cash and short-term bank deposits. The main purpose of using these instruments is to raise finance for the Company's operations. The Company also has financial instruments that arise directly from operations, such as trade receivables and trade payables. The risks arising from the instruments used are foreign currency risk, interest rate risk, credit risk and liquidity risk. The Company management manages these risks as set out below.

a) Capital Risk Management:

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and reduce the cost of capital.

The Group's cost of capital and the risks associated with each class of capital are assessed by senior management. Based on senior management's assessment, the Group aims to stabilize its capital structure through the payment of dividends, new share issues, as well as through the acquisition of new debt or the repayment of existing debt.

The Group monitors capital using the debt/total equity ratio. This ratio is calculated as net debt divided by total equity. Net debt is calculated by deducting cash and cash equivalents from total debt (which includes borrowings and trade payables as shown in the balance sheet).

Net debt/total equity ratio as of the end of the period is as follows:

	30.06.2023	31.12.2022
Total Debt	140.164.355	659.803.011
Less: Cash and Cash Equivalents	136.093.524	236.681.036
Net Debt	4.070.831	423.121.975
Total Shareholders' Equity	284.317.453	225.166.707
Net Debt /Total Equity Ratio	0,01	1,88

b) Credit and Receivables Risk Management:

Credit risk is the risk that a customer or counterparty will not fulfill its contractual obligations. Receivables risk is the risk of holding financial assets and the risk that the counterparty will not fulfill the requirements of the agreement. The Partnership's credit and receivables risk arises mainly from its trade receivables. The Group management covers these risks by limiting the average risk for each counterparty (except related parties) in each agreement and by obtaining collateral if necessary.

Trade receivables are evaluated by the Group management based on past experience and the current economic situation and are presented net in the balance sheet after an allowance for doubtful receivables and an allowance for expected credit losses, where appropriate.

The Group has applied the simplified approach specified in TFRS 9 for the calculation of the expected credit loss allowance for trade receivables. This approach permits the application of a lifetime expected credit loss allowance for all trade receivables. The Group has grouped its trade receivables by maturity to measure expected credit losses. Using past credit loss experience, an expected credit loss rate is calculated for trade receivables and the expected credit loss allowance is calculated by multiplying the rate by the total amount of trade receivables.

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June 30, 2023	Receivables				Deposits in Banks	Cash and Cash Equivalent s
	Trade Receivables		Other Receivables			
	Related Party	Other Party	Related Party	Other Party		
Maximum credit risk exposure as of reporting date (A+B+C+D)	36.274	59.280.301	16.098.894	24.289.258	136.092.353	1.177
- The part of maximum risk under guarantee with collaterals, etc.	-	-				
A. Net book value of financial assets that are neither past due nor impaired	36.274	41.735.962	16.098.894	24.289.258	136.092.353	1.177
B. Net book value of assets that are past due but not impaired	-	17.544.339	-	-	-	-
C. Net book value of impaired assets						
- Past due (Gross Book Value)	-	197.398	-	-	-	-
- Impairment (-)	-	(197.398)	-	-	-	-
- Not past due (Gross Book Value)						
- Impairment (-)						
Portion of net value under guarantee with collaterals, etc.						

December 31, 2022	Receivables				Deposits in Banks	Cash and Cash Equivalent s
	Trade Receivables		Other Receivables			
	Related Party	Other Party	Related Party	Other Party		
Maximum credit risk exposure as of reporting date (A+B+C+D)	-	104.788.021	466.305	1.431.457	236.679.602	1.434
- The part of maximum risk under guarantee with collaterals, etc.	-	-	-	-	-	-
A. Financial assets that are neither past due nor impaired net book value of assets	-	96.672.981	466.305	1.431.457	236.679.602	1.434
B. Net book value of assets that are past due but not impaired	-	8.115.039	-	-	-	-
C. Net book value of impaired assets						
- Past due (Gross Book Value)	-	197.398	-	-	-	-
- Impairment (-)	-	(197.398)	-	-	-	-
- Not past due (Gross Book Value)						
- Impairment (-)						
Portion of net value under guarantee with collaterals, etc.						

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

June 30, 2023	Receivables	
	Trade Receivables	Other Receivables
1-30 days past due	11.697.953	-
1-3 months past due	5.846.386	-
3-12 months past due	-	-
1-5 years past due	-	-
More than 5 years past due	-	-
Total	17.544.339	-

December 31, 2022	Receivables	
	Trade Receivables	Other Receivables
1-30 days past due	3.251.596	-
1-3 months past due	4.428.712	-
3-12 months past due	434.731	-
1-5 years past due	-	-
More than 5 years past due	-	-
Total	8.115.039	-

c) Liquidity Risk Management:

The Group has the right to use banks, vendors and shareholders as a source of funding. The Company continuously assesses liquidity risk by identifying and monitoring changes in the funding requirements necessary to achieve the objectives set out in its strategy.

Contractual maturities	Book Value	Total contractual cash outflows (=I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)
Non-Derivative Financial Liabilities					
Bank Loans	1.267.854	1.267.854	372.404	895.450	-
Payables from Leasing Transactions	5.266.140	7.098.809	758.147	1.993.191	4.347.471
Other Financial Liabilities	273.862	273.862	273.862	-	-
Trade Payables	14.920.474	14.920.474	14.920.474	-	-
Other Payables	14.621.040	14.621.040	14.621.040	-	-
Employee Health Benefit. Cap. Payables	7.035.381	7.035.381	7.035.381	-	-
Total Liabilities	43.384.751	45.217.420	37.981.308	2.888.641	4.347.471

December 31, 2022

Contractual maturities	Book Value	Total contractual cash outflows (=I+II+III+IV)	Less than 3 months (I)	3-12 months (II)	1-5 years (III)
Non-Derivative Financial Liabilities					
Bank Loans	2.321.656	2.580.246	772.311	1.186.619	621.316
Payables from Leasing Transactions	3.247.642	4.724.395	337.253	1.015.415	3.371.726
Other Financial Liabilities	908.926	908.926	908.926	-	-
Trade Payables	124.653.957	124.653.957	124.653.957	-	-
Other Payables	30.150.925	30.150.925	30.150.925	-	-
Employee Health Benefit. Cap. Payables	4.934.158	4.934.158	4.934.158	-	-
Total Liabilities	166.217.264	167.952.607	161.757.531	2.202.034	3.993.042

d) Market and Foreign Exchange Risk Management:

The Group is exposed to foreign exchange risk due to the fact that a significant portion of its sales are denominated in foreign currencies and indexed to foreign currencies and its trade payables, which constitute the basis of sales, are also denominated in foreign currencies. In order to avoid being affected by foreign currency risk, the Group minimizes the impact of foreign currency risk

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on its assets to the extent possible.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
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The Group evaluates its liabilities in the same foreign currency in line with its obligations and makes its contracts accordingly.

Price changes in the sector and market conditions are regularly monitored and necessary price adjustments are made immediately.

In the current year, the Group's exposure to market risks or the manner in which it manages and measures those risks is the same as in previous years.

The foreign currency position tables of the Group's foreign assets and liabilities in original and Turkish Lira currencies as of June 30, 2023 and December 31, 2022 are as follows

FOREIGN CURRENCY POSITION TABLE				
JUNE 30, 2023	Turkish Lira Equivalent (Functional currency)	US Dollar	Euro	GBP
1. Trade Receivables	37.443.222	1.434.398	14.301	-
2a. Monetary Financial Assets (including cash and bank accounts)	98.451.584	2.387.652	1.299.379	6.471
2b. Non-monetary Financial Assets	-	-	-	-
3. Other	5.164.620	200.000	-	-
4. Current Assets (1+2+3)	141.059.426	4.022.050	1.313.680	6.471
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Fixed Assets (5+6+7)	-	-	-	-
9. Total Assets (4+8)	141.059.426	4.022.050	1.313.680	6.471
10. Trade Payables	11.911.892	459.904	1.264	5
11. Financial Liabilities	-	-	-	-
12a. Other Monetary Liabilities	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Short Term Liabilities (10+11+12)	11.911.892	459.904	1.264	5
14. Trade Payables	-	-	-	-
15. Financial Liabilities	-	-	-	-
16 a. Other Monetary Liabilities	-	-	-	-
16 b. Other Non-Monetary Liabilities	-	-	-	-
17. Long Term Liabilities (14+15+16)	-	-	-	-
18. Total Liabilities (13+17)	11.911.892	459.904	1.264	5
19. Net Asset / (Liability) Position of Foreign Currency Derivative Instruments Off Statement of Financial Position (19a-19b)	-	-	-	-
19a. Amount of Off-Statement of Financial Position Foreign Currency Derivative Instruments with Active Characteristics	-	-	-	-
19b. Amount of Off-Statement of Financial Position Foreign Currency Derivative Instruments with Passive Characteristics	-	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9- 18+19)	129.147.534	3.562.146	1.312.416	6.466
21. Net Foreign Currency Asset / (Liability) Position of Monetary Items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	123.982.914	3.362.146	1.312.416	6.466
22. Total Fair Value of Financial Instruments Used for Hedging Foreign Exchange	-	-	-	-
23. Amount of Hedged Portion of Foreign Currency Assets**	-	-	-	-
24. Amount of Hedged Portion of Foreign Currency Liabilities***	-	-	-	-
25. Export	1.930.210	32.500	14.301	4.500
26. Import	394.741.150	19.994.469	59.839	-

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))**

FOREIGN CURRENCY POSITION TABLE			
31 DECEMBER 2022	Turkish Lira Equivalent (Functional currency)	US Dollar	Euro
1. Trade Receivables	13.436.505	718.595	-
2a. Monetary Financial Assets (including cash and bank accounts)	214.057.189	9.681.000	1.657.342
2b. Non-monetary Financial Assets	-	-	-
3. Other	1.404.489	25.005	47.000
4. Current Assets (1+2+3)	228.898.183	10.424.600	1.704.342
5. Trade Receivables	-	-	-
6a. Monetary Financial Assets	-	-	-
6b. Non-monetary Financial Assets	-	-	-
7. Other	-	-	-
8. Fixed Assets (5+6+7)	-	-	-
9. Total Assets (4+8)	228.898.183	10.424.600	1.704.342
10. Trade Payables	123.300.399	6.485.575	101.890
11. Financial Liabilities	-	-	-
12a. Other Monetary Liabilities	3.739.660	200.000	-
12b. Other Non-Monetary Liabilities	-	-	-
13. Short Term Liabilities (10+11+12)	127.040.059	6.685.575	101.890
14. Trade Payables	-	-	-
15. Financial Liabilities	-	-	-
16 a. Other Monetary Liabilities	-	-	-
16 b. Other Non-Monetary Liabilities	-	-	-
17. Long Term Liabilities (14+15+16)	-	-	-
18. Total Liabilities (13+17)	127.040.059	6.685.575	101.890
19. Net Asset / (Liability) Position of Foreign Currency Derivative Instruments Off Statement of Financial Position (19a-19b)	-	-	-
19a. Amount of Off-Statement of Financial Position Foreign Currency Derivative Instruments with Active Characteristics	-	-	-
19b. Amount of Off-Statement of Financial Position Foreign Currency Derivative Instruments with Passive Characteristics	-	-	-
20. Net Foreign Currency Asset / (Liability) Position (9- 18+19)	101.858.124	3.739.025	1.602.452
21. Net Foreign Currency Asset / (Liability) Position of Monetary Items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)*	100.453.635	3.714.020	1.555.452
22. Total Fair Value of Financial Instruments Used for Hedging Foreign Exchange	-	-	-
23. Amount of Hedged Portion of Foreign Currency Assets**	-	-	-
24. Amount of Hedged Portion of Foreign Currency Liabilities***	-	-	-
25. Export			
26. Import	196.701.287	11.080.744	108.490

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

As of June 30, 2023 and December 31, 2022, based on the balance sheet position as of June 30, 2023 and December 31, 2022, assuming that Turkish Lira would appreciate/depreciate by 10% against USD and Euro with all other variables held constant, gross profit would be higher/lower by TL 12.398.292 (December 31, 2022-TL 10.045.364.364) as a result of foreign exchange gains on assets and liabilities denominated in USD, Euro and GBP as shown in the Foreign Currency Sensitivity Analysis Table below.

VBT YAZILIM A.Ş.**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023**
(Amounts expressed in Turkish Lira (TL))

Exchange Rate Sensitivity Analysis Table*		
	Current Period	
	Profit/Loss	
JUNE 30, 2023	Appreciation of foreign currency	Depreciation of foreign currency
If the US Dollar exchange rate changes by 10%:		
1- USD net asset/liability	8.682.103	(8.682.103)
2- US Dollar hedged portion (-)		
3- USD Net Effect (1+2)	8.682.103	(8.682.103)
If the Euro exchange rate changes by 10%:		
4- Euro net asset/liability	3.694.975	(3.694.975)
5- Euro hedged portion (-)		
6- Euro Net Effect (4+5)	3.694.975	(3.694.975)
If the exchange rate of the British Pound changes by 10%:		
7- GBP net asset/liability	21.214	(21.214)
8- GBP hedged portion (-)		
9- GBP Net Impact (7+8)	21.214	(21.214)
TOTAL (3+6+9)	12.398.292	(12.398.292)

Exchange Rate Sensitivity Analysis Table		
	Prior Period	
	Profit/Loss	
31 DECEMBER 2022	Appreciation of foreign currency	Depreciation of foreign currency
If the US Dollar exchange rate changes by 10%:		
1- USD net asset/liability	6.944.586	(6.944.586)
2- US Dollar hedged portion (-)		
3- USD Net Effect (1+2)	6.944.586	(6.944.586)
If the Euro exchange rate changes by 10%:		
4- Euro net asset/liability	3.100.778	(3.100.778)
5- Euro hedged portion (-)		
6- Euro Net Effect (4+5)	3.100.778	(3.100.778)
TOTAL (3+6+9)	10.045.364	(10.045.364)

e) Interest Rate Risk Management and Interest Rate Sensitivity

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing assets and interest bearing liabilities. This risk is managed by balancing the amount and maturity of interest rate sensitive assets and liabilities on the balance sheet or by using derivative instruments when necessary. In this context, great importance is attached to the fact that not only the maturities but also the interest renewal periods of receivables and payables are similar. In order to minimize the impact of interest rate fluctuations in the market on financial liabilities, the "fixed interest rate/variable interest rate", "short term/long term" and "TL/foreign currency" balance of these liabilities are structured in harmony with the asset structure. Since the interest rates of the Company's loans will remain fixed until the maturity date, no credit interest risk has been calculated in this period.

NOTE 45 - FINANCIAL INSTRUMENTS

The Group has no financial instruments as of the balance sheet date (December 31, 2022 - None).

NOTE 46- EVENTS AFTER THE BALANCE SHEET DATE

VBT Yazılım A.Ş. has reached an agreement with a manufacturing company in Turkey for "System Infrastructure Software and Support" and received a 3-year order. The total value of the contract is USD 4.295.547 + VAT.

VBT YAZILIM A.Ş.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2023
(Amounts expressed in Turkish Lira (TL))

NOTE 47-OTHER MATTERS

a- Financial Statement Disclosures:

-As of June 30, 2023, the total insurance amount of assets (excluding vehicle insurances) is TL 5.188.080. Vehicles are insured at fair value.

-As of December 31, 2022, the total insurance amount of assets (excluding vehicle insurances) is TL 5.188.080. Vehicles are insured at fair value.

b- Reclassifications to Prior Period Financial Statements and Their Nature

Comparative figures are reclassified, where necessary, to conform to the presentation of the current period financial statements.

c- Significant Accounting Policies

The Company's significant accounting policies related to financial instruments are disclosed in Note 2, Financial Instruments.