İNDEKS BİLGİSAYAR SİSTEMLERİ MÜHENDİSLİK SANAYİ VE TİCARET ANONİM ŞİRKETİ

CONSOLIDATED FINANCIAL STATEMENTS
AT 31 DECEMBER 2022
TOGETHER WITH THE INDEPENDENT AUDITORS' REPORT

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

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of İndeks Bilgisayar Sistemleri Mühendislik Sanayi ve Ticaret Anonim Şirketi

A) Audit of the Consolidated Financial Statements

1) Opinion

We have audited the accompanying consolidated financial statements of **İndeks Bilgisayar Sistemleri Mühendislik Sanayi ve Ticaret Anonim Şirketi (the "Company")** and its subsidiaries (**collectively referred to as the "Group"**) which comprise the consolidated statement of balance sheets as at 31 December 2022, consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statements of changes in equity and consolidated statements of cash-flow for the year then ended and the notes to the consolidated financial statements, which include a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS/TAS").

2) Basis for Opinion

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

3) Key Audit Matters

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

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Cash and Cash Equivalents	
Key Audit Matter	***How our audit addressed the key audit matter***
As of December 31, 2022 the Company's balance of the cash and cash equivalents is amount to TL 2.371.261.159, and account for 28,16 % percent of total assets. Cash and cash equivalents account group and its were chosen as a key audit matter due to the significance in financial statements. The Company's accounting policies, and amounts related to cash and cash equivalents explained in **Note: 2** and **Note: 6**.	We performed the following procedures in relation to the testing of cash and cash equivalents: In this context; we participate year end cash count checking to confirm the cash and cash equivalents do exist. Exchange rate valuations of foreign currency and calculations of interest from time deposit have been checked using the recalculation method. The Group has no blocked deposits and Examinations regarding the classification in the financial statements have been check in cash and cash equivalents. The appropriacy of the explanations in the related footnotes for Cash and Cash Equivalents has been evaluated. As a result of the reviewed, there was no significant materiailty.

Recoverability of Trade Receivables	
Key Audit Matter	***How our audit addressed the key audit matter***
Consolidated financial statements as of December 31, 2022 include trade receivables of TL 4.559.390.606 which constitutes 54,15% of the Indeks Bilgisayar's total assets. An impairment provision for trade receivables of Indeks Bilgisayar amounting to TL 40.035.292 included in the consolidated financial statements. The Group uses estimates and policies for recoverability of trade receivables and determination of the provisions. Trade receivables and its recoverability are material to Indeks Bilgisayar's consolidated financial statements. Therefore, this area is considered as key audit matter. The Company's accounting policies, amounts and guarantees related to trade receivables explained in **Note: 2, Note: 10** and **Note: 38.**	We performed the following procedures in relation to the testing of trade receivables and provision for trade receivables considering the guarantees for trade receivables for unrecoverable amounts: We have evaluated the effectiveness of internal control regarding financial reporting for the receivables risk and receivables from dealers. We have evaluated and tested the Group's risk policy on receivables based on the overdue trade receivables with considering credit insurance and guarantees received. We have evaluated 3rd party reconciliations for the balances of the trade receivables and we have calculated exchange rate valuation of trade receivables, rediscount on trade receivables (deferred interest income etc.) and other valuations included in the consolidated financial statements. We have evaluated provision amounts recognized in the consolidated financial statements including aging results, economic assumptions, past collection performances, lawsuits and execution proceedings, the guarantees obtained for trade receivables, credit insurance and subsequent measurement of trade receivable collections. We have reviewed the sufficiency of disclosures made in the consolidated financial statements of the Group with respect to trade receivables.

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Inventory and Recoverability of inventory	
Key Audit Matter	***How our audit addressed the key audit matter***
Balance of the inventories is amount to TL 1.115.973.391, and account for 13,25% percent of total assets. Products in the company's inventory are subject to the risk of being impaired due to the rapid technological development and changes in the market. Provision for inventories amount to TL 52.686.645 within this group. The Company Management uses certain estimates and policies to determine the provision to reduce obsolescent inventories and slow moving inventory items to net realizable value. Existence of inventories and net impairmanten loss has been determined as a key audit matter due to the importance of inventory account. The Company's accounting policies and amounts related to inventory explained in **Note: 2** and **Note: 13**.	Our audit procedures base on to evaluate the Company's inventories do exist and net realizable amount of the inventories. In this context; we participate year end inventory checking to confirm the inventories do exist. In addition we audit documents related with purchasing inventories during the year. Provision for inventory impairment recoginized for the purpose of lower cost of inventories to their net realizable amount. We tested the Company's policy related with inventory impairment by turnover days of inventories. The Group's provision calculation method was critically evaluated, the stock impairment was evaluated, and the provision stock impairment provisions were recalculated. The inventory valuation method of the Company has been confirmed with controlling sample inventory cards.

Trade Payables	
Key audit matters	***How our audit addressed the key audit matter***
Consolidated financial statements as of 31 December 2022 include trade payables of TL 5.406.354.858 which constitutes 64,21% of the Indeks Bilgisayar's total liabilities. Trade payables are material to Indeks Bilgisayar's consolidated financial statements. Therefore, this area is considered as key audit matter. The Company's accounting policies and amounts related to trade payables explained in **Note: 2** and **Note: 10**.	We performed the following procedures in relation to the testing of trade payables: We have evaluated 3rd party reconciliations for the balances of the trade payables and we have calculated exchange rate valuation of trade payables, rediscount on trade payables included in the consolidated financial statements. We have reviewed the sufficiency of disclosures made in the consolidated financial statements of the Group with respect to trade payables.

Revenue	
Key audit matters	***How our audit addressed the key audit matter***
Recognition and determination of revenue in correct period determined as a key audit matter for audit of the consolidated financial statements. The Company's accounting policies and amounts related to trade payables explained in **Note: 2** and **Note: 28**.	We performed the following procedures in relation to the testing recognition of revenue: Evaluating the revenue as a process by observing sales and delivery procedures, Evaluating the audit procedures are focused on the assessment of invoices issued but risk and ownership have not been transferred, Evaluating the details of the sales returns which are requested for the audit date whether there is a high amount of returns incurred after the balance sheet date, Evaluating the invoice, delivery note, warehouse exit and delivery documents are analyzed by sampling method and the actual delivery is made before the balance sheet date. We had no material findings related to recognition of revenue as a result of these procedures.

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

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

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

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

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5) Auditor's Responsibilities for the Audit of the Financial Statements

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

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

As part of an independent audit conducted in accordance with SIA which is published by Capital Markets Board of Türkiye (the "CMB"), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Group management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
İNDEKS BİLGİSAYAR SİSTEMLERİ MÜHENDİSLİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 1 JANUARY- 31 DECEMBER 2022

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
İNDEKS BİLGİSAYAR SİSTEMLERİ MÜHENDİSLİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2022
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TL)

		Audited	***Audited***
		Current Period	***Previous Period***
	Notes	**December 31, 2022**	**December 31, 2021**
ASSETS			
Current Assets		**8.271.932.609**	**6.838.701.226**
Cash and Cash Equivalents	6	2.371.261.159	2.095.002.284
Financial Investments	7	-	-
Trade Receivables	10	4.559.390.606	3.553.845.206
-Trade Receivables from Related Parties	*10-37*	*198*	*1.118*
-Trade Receivables from Non Related Parties	*10*	*4.559.390.408*	*3.553.844.088*
Other Receivables	11	2.931.520	1.565.010
-Other Receivables from Related Parties	*11-37*	-	-
- Other Receivables from Non Related Parties	*11*	*2.931.520*	*1.565.010*
Derivative Instruments	12	-	42.950.689
Inventories	13	1.115.973.391	983.955.474
Prepaid Expenses	15	63.815.034	41.148.906
Current Income Tax Assets	25	-	16.467
Other Current Assets	26	158.560.899	120.217.190
Total		**8.271.932.609**	**6.838.701.226**
Non Current Assets		**147.717.058**	**113.440.500**
Financial Investments	7	-	-
Trade Receivables	10	-	-
- Trade Receivables from Related Parties	*10-37*	-	-
-Trade Receivables from Non Related Parties	*10*	-	-
Other Receivables	11	38.941	38.941
-Other Receivables from Related Parties	*11-37*	-	-
-Other Receivables from Non Related Parties	*11*	*38.941*	*38.941*
Investments Accounted for Using the Equity Method	4-16	-	-
Investment Properties	17	54.599.151	55.742.575
Property, Plant and Equipment	18	28.936.125	29.521.712
Right of Use Assets	18	17.315.761	11.733.677
Intangible Assets	19	7.484.736	12.668.620
- Goodwill	*19*	*1.897.699*	*1.897.699*
-Other Intangible Assets	*19*	*5.587.037*	*10.770.921*
Deferred Tax Assets	35	39.342.344	3.734.975
TOTAL ASSETS		**8.419.649.667**	**6.952.141.726**

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

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER 2022

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

STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) (TL)

	Notes	*Audited* *Current Period* December 31, 2022	*Audited* *Previous Period* December 31, 2021
LIABILITIES			
Current Liabilities		**6.765.096.237**	**5.840.451.964**
Short-Term Financial Liabilities	8	771.340.783	1.120.922.956
Short Term Portion of Long Term Financial Liabilities	8	-	-
Other Financial Liabilities	9	-	-
Trade Payables	10	5.406.354.858	4.253.217.565
- Trade Payables to Related Parties	*10-37*	*71.065*	*96.828*
-Trade Payables to Non Related Parties	*10*	*5.406.283.793*	*4.253.120.737*
Employee Benefits Payables	20	4.556.078	1.250.015
Other Payables	11	70.076.442	32.289.843
-Other Payables to Related Parties	*11-37*	-	-
- Other Payables to Non Related Parties	*11*	*70.076.442*	*32.289.843*
Liabilities from Investments Accounted for Using the Equity Method	4-16	-	-
Derivative Instruments	12	3.770.397	-
Deferred Income	15	298.014.451	221.255.302
Current Income Tax Liabilities	35	81.813.612	119.286.346
Short Term Provisions	22	129.169.616	92.229.937
- Other Short Term Provisions	*22*	*129.169.616*	*92.229.937*
Other Short Term Liabilities	26	-	-
Total		**6.765.096.237**	**5.840.451.964**
Long-Term liabilities		**31.133.445**	**18.737.277**
Financial liabilities	8	7.411.694	6.774.488
Long Term Provisions for Employee Benefits	24	23.721.751	11.962.789
Deferred Tax Liabilities	35	-	-
EQUITY		**1.623.419.985**	**1.092.952.485**
Equity Holders of the Parent	27	**1.446.674.049**	**948.166.507**
Paid in Share Capital		224.000.000	224.000.000
Adjustment to Share Capital		1.064.323	1.064.323
Repurchased Shares (-)		(6.083.601)	(4.979.617)
Share Premium/discount		57.224.464	156.607
Business Combinations Under Common Control		(11.913.128)	(11.913.128)
Other Comprehensive Income or Expenses not to be Reclassified to Profit or Loss		(7.454.639)	(1.775.982)
- Revaluation and Remeasurement Gains/Losses		*(7.454.639)*	*(1.775.982)*
Other Comprehensive Income or Expenses to be Reclassified to Profit or Loss		90.248.727	64.843.261
-Currency Translation Differences		*90.248.727*	*64.843.261*
Restricted Reserves From Retained Earnings		78.711.734	46.315.798
Retained Earnings		469.375.944	227.417.678
Net Profit/(Loss)		551.500.225	403.037.567
Non-controlling interest	27	176.745.936	144.785.978
TOTAL LIABILITIES AND EQUITY		**8.419.649.667**	**6.952.141.726**

The accompanying notes are integral parts of the financial statements.

T.C. 1923 BAĞIMSIZ DENETÇİ 3031

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
İNDEKS BİLGİSAYAR SİSTEMLERİ MÜHENDİSLİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2021
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

PROFİT OR LOSS AND OTHER COMPREHENSIVE INCOME STATEMENTS (TL)

	Notes	*Audited Current Period* **January 1, 2022 December 31, 2022**	*Audited Previous Period* **January 1, 2021 December 31, 2021**
STATEMENT OF PROFIT OR LOSS			
Net Sales	28	25.011.634.307	13.091.576.863
Cost of sales(-)	28	(23.705.678.779)	(12.525.819.774)
GROSS PROFIT/(LOSS) FROM FINANCIAL OPERATIONS		**1.305.955.528**	**565.757.089**
GROSS PROFIT/(LOSS)		**1.305.955.528**	**565.757.089**
General Administrative Expenses (-)	29	(143.470.031)	(91.309.272)
Marketing, Sales and Distribution Expenses (-)	29	(121.704.573)	(65.374.406)
Other Operating Income	31	809.247.953	677.359.790
Other Operating Expenses (-)	31	(453.676.967)	(518.441.023)
OPERATION PROFIT / (LOSS)		**1.396.351.910**	**567.992.178**
Income from Investment Activities	32	29.983.967	1.034.408
Expenses from Investment Activities (-)	32	(690)	-
Share of Profit/Loss of Investments Accounted for Using the Equity Method	32	-	-
OPERATING PROFIT BEFORE FINANCIAL INCOME/(EXPENSE)		**1.426.335.187**	**569.026.586**
Financial Income	33	166.294.140	319.845.807
Financial Expenses (-)	33	(788.574.188)	(256.908.113)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**804.055.139**	**631.964.280**
Tax Income/(Expense), Continuing Operations		**(220.035.888)**	**(194.945.497)**
- Tax Income /(Expense)	35	(253.397.269)	(166.714.780)
- Deferred Tax Income / (Expense)	35	33.361.381	(28.230.717)
Profit (loss), attributable to		**584.019.251**	**437.018.783**
Non-Controlling Interests		32.519.026	33.981.216
Equity Holders of the Parent		551.500.225	403.037.567
Earnings Per Share	36	**2,462055**	**1,799275**
OTHER COMPREHENSIVE INCOME/(LOSS)		**19.168.941**	**40.873.988**
Items not to be reclassified to profit/loss		**(6.236.525)**	**(716.696)**
Actuarial Gain/Loss Arising From Defined Benefit Plans		(6.236.525)	(716.696)
Items to be reclassified to profit/loss		**25.405.466**	**41.590.684**
Currency translation differences		25.405.466	41.590.684
Comprehensive Income/Expenses Attributable to		**603.188.192**	**477.892.771**
Non-Controlling Interests		31.961.158	33.921.545
Equity Holders of the Parent		571.227.034	443.971.226

The accompanying notes are integral parts of the financial statements.

CONVENIENCE TRANSLATION INTO ENGLISH OF THE CONSOLIDATED FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH
İNDEKS BİLGİSAYAR SİSTEMLERİ MÜHENDİSLİK SANAYİ VE TİCARET A.Ş.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2021
(Amounts on tables expressed in Turkish Lira ("TL") unless otherwise indicated.)

							Other Comprehensive Income/(Expense) not to be Reclassified to Profit or Loss		Other Comprehensive Income/(Expense) to be Reclassified to Profit or Loss		Accumulated Profit					
Audited Current Period	Notes	Paid in Share Capital	Adjustment to Share Capital (Translation Differences)	Repurchased Shares	Share Premiums/ Discounts	Business Combinations Under Common Control	Defined Benefit Plans and Revaluation and Gain/Loss Arising from Measurement	Other Gains/ (Losses)	Currency Translation Differences	Gains/ (Losses) on Hedge	Restricted Reserves from Retained Earnings	Retained Earnings	Profit for the Period	Equity Holders of the Parent	Non Controlling Interests	Total Equity
Balances at January 1, 2022	27	224.000.000	1.064.323	(4.979.617)	156.607	(11.913.128)	(1.775.982)	-	64.843.261	-	46.315.798	227.417.678	403.037.567	948.166.507	144.785.978	1.092.952.485
Transfers		-	-	-	-	-	-	-	-	-	32.395.936	370.641.631	(403.037.567)	-	-	-
Total Comprehensive Income		-	-	-	-	-	(5.678.657)	-	25.405.466	-	-	-	551.500.225	571.227.034	31.961.158	603.188.192
Net Current Profit		-	-	-	-	-	-	-	-	-	-	-	551.500.225	551.500.225	32.519.026	584.019.251
Other comprehensive income (Expense)		-	-	-	-	-	(5.678.657)	-	25.405.466	-	-	-	-	19.726.809	(557.868)	19.168.941
Increase in Paid-in Capital		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Business Combinations Under Common Control		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid		-	-	-	-	-	-	-	-	-	-	(128.683.365)	-	(128.683.365)	(1.200)	(128.684.565)
Gains/Losses on without Changes in Ownership Interest on Interest in a Subsidiary		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gains/Losses on Repurchased Shares		-	-	(1.103.984)	57.067.857	-	-	-	-	-	-	-	-	55.963.873	-	55.963.873
Balances at December 31, 2022	27	224.000.000	1.064.323	(6.083.601)	57.224.464	(11.913.128)	(7.454.639)	-	90.248.727	-	78.711.734	469.375.944	551.500.225	1.446.674.049	176.745.936	1.623.419.985
Audited Previous Period																
Balances at January 1, 2021	27	56.000.000	1.064.323	(1.705.805)	156.607	(11.913.128)	(1.118.957)	-	23.252.577	-	35.670.642	311.313.750	143.345.753	556.065.762	110.864.433	666.930.195
Transfers	-	-	-	-	-	-	-	-	-	-	10.645.156	132.700.597	(143.345.753)	-	-	-
Total Comprehensive Income			-	-	-	-	(657.025)	-	41.590.684	-	-	-	403.037.567	443.971.226	33.921.545	477.892.771
Net Current Profit		-	-	-	-	-	-	-	-	-	-	-	403.037.567	403.037.567	33.981.216	437.018.783
Other comprehensive income (Expense)		-	-	-	-	-	(657.025)	-	41.590.684	-	-	-	-	40.933.659	(59.671)	40.873.988
Increase in Paid-in Capital		168.000.000	-	-	-	-	-	-	-	-	-	(168.000.000)	-	-	-	-
Business Combinations Under Common Control		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends paid		-	-	-	-	-	-	-	-	-	-	(48.596.669)	-	(48.596.669)	-	(48.596.669)
Gains/Losses on without Changes in Ownership Interest on Interest in a Subsidiary												-		-	-	-
Gains/Losses on Repurchased Shares		-	-	(3.273.812)	-	-	-	-	-	-	-	-	-	(3.273.812)	-	(3.273.812)
Balances at December 31, 2021	27	224.000.000	1.064.323	(4.979.617)	156.607	(11.913.128)	(1.775.982)	-	64.843.261	-	46.315.798	227.417.678	403.037.567	948.166.507	144.785.978	1.092.952.485

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

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

CONSOLIDATED STATEMENTS OF CASH FLOWS (TL)	**Notes**	***Audited*** ***Curret Period*** **January 1, 2022 December 31, 2022**	***Audited*** ***Previous Period*** **January 1, 2021 December 31, 2021**
A) CASH FLOWS FROM OPERATING ACTIVITIES		**1.319.721.326**	**746.113.351**
Profit/Loss for the Period		**584.019.251**	**437.018.783**
Adjustments to Reconcile Profit (Loss)		**773.656.165**	**351.557.975**
Adjustments for depreciation and amortisation expenses	18-19	21.335.433	17.553.134
Adjustments for Impairment Loss (Reversal of Impairment Loss)		**29.278.673**	**16.745.074**
Adjustments for receivables impairment (reversal)	10	694.432	8.415.496
Adjustments for inventory impairment (reversal)	13	28.584.241	8.329.578
Adjustments for property, plant and equipment impairment (reversal)	18-19	-	-
Adjustments for provisions		**43.562.730**	**53.337.166**
Adjustments for provisions for employee benefits (reversal)	24	6.623.051	3.517.462
Adjustments for provisions for lawsuits and penalties	22	219.690	(20.689)
Adjustments for other provisions (reversal)	22	36.719.989	49.840.393
Adjustments for interest income/expense		**497.787.150**	**127.669.017**
Adjustments for interest income	31-33	(351.744.973)	(173.288.176)
Adjustments for interest expenses	31-33	848.836.040	300.233.972
Deferred Financial Expense from Term Purchases	10	(11.816.616)	(4.151.957)
Unrealised Financial Income from Term Sales	10	12.512.699	4.875.178
Adjustments for tax income/expense	35	**220.035.888**	**194.945.497**
Other adjustments to reconcile profit for the period	26	**(38.343.709)**	**(58.691.913)**
Changes in Working Capital		**22.019.309**	**(71.667.849)**
Decrease (Increase) in Financial Investments	7	-	-
Adjustments for Gains/Losses in Trade Receivables	10	(1.018.752.531)	(1.553.231.147)
Adjustments for Gains/Losses In Other Receivables Related To Operations	11	(1.366.510)	(60.405)
Gains/Losses from Inventories	13	(160.602.158)	(482.939.521)
Adjustments for losses/(gains) in Trade Payables	10	1.164.953.909	1.964.727.127
Adjustments for Gains/Losses In Other Payables Related To Operations	11	37.786.599	(163.903)
Cash Flows From (Used in) Operations		**1.379.694.725**	**716.908.909**
Employee Termination Benefit Paid	24	(2.659.745)	(1.231.483)
Income Taxes Refund (paid)	35	(307.769.075)	(69.530.055)
Other inflows (outflows) of Cash		250.455.421	99.965.980
CASH FLOWS FROM INVESTMENT ACTIVITIES		**(2.340.883)**	**(10.564.045)**
Cash Inflows from Acquisition of Other Entities, Funds and Debt Instruments		-	-
Cash inflows from sale of property, plant and equipment and intangible asset	18-19	**924.319**	**173.730**
Cash inflows from sale of property, plant and equipment		924.319	173.730
Cash inflows from sale of intangible assets		-	-
Cash outflows from purchase of property, plant and equipment and intangible assets	18-19	**(3.265.202)**	**(5.362.201)**
Cash outflows from purchase of property, plant and equipment		(3.108.611)	(5.176.446)
Cash outflows from purchase of intangible assets		(156.591)	(185.755)
Cash inflows from purchase of investment properties	17	-	**1.440.678**
Cash outflows from purchase of investment properties	17	-	**(6.816.252)**
C) CASH FLOWS FROM FINANCING ACTIVITES		**(1.041.614.841)**	**40.469.315**
Cash inflows from borrowings	8	3.727.010.263	1.468.557.742
Cash inflows from loans	8	3.727.010.263	1.468.557.742
Cash outflows from repayments of borrowings	8	**(4.101.888.877)**	**(1.253.378.171)**
Cash outflows from loan repayments	8	(4.101.888.877)	(1.253.378.171)
Cash outflows from payments of lease liabilities	8	(12.833.963)	(9.898.924)
Dividends paid		(128.684.565)	(48.596.669)
Interest paid	32-33	(525.217.699)	(116.214.663)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**275.765.602**	**776.018.621**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**275.765.602**	**776.018.621**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERİOD	6	2.094.828.248	1.318.809.627
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	6	2.370.593.850	2.094.828.248

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

NOTE 1 GROUP'S ORGANISATION AND NATURE OF OPERATIONS

İndeks Bilgisayar Sistemleri Mühendislik Sanayi ve Ticaret A.Ş. ("the Company") was established on 1989 in Turkey. Indeks Bilgisayar's business activities include operating in the IT sector and distributing IT products with the mission of distributing worldwide brands from Turkey and abroad. Indeks Bilgisayar is subject to Capital Markets Board ("CMB") and its 15,34% shares have been quoted on the Borsa Istanbul ("BIST") since September 2004. The listed shares of Indeks Bilgisayar have been traded on the Borsa Istanbul ("BIST") "STAR" equity market.

The accompanying consolidated financial statements and related notes of the Company and its Subsidiaries together referred as the "Group".

As of 31 December 2022 and 2021, the subsidiaries included in the consolidation scope of Indeks is as follows:

Subsidiaries	Nature of Business	Capital	Direct Ownership Held by İndeks %	Indirect Ownership Held by İndeks %
Datagate Bilgisayar Malzemeleri A.Ş. (Datagate)	Telecommunication	30.000.000 TL	59,24	59,24
Despec Bilgisayar Pazarlama ve Ticaret A.Ş.(Despec) (*)	Consumer Electronics and Telecom	23.000.000 TL	-	29,11
Neteks Teknoloji Ürünleri A.Ş. (Neteks Tek.)	Network and communication products and spare parts purchasing – selling	28.410.000 TL	100,00	100,00
Teklos Teknoloji Lojistik Hizmetleri A.Ş. (Teklos)	Logistics Services and Leasing	5.000.000 TL	99,99	99,99
İndeks International FZE (Indeks FZE)	Computer components and accessories purchasing – selling	150.000 UAR Dirham	100,00	100,00
İnfin Bilgisayar Ticaret A.Ş.	Computer components and accessories purchasing – selling	50.000 TL	99,80	99,80
Neotech Teknolojik Ürünler Dağ. A.Ş. (Neotech)	Electrical home appliances purchasing – selling (non operating)	1.000.000 TL	80,00	80,00

(*) Despec Bilgisayar Sun. Trade A.Ş is the 49.13% subsidiary of Datagate Bilgisayar Malzemeleri A.Ş., which is our subsidiary.

Datagate Computer Materials Inc., Teklos Teknoloji Lojistik Hizmetleri A.Ş., İndeks International FZE, İnfin Bilgisayar Ticaret A.Ş., Neotech Teknolojik Ürünleri Dağ. A.Ş., Neteks Teknoloji Ürünleri A.Ş and Despec Bilgisayar Pazarlama ve Ticaret A.Ş. financial statements dated 31 December 2022 and 31 December 2021 have been consolidated according to the full consolidation method.

The principal shareholder of the Group is Nevres Erol Bilecik (36,37%). Total end of period and average number of personnel employed by the Group is 462. (2021: 462)

Ayazağa Mah. Mimar Sinan Sok. No: 21 Seba Office Boulevard D Blok Kat:1 Bölüm No:11 PK: 34485 Sarıyer/İSTANBUL. The head office of the Group is in Istanbul and it has branches in Ankara and Diyarbakır. The warehouse activities of the Group operated by Teklos Teknoloji Lojistik Hizmetleri A.Ş. which is included in the scope of consolidation at the registered address of Cumhuriyet Mahallesi Yahyakaptan Caddesi No:10A D:2 Çayırova / KOCAELİ

NOTE 2 BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATE

2.01 Basis of Presentation

İndeks Bilgisayar Sistemleri Mühendislik Sanayi ve Ticaret A.Ş. maintains their books of account and prepares their statutory consolidated financial statements in Turkish Lira in accordance with the Turkish Commercial Code ("TCC"), tax legislation and the Uniform Chart of Accounts issued by the Ministry of Finance. The accompanying consolidated financial statements have been prepared in accordance with the provisions of Capital Markets Board ("CMB") Communiqué No: II-14.1- "Communiqué on Principles of Financial Reporting in Capital Markets" ("Communiqué") in the Official Gazette numbered 28676 dated June 13, 2013 reference to Article 5 of the Public Oversight Accounting and Auditing Standards Board ("POA") that have been put into force by Turkey Accounting Standards and interpretations related to these additional ("TAS") are considered.

The accompanying consolidated financial statements were published by POA with the decision numbered 30 on June 2, 2016, and it was presented in accordance with the "Announcement regarding to TAS Taxonomy", or "TFRS 2019" which was published on April 15, 2019.

The accompanying consolidated financial statements of the Group are presented in accordance with the Group's statutory records and are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in TL, which is Indeks Bilgisayar's functional and presentation currency. (As of 31 December 2022, 2021 and 2020, the non monetary items included in the consolidated financial statements are presented in US Dollars until 30 June 2013). In accordance with the Turkey Financial Reporting Standards published by the POA, to be able to presentation of the Group's financial position and performance, the consolidated financial statements have been prepared and subjected to necessary adjustments and restatements. The functional currency of İndeks International FZE and Neteks Teknoloji A.Ş are "USD".

The Group has prepared its consolidated financial statements with the assumption on the Group's ability to continue its operations in the foreseeable future as a going concern.

Consolidated financial statements for the accounting period 1 January - 31 December 2022 were approved by the Board of Directors on 28 February 2023. The General Assembly and the relevant legal institutions have the authority to change the financial statements prepared in accordance with the legal regulations.

2.02 Dealing with the Inflation Effects in Hyper-Inflationary Periods

According to TAS 29 Financial Reporting Standard in Hyperinflationary Economies, enterprises whose functional currency is the currency of a hyperinflationary economy report their financial statements according to the purchasing power of money at the end of the reporting period. TAS 29 identifies features that may indicate an economy is a hyperinflationary economy, and it is recommended that businesses start implementing the Standard at the same time. In the statement made by the Public Oversight Accounting and Standards Authority (POA) on January 20, 2022, it was stated that businesses do not need to make any adjustments to their 2021 financial statements within the scope of TAS 29. On the other hand, no explanation has been made on whether or not the financial statements will be adjusted within the scope of TAS 29 in the financial statements for the accounting period ending on 31 December 2022. In this context, since there is no consensus on the implementation of inflation accounting throughout the country and the POA is expected to postpone the application of TAS 29, no inflation adjustment was made according to TAS 29 while preparing the financial statements dated 31 December 2022 in order to ensure comparability.

2.03 Basis of Consolidation

Subsidiaries is company over which Indeks has the power to control the financial and operating policies for the benefit of Indeks, either (a) through the power to exercise more than 50% of voting rights relating to the shares in the companies as a result of the ownership interest owned directly and indirectly by itself, and/or by certain Indeks members and companies owned by them where by Indeks exercises control over the ownership interest of the shares held by them and shares to be used according to Indeks preferences; or (b) although not having the power to exercise more than 50% of the ownership interest, Indeks has power to control the investee due to the dispersed capital structure of the investee and/or Indeks has rights or is exposed to variable returns from its involvement with the investee and when at the same time it has the power to affect these returns through its power over the investee.

The balance sheets and income statements of the Subsidiaries are consolidated on a line-by-line basis and the carrying value of the investment held by Indeks and its Subsidiaries is eliminated against the related equity. Intercompany transactions and balances between Indeks and its Subsidiaries are eliminated during the consolidation. The nominal amount of the shares held by Indeks in its Subsidiaries dividends are eliminated from equity and income for the period, respectively.

Non controlling interests include the share option under non controlling interest in the subsidiaries' net assets and operating results for the period The amounts are presented separately from the consolidated balance sheet and statement of income. The obligation of non controlling interest exceeds more than the non controlling interest belonging to the interests of subsidiary, if the non controlling interest has has no binding obligations, the benefits of non controlling interest may result against the interests of the majority.

As of 31 December 2022, the subsidiaries included in the consolidation scope of Indeks is as follows:

Subsidiaries	Nature of Business	Capital	Direct Ownership Held by İndeks %	Indirect Ownership Held by İndeks %
Datagate Bilgisayar Malzemeleri A.Ş. (Datagate)	Telecommunication	30.000.000 TL	59,24	59,24
Despec Bilgisayar Pazarlama ve Ticaret A.Ş.(Despec) (*)	Consumer Electronics and Telecom	23.000.000 TL	-	29,11
Neteks Teknoloji Ürünleri A.Ş. (Neteks Tek.)	Network and communication products and spare parts purchasing – selling	28.410.000 TL	100,00	100,00
Teklos Teknoloji Lojistik Hizmetleri A.Ş. (Teklos)	Logistics Services and Leasing	5.000.000 TL	99,99	99,99
İndeks International FZE (Indeks FZE)	Computer and Accessories Trading	150.000 UAE Dirham	100,00	100,00
İnfin Bilgisayar Ticaret A.Ş.	Computer components and accessories purchasing – selling	50.000 TL	99,80	99,80
Neotech Teknolojik Ürünler Dağ. A.Ş. (Neotech)	Electrical home appliances purchasing – selling (non operating)	1.000.000 TL	80,00	80,00

(*) Despec Bilgisayar Sun. Trade A.Ş is the 49.13% subsidiary of Datagate Bilgisayar Malzemeleri A.Ş., which is our subsidiary.

Datagate Computer Materials Inc., Teklos Teknoloji Lojistik Hizmetleri A.Ş., İndeks International FZE, İnfin Bilgisayar Ticaret A.Ş., Neotech Teknolojik Ürünleri Dağ. A.Ş., Neteks Teknoloji Ürünleri A.Ş and Despec Bilgisayar Pazarlama ve Ticaret A.Ş. financial statements dated 31 December 2022 and 31 December 2021 have been consolidated according to the full consolidation method.

Interests in joint operations: A joint operation is a joint arrangement in which the parties that have joint control of an arrangement have rights over the liabilities for the assets and liabilities of the arrangement. Joint control is the contractual sharing of control over an economic activity. This control is considered to exist when decisions regarding the relevant activities require the unanimous consent of the parties sharing control.

Investments in associaties and joint ventures are initially accounted for under equity method and recognized at cost. Under the equity method, the investment in a joint venture is initially recognised at cost in the consolidated financial statements of the Group and the carrying amount is increased or decreased to recognise the investor's share of profit or loss of the investee after the date of the acquisition. The investor's share of the profit or loss of the investee is recognised in the investor's profit or loss.

In applying the equity method, the Group should use the financial statements of the associate or joint venture as of the same date as the financial statements of the investor or joint venturer unless it is impracticable to do so. If it is impracticable, the most recent available consolidated financial statements of the associate or joint venture should be used, with adjustments made for the effects of any significant transactions or events occurring between the accounting period ends. However, the difference between the reporting date of the associate and that of the investor cannot be longer than three months.

On acquisition, any difference between the cost of the investment and the entity's share of the net fair value of the investee's identifiable assets and liabilities in case of goodwill is included in the carrying amount of the investment (amortisation not permitted) and any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired. Adjustments to the entity's share of the associate's or joint venture's profit or loss after acquisition are made, for example, for depreciation of the depreciable assets based on their fair values at the acquisition date or for impairment losses such as for goodwill or property, plant and equipment.

The balance sheets and financial statements of the subsidiaries are accounted for using the full consolidated method and the carrying values held by Indeks and its Subsidiaries is offset from the related equity respectively.

Intercompany transactions and balances between Indeks and its Subsidiaries are eliminated during the consolidation.

Non controlling interests include the share option under non controlling interest in the subsidiaries' net assets and operating results for the period. The amounts are presented separately from the balance sheet and statement of income. The obligation of non controlling interest exceeds more than the non controlling interest belonging to the interests of subsidiary, if the non controlling interest has no binding obligations, the benefits of non controlling interest may result against the interests of the majority.

Business Combinations Under Common Control- Acquisition Method of Entity

Our subsidiary Datagate Bilgisayar Malzemeleri A.Ş. On March 12, 2020, in line with its investment and growth plans, 11.300.994 shares (49.13%) of Despec Bilgisayar Pazarlama ve Ticaret A.Ş., which operates in the field of consumer electronics, were acquired by Desbil Teknolojik Ürünleri A.Ş., N. Erol Bilecik and other companies. purchased from small shareholders at a cash price of TL 52.775.640 with a unit price of TL 4,67.

The share purchase transaction is accounted for "Business combination under common control". In accordance with the "Turkish Accounting Standards application" 2018-1 published by POA, the pooling of interest method is applied, while the consolidated financial statements will be corrected as and the business combination was realized as of the 1 January 2020 in which the joint control was formed and presented comparatively from the beginning of the reporting period when the joint control was established and indicated stated that in order to eliminate the possible asset-liability mismatch that may occur due to the business combination subject to joint control, the "Business Combinations Under Common Control" will be utilised as to be offset under equity.

The 4.000 number shares within total number of 11.300.994 shares are Class A shares and remaining shares are Class B shares. Datagate Bilgisayar Malzemeleri Ticaret A.Ş has also acquired the 4.000 Class A shares of Despec Bilgisayar ve Pazarlama Malzemeleri A.Ş. Class A shares have concession on the election of Board of Directors. Board of Directors of Despec Bilgisayar ve Pazarlama Malzemeleri A.Ş is selected from 4 members in case of 5 or 6 members, 5 members in case of 7 or 8 members, 6 members in case of 9 members from among the candidates nominated by the Class A shareholders of the Group.

The balance sheet and income statement of the Despec Bilgisayar Pazarlama ve Ticaret A.Ş'nin have been accounted for using the full concolidation method and and the carrying values of the Subsidiary is offset from the related equity respectively. In addition, intercompany transactions and balances between Indeks and its Subsidiaries are eliminated during the consolidation.

Subsidiaries	Nature of Business	Capital	Direct Ownership Held by Indeks %	Indirect Ownership Held by Indeks %
Despec Bilgisayar Pazarlama ve Ticaret A.Ş	Consumer Electronics and Telecom	23.000.000 TL	-	% 29,11

2.04 Comparatives and Adjustment of Prior Period Financial Statements

The Group's financial statements are prepared comparatively with the previous period in order to enable the determination of financial position and performance trends. When the presentation or classification of financial statement items changes, prior period financial statements are reclassified accordingly in order to ensure comparability.

2.05 Offsetting

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

2.06 Changes in Accounting Policies

Whether there are changes and errors in accounting policies and accounting estimates, the amended significant changes and the identified significant accounting errors are implemented retrospectively and the previous periods Group's consolidated financial statements are adjusted. Whether the changes are amended in accounting policies effect the previous periods, aforementioned policy is implemented retrospectively to the consolidated financial statements as it had been used in.

2.07 Changes in Accounting Estimates and Errors

Accounting estimates are based on reliable information and reasonable estimation methods. However, estimates are revised as a result of changes in circumstances, estimating new information or additional developments. If changes in accounting forecasts are related to only one period, amendments are made in the current period. If amendments are related to the forthcoming periods, changes are applied in both current period and forthcoming periods.
The nature and amount of a change in the accounting estimate, which has an impact on the outcome of the current period or is expected to have an impact on subsequent periods, is disclosed in the notes to the consolidated financial statements, except when the estimation of the effect on the future periods is not possible.

The Group management uses the actuarial assumptions used in the calculation of useful lives of property, plant and equipment and intangible assets, the actuarial assumptions used in the calculation of employment termination benefits, the provisions to be allocated for the lawsuits and execution proceedings in favor of or against the Group, and the determination of the inventory impairment. Explanations on the estimates used are included in the related notes is as follows.

TAS 21 "The Effects of Changes in Foreign Exchange Rates" outlines how to account for foreign currency transactions and operations in consolidated financial statements, and also how to translate consolidated financial statements into a presentation currency. The Group Management determines the presentation currency that most affects the sales of goods and services, the currency in which the labor expenses are realized, the currency of the cash generated from the financing activities, and taking into account the expected future changes in these factors. The Group Management reviews the accounting estimates regarding the functional currency and the policies applied in each balance sheet date.

2.08.01 Revenue Recognition

Revenue is recognized when the amount of income can be determined reliably and it is probable that there will be an inflow of economical benefits concerning the transactions to the Group or it is accrued over the fair value of the receivable amount. Revenue is accounted for in the consolidated financial statements in accordance with TFRS 15 within the scope of the five-stage model below.

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

- The Group's sales include the brands such as Apple, HP, IBM, Canon, Lenovo, Oppo and Samsung.

Almost all of the products sold by the Group are of foreign origin. A portion of foreign purchases of some foreign companies or the companies from resident companies in Turkey are performed operations which are resident companies in Turkey. Depending on the realization of the targets given by the domestic or foreign companies, some costs are taken under the name of "rebate", "risturn", "sell out" and "bonus" or deducted from current accounts. These values are recognized as credit note income accrual on the balance sheet asset by providing the targets or conditions given by the seller companies. These prices

are deducted or collected from the current account with the documents issued by the vendors under "rebate", "risturn", "sell out" and "bonus" and "credit note" within arranged documents (or invoices issued by the Group).
The "credit notes" obtained regarding for inventories are deducted from cost of inventories. The portion of the balance is recognized in "Other Sales" under sales.

Interest income is accrued in the relevant period in proportion to the remaining principal balance and the effective interest rate that reduces the estimated cash inflows from the related financial asset to the book value of that asset.

If there is a significant financing element in sales, the fair value is determined by reducing the future cash flows with the hidden interest rate recognized in the consolidated financial statements. The difference is reflected in the consolidated financial statements on accrual basis.

2.08.02 Inventories

Inventories are valued at the lower of cost or net realisable value. The Group's inventories include PC, notebooks, telecommunication and networking products, computer components and mobile phones. The cost of inventories is calculated by FIFO method. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.08.03 Property, plant and equipment and related depreciation

Property, plant and equipments are carried at cost less accumulated depreciation as of December 31, 2004 for the items purchased before 01 January 2005 and for the items purchased as of January 1, 2005, less the accumulated depreciation. Depreciation is provided for property, plant and equipment on a straight-line basis over their estimated useful lives. The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

Type	December 31, 2022 Rate (%)	December 31, 2021 Rate (%)
Buildings	2	2
Machinery and Equipment	10-25	10-25
Motor Vehicles	10-25	10-25
Furniture and Fixtures	10-33	10-33
Leasehold Improvements	10-33	10-33

Land is not depreciated as it is deemed to have an indefinite useful life.

Property, plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the asset's net selling price or value in use. Provision for impairment has not been calculated for property, plant and equipment.

Gains or losses on disposals of property, plant and equipment are determined by comparing proceeds with their net carrying amounts and are classified under "gains/losses from investing activities" in the current period.

Repairs and maintenance expenses are charged to the income statements during the period in which they are incurred. Machinery and equipment are capitalised and amortised when their capacity is fully available for use.

2.08. Intangible assets and related amortisation

Intangible assets comprise assets acquired through computer programs and rights and art masterpieces. There is no intangible asset that is formed within the structure of the Group.

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

They are initially recognised at acquisition cost and amortised on a straight-line basis over their estimated useful lives for 3-15 years. Art masterpieces are not depreciated as it is deemed to have an unestimated useful life and not subject to amortization.

Intangible assets are reviewed for impairment at each balance sheet date. If the carrying amount of an intangible asset exceeds its estimated recoverable amount, the carrying amount is reduced to its recoverable amount. There is no provision for impairment on intangible assets.

2.08.05 Impairment of Assets

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

The recoverable amount is the higher of an asset's fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Non-financial assets except goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

In accordance with the assesment by Group management as of 31 December 2022 and 2021, the Group management determined that impairment is not recognized on Investment Properties, Property, Plant and Equipment and Intangible Assets. The estimated market values of these assets are considered to above their carrying values. Other assets comprise of motor vehicles and furniture and fixtues used for administrative purposes. The insurance coverage and replacement costs of these assets are above their carrying values.

2.08.06 Research and Development Costs

None.

2.08.07 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, one that takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset in the period in which the asset is prepared for its intended use or sale. Borrowing costs that are not in this scope are recognised directly in the income statement. All other borrowing costs are recognized in profit or loss in the period in which they are incurred. Borrowing costs include interest expenses and all other borrowing costs. The Group does not have capitalized financing costs during the period.

2.08.08 Financial Instruments

i. Financial Assets-Classification and Meausurement

A financial asset is recognized for the first time in its consolidated financial statements:

a) Financial instruments measured at amortised cost
b) Debt instruments at fair value ("FV") through other comprehensive income;
c) Equity instruments at fair value ("FV") through other comprehensive income
d) Financial instruments at fair value ("FV") through profit or loss

For financial assets, reclassification is required between FVTPL, FVTOCI and amortised cost, if and only if the entity's business model objective for its financial assets changes so its previous model assessment would no longer apply. If reclassification is appropriate, it must be done prospectively from the reclassification date which is defined as the first day of the reporting period following the change in business model.

A financial asset that meets the following two conditions must be measured at FVTOCI unless the asset is designated at FVTPL under the fair value option.

Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
Cash flow characteristics: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument at FV through other comprehensive income if both of the following conditions are met and the FV is not classified as measured by the difference in profit or loss:

- The retention of the financial asset based on a business model aimed at collecting contractual cash flows and selling financial assets;
- The contractual terms of the financial asset lead to cash flows that include interest payments on principal and principal balance on certain dates.

All financial assets that are not measured by the above mentioned amortised cost or measured at FV through other comprehensive income are measured at FV through profit or loss. These include all derivative financial assets. In the event that financial assets are recognized for the first time in their consolidated financial statements; an irreversible amount of a financial asset is measured at fair value through profit or loss provided that it eliminates or substantially reduces an accounting mismatch arising from the different measurement of financial assets and the gain or loss related to them in the consolidated financial statements.
In the first measurement of the financial assets other than the fair value changes that are reflected to the profit or loss (except for the trade receivables that are measured at the transaction cost and not having an important financing component at the time of the consolidated financial statements), the transaction costs directly attributable to the acquisition or issuance thereof are also added to the fair value.

ii. Impairment of Financial Assets

In accordance with TFRS 9, "Expected Credit Loss" model is applied. The new impairment model applies to financial assets and contractual assets measured at amortized cost but is not applied to investments on equity instruments.

Financial assets measured at amortized cost consist of trade receivables, other receivables and cash and cash equivalents.

The provisions for trade receivables, other receivables, other assets and contractual assets are always measured at an amount equal to the expected credit losses for life.

When determining whether the credit risk in a financial asset has increased substantially since its adoption in the consolidated financial statements and the expected credit losses are estimated, reasonable and supportable information that can be obtained without incurring excessive costs or efforts is taken into consideration. These include qualitative and quantitative information and analyzes and forward-looking information based on the Group's past experience and informed credit evaluations.

Credit-impaired financial asset

The Group assesses whether the financial assets measured at amortized cost are diminished in each reporting period. Under TFRS 9 a financial asset is credit-impaired when one or more events that have occurred and have a significant impact on the expected future cash flow of the financial asset. It includes observable data that has come to the attention of the holder of a financial asset about following events:

- significant financial diffuculty of the issuer or borrower;
- a breach of contract, such as a default or past-due event;
- the lenders for economic or contractual reasons relating to the borrower's financial diffuculty granted the borrower a concession that would not otherwise be considered;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disapperance of an active market for the financial asset because of financial difficulties.

Presentation

In the case of a financial asset that is not purchased or originated credit-impaired financial asset and for which there is no objective evidence of impairment at the reporting date, interest revenue is calculated by applying the effective interest rate method to the gross carrying amount.

Derecognition

If there is no reasonable expectation to recover a cash flow higher than the financial asset, the gross amount of the financial asset is deducted from the records. This is generally the case when the Group determines that the borrower does not have sufficient sources of income or assets that can repay the amounts subject to the reversal. However, the financial assets that are derecognized may still be subject to sanction activities applied by the Group for the recovery of past due receivables.

Financial assets are deducted from the records if there is no expectation of recovery (such as the debtor does not make any repayment plans with the Group). The Group continues to exercise sanctions in order to recover the receivables of trade receivables, other receivables, other assets and contract assets. The recovery amounts are recognized in consolidated statement of income.

2.08.09 Foreign Currency Translation

Foreign currency transactions are translated into Turkish Lira using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Turkish Lira using the exchange rates at the balance sheet date. Foreign exchange gains and losses resulting from trading activities (trade receivables and payables) denominated in foreign currencies of the Group companies operating in the non-finance sectors, have been accounted for under "other operating income/expenses" whereas foreign exchange gains and losses resulting from the translation of other monetary assets and liabilities denominated in foreign currencies have been accounted for under "financial income/expenses" in the consolidated income statement. The Group sells goods in terms of foreign currency denominated purchases goods. Therefore, the Group has no currency risk during the period.

2.08.10 Earnings Per Share

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

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

2.08.11 Events After the Balance Sheet Date

Subsequent events cover all events that occur between the balance sheet date and the publication date of the consolidated financial statements. The Group adjusts the amounts recognised in its consolidated financial statements to reflect the adjusting events after the balance sheet date. If non-adjusting events after the balance sheet date have material influence on the economic decisions of users of the consolidated financial statements, they are disclosed in the notes to the consolidated financial statements.

2.08.12 Provisions, Contingent Assets and Liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

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

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

2.08.13 Leases

Group - as a lessee

Finance Leases

A lease is classified as finance lease if it transfers substantially all the risks and rewards incident to ownership. An entity assesses the classification of each element as finance or an operating lease separately. At commencement of the lease term, finance leases should be recorded as an asset and liability at the lower of the fair value of the asset and the present value of the minimum lease payments (discounted at the interest rate implicit in the lease, if practicable, or else entity's incremental borrowing rate)

Finance lease payments should be apportioned between the finance charge and the reduction of the outstanding liability (the finance charge to be allocated so as to produce a constant periodic rate of interest on the remaining balance of the liability.) For operating leases, the lease payments should be recognized as an expense in the income statement over the lease term on a straight-line basis effective from 1 January 2019. Incentives for the agreement of a new agreement of a new or renewed operating lease should be recognized by the lessee as a reduction of the rental expense over the lease term.

TFRS 16 was issued in January 2016 and applies to annual reporting periods beginning on or after 1 January 2019. TFRS 16 standard, in the liabilities of the "Lease Liability" amount calculated as the present value of the lease payments to be made during the lease term for the lease agreements with a maturity of more than 12 months and "Right of Use Assets" (**Note 18**) requires an amount equal to the lease liabilities to be recognized in the assets of financial position statement. The amount recognized as "Right of Use Assets" is subject to depreciation according to the agreement period.

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group reflects a right of use assets and lease liabilities in the consolidated financial statements at the date when the lease term actually begins.

Right-of-use asset Group - as a lessee

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

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

a) The amount of the initial measurement of the lease liability,
b) Any lease payments made at or before the commencement date, less any lease incentives received,
c) Any initial direct costs incurred by the Group, and

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

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

Group applies the depreciation requirements in TAS 16 Property, Plant and Equipment Standard in depreciating the right-of-use asset.

Lease liability

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

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

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

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

Group - as a lessor

Operating Leases

The lease process, where a significant part of the property risks and returns belong to the lessor, is classified as an operating lease. Rental payments is recognised in the consolidated statement of income as an expense on a straight-line basis over the lease term.

The lease contracts as the Group as the lessee are related to office, warehouses and motor vehicles leases in İstanbul, Diyarbakır and Ankara. Annual rental payments is recognised as an expense on a straight-line basis over the lease term.

Group - as a lessee

Operating Leases

Assets leased out under operating leases are included in investment property, property, plant and equipment or other current assets in the balance sheet. Rental income is recognised in the consolidated statement of income on a straight-line basis over the lease term.

The lease contracts as the Group as the lessor as a party of the contract, arise from the part of warehouse in which the Group operates and a non Group company which uses as the office and warehouse.

2.08.14 Related Parties

For the purpose of these consolidated financial statements, shareholders, parents of Indeks Bilgisayar A.Ş, key management personnel and Board of Directors members, their close family members and the legal entities over which these related parties exercise control and significant influence, are considered and expressed as "related parties". The detailed explanation of related parties is disclosed in **Note 37**.

2.08.15 Government Grants

None.

2.08.16 Investment Properties

As of 31 December 2022 and 2021 investment properties of the Group are accounted for on the basis of the following principles:

Land and buildings that are held for rental yields or for capital appreciation or both rather than held in the production or supply of goods or services or for administrative purposes or for the sale in the ordinary course of business are classified as "investment property". Investment properties are carried at cost less accumulated depreciation. If it meets the accepted principles, the cost of changing any part of the existing investment property is included in the amount in the balance sheet. Daily repair and maintenance for investment properties is not included in the above mentioned amount.

Depreciation has been provided for straight line bases, based on the economic useful lives, in order to deduct the cost of each asset to its token value, in accordance with the to the annual rate of 2%.

Investment properties are derecgonized, in the event that investment properties are fully depreciated or sold. Gains or losses on sales of investment properties is recognized in the income statement as profit or loss.

2.08.17 Taxes on Income

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

Current Tax

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

Deferred Tax

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

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

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

Deferred tax assets and liabilities are calculated over the tax rates that are expected to be valid in the period when the assets are realized or the liabilities are fulfilled and legalized or substantially legalized as of the balance sheet date (tax regulations). During the calculation of deferred tax assets and liabilities, the tax consequences of the methods that the Group expects to recover or settle the carrying amount of the assets as of the balance sheet date are taken into consideration.
Deferred tax assets and liabilities are recognized when there is a legal right to offset current tax assets and current tax liabilities, or if such assets and liabilities are associated with the income tax collected by the same tax authority, or if the Group intends to pay off the current tax assets and liabilities.

Current and deferred tax for the period

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

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

Offsetting in Tax Assets and Liabilities

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

2.08.18 Employment Termination Benefits

The provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Group arising from the retirement of its employees based on the actuarial projections.

TAS 19 "Employee Benefits" requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligation for employment termination benefits. The effects of differences between the actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains / losses and recognised under other comprehensive income.

2.08.19 Statement of Cash Flow

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements.

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

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

2.08.20 Income Accruals

Almost all of the products sold by the Group are of foreign origin. A portion of foreign purchases of some foreign companies or the companies from resident companies in Turkey are performed operations which are resident companies in Turkey. Depending on the realization of the targets given by the domestic or foreign companies, some costs are taken under the name of "rebate", "risturn", "sell out" and "bonus" or deducted from current accounts. These values are recognized as credit note income accrual on the balance sheet asset by providing the targets or conditions given by the seller companies. These prices are deducted or collected from the current account with the documents issued by the vendors under "rebate", "risturn", "sell out" and "bonus" and "credit note" within arranged documents (or invoices issued by the Group).

2.08.21 Warranty Provisions

The Group serves the Turkey distributor of information technology products. The guarantees of the products sold are given by the companies appointed by the manufacturers. The products offered to us under warranty come from the dealers and are sent to the manufacturers or manufacturers appointed by the manufacturers for repair. For products that need to be replaced within the scope of warranty after repair, new products are given to the customers and the amount is billed to the manufacturers. The Group has no warranty provisions during the period.

2.13 New and Revised International Financial Reporting Standards and Interpretations

i) Summary information on changes and interpretations effective as of December 31,2022:

TFRS 16 (Amendments) Continuing Concessions on Rent Payments Related to COVID-19 After 30 June 2021
Certain privileges granted by the Public Oversight Accounting and Auditing Standards Authority ("POA") in June 2020 due to COVID-19 in rent payments of tenants; has published the "Continuing Concessions in Relating to COVID-19 After 30

June 2021-Amendments to TFRS 16", which extends the exemption from determining whether there has been a change in the lease for another year. When the change was first published, the facilitating practice only applied if any reduction in lease payments would affect payments that would normally be due on or before June 30, 2021. As lessors continue to offer rental concessions related to COVID-19 to tenants and the impact of the COVID-19 pandemic continues and is significant, POA has extended the period of use of the facilitator by one year. This new change will be applied by tenants for annual accounting periods beginning on or after April 1, 2021, but early application is permitted.

References to TFRS 3 (Amendments) Conceptual Framework

This amendment updates a reference to the Conceptual Framework for Financial Reporting in TFRS 3 without materially changing the provisions of the standard. These amendments are valid for annual accounting periods beginning on or after 1 January 2022. Early implementation is permitted by applying it in conjunction with other reference updates to the Conceptual Framework so far.

TAS 16 (Amendments) Property, Plant and Equipment – Intended Earnings Before Use

These amendments do not allow the revenues from the sale of the items produced to be deducted from the cost of the related asset while the related property, plant and equipment is brought to the required location and condition so that it can operate under the conditions intended by the management, and requires such sales revenues and related costs to be recognized in profit or loss. These changes are applied for annual accounting periods beginning on or after January 1, 2022. Early application is permitted.

TAS 37 (Amendments) Economically Disadvantaged Contracts – Cost of Fulfillment

With the amendment made in TAS 37, the estimated costs of fulfilling the contract in order to determine whether the contract is an economically disadvantageous contract consist of both the variable costs incurred to fulfill the contract and the amounts distributed from other costs directly related to fulfilling the contract. These changes are applied for annual accounting periods beginning on or after January 1, 2022. Early application is permitted.

Annual Improvements to TFRSs 2018 – 2020

Amendment to the First Implementation of TFRS 1 Turkish Financial Reporting Standards

With the amendment made in TFRS 1, cumulative translation differences are included in the scope of the exemption for the measurement of its assets and liabilities to the subsidiary that started to apply TFRSs at a later date than its parent in paragraph D16(a) of the standard, The implementation costs of those who started to apply TFRSs for the first time have been reduced.

Amendment to TFRS 9 Financial Instruments

This amendment clarifies the fees considered in the assessment of derecognition of a financial liability. The debtor includes fees paid or received between the debtor and the creditor, including fees paid or received by the debtor or creditor on behalf of others.

Amendment to TAS 41 Agricultural Activities

With this amendment, the provision in paragraph 22 of TAS 41, which requires that cash flows arising from taxation not be included in the calculation in determining the fair value, has been removed. The amendment harmonizes the relevant provisions of the standard with the provisions of TFRS 13.

Amendments to TFRS 1, TFRS 9 and TAS 41 are applied for annual accounting periods beginning on or after 1 January 2022. Early application is permitted.

The regulations that entered into force in the current period had no effect on the Company's financial statements.

ii) Standards that have not yet entered into force as of December 31,2022 and amendments and interpretations to existing previous standards

TAS 1 (Amendments) Classification of Liabilities as Short or Long Term

The purpose of these amendments is to determine the debts and other liabilities that are included in the statement of financial position and do not have a specific maturity; The aim is to ensure that the requirements of the standard are applied consistently by assisting the decision-making process of companies regarding whether they should be classified as short-term (expected to be paid within one year) or long-term. These amendments made in TAS 1 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.

TAS 1 (Amendments) Disclosure of Accounting Policies
This amendment requires businesses to take materiality as a basis in explaining their accounting policies. Although this amendment made in TAS 1 will be applied in annual accounting periods beginning on or after January 1, 2023, early application is allowed.

TFRS 4 (Amendments) Extension of the Temporary Exemption Period for the Application of TFRS 9
With the postponement of the effective date of TFRS 17 to 1 January 2023, the expiry date of the temporary exemption period in TFRS 4 Insurance Contracts regarding the implementation of TFRS 9 provided to insurance companies has also been revised to 1 January 2023.

TFRS 17 Insurance Contracts
TFRS 17 requires insurance liabilities to be measured at a current coverage value and provides a more streamlined measurement and presentation approach for all insurance contracts. These requirements are designed to achieve consistent, principles-based accounting for insurance contracts. TFRS 17 will replace TFRS 4 Insurance Contracts as of 1 January 2023.

TFRS 17 (Amendments) Insurance Contracts and First Application of TFRS 17 and TFRS 9 – Comparative Information
Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the transition. In addition, with the change in comparative information, companies that are the first to apply TFRS 7 and TFRS 9 simultaneously are allowed to present comparative information about their financial assets as if they had previously applied the classification and measurement requirements of TFRS 9 to that financial asset. The amendments will be applied when TFRS 17 is first applied.

TAS 8 (Amendments) Definition of Accounting Estimates
With this amendment, the definition of "accounting estimation" was included instead of the definition of "change in accounting estimates", and sample and explanatory paragraphs regarding the estimates were added, furthermore, the issues of applying the estimates prospectively and correcting the errors retrospectively and the differences between these concepts were clarified. These amendments made in TAS 8 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also permitted.

TAS 12 (Amendments) Deferred Tax on Assets and Liabilities Arising from a Single Transaction
With these amendments, it has been clarified that the exemption regarding the recognition of an asset or liability in the financial statements for the first time does not apply to transactions in which equal amounts of taxable and deductible temporary differences occur when the asset and liability are first recorded. These amendments made in TAS 12 will be applied in annual accounting periods beginning on or after January 1, 2023, but early application is also allowed.

TFRS 16 (Amendments) Lease Obligation on Sale and Lease Back Transaction
These amendments to TFRS 16 explain how a seller-lessee subsequently measures sales and leaseback transactions that meet the requirements in TFRS 15 to be accounted for as sales. These amendments made in TFRS 16 will be applied in annual accounting periods beginning on or after 1 January 2024, but early application is also allowed.

TAS 1 (Amendments) Long-Term Liabilities Containing Loan Contract Terms
The amendments to TAS 1 explain how conditions that an entity must meet within twelve months of the reporting period affect the classification of a liability. These amendments made in TAS 1 will be applied in annual accounting periods beginning on or after January 1, 2024, but early application is also permitted.

The possible effects of the above standards, amendments and improvements on the financial position and performance of the Company are being evaluated.

NOTE 3 BUSİNESS COMBİNATIONS

There are no business combinations in the current period and the previous period.

NOTE 4 SHARES IN OTHER BUSINESSES

The Group has no shares in other businesses.

NOTE 5 SEGMENT REPORTING

The segment reporting of the Group classified as IT Technologies and telecommunication and logistics services and leasing. IT Technologies group comprise of PC, notebooks, telecommunication and networking products, computer components and mobile phones. The financial information regarding the gross profit / loss on the basis of the operating segments of the Group for the period ends are as follows:

January 1, 2022- December 31, 2022

Statment of Profit or Loss	IT Technologies and Telecommunication	Logistics Services and Leasing	Total	Elimination	Consolidated
Intra segment revenue	25.001.467.521	10.166.786	25.011.634.307	-	25.011.634.307
Inter segment revenue	-	134.039.095	134.039.095	(134.039.095)	-
Revenue	**25.001.467.521**	**144.205.881**	**25.145.673.402**	**(134.039.095)**	**25.011.634.307**
Cost of Sales (-)	(23.705.678.779)	-	(23.705.678.779)	-	(23.705.678.779)
Gross Profit/(Loss)	**1.295.788.742**	**144.205.881**	**1.439.994.623**	**(134.039.095)**	**1.305.955.528**

January 1, 2021- December 31, 2021

Statement of Profit or Loss	IT Technologies and Telecommunication	Logistics Services and Leasing	Total	Elimination	Consolidated
Intra segment revenue	13.085.318.867	6.257.996	13.091.576.863	-	13.091.576.863
Inter segment revenue	-	67.623.232	67.623.232	(67.623.232)	-
Revenue	**13.085.318.867**	**73.881.228**	**13.159.200.095**	**(67.623.232)**	**13.091.576.863**
Cost of Sales (-)	(12.525.819.774)	-	(12.525.819.774)	-	(12.525.819.774)
Gross Profit/(Loss)	**559.499.093**	**73.881.228**	**633.380.321**	**(67.623.232)**	**565.757.089**

NOTE 6 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents of the Group as of the end of the period are as follows.

Account Name	December 31, 2022	December 31, 2021
Cash in hand	284.291	257.642
Banks (Demand Deposits)	1.530.041.760	1.821.765.363
Financial Assets Held to Maturity (Reverse Repo and Time Deposits)	826.494.376	268.590.851
Credit Card Slips	14.440.732	4.388.428
Total	**2.371.261.159**	**2.095.002.284**

The reverse repo and time deposit transactions obtained on 31 December 2022 have a maturity of 3 days and an interest income accrual of 704.375 TL has been made in TL. Reverse repo rates are between 9,41% and 22,12% in TL terms. The maturity of the current period credit card slips is 1-32 days and 37.066 TL interest expense has been accrued. The interest rate is 11,75%. Total net interest income accrual in liquid assets is 667.309 TL.

Reverse repo and time deposit transactions obtained on 31 December 2021 have a maturity of 1-4 days and an interest income accrual of 190.851 TL is made in TL. Reverse repo rates are between 15,02% and 26,45% in TL. As of 31 December 2021, the maturity of the credit card slips is 1-31 days and an interest expense accrual of TL 16.815 has been made. The interest rate is 18%. Total net interest income accrual in liquid assets is 174.036 TL.

In the statement of cash flow, the Group's cash and cash equivalents are presented less the interest accrual.

Cash and Cash Equivalents	December 31, 2022	December 31, 20201
Cash and Cash Equivalents	2.371.261.159	2.095.002.284
Deferred Interest Income(-) / Deferred Interest Expenses (+)	(667.309)	(174.036)
Total	**2.370.593.850**	**2.094.828.248**

NOTE 7 FINANCIAL INVESTMENTS

Group has no short term short-term and long-term financial investments.

NOTE 8 SHORT-TERM, LONG-TERM FINANCIAL LIABILITIES AND SHORT TERM PORTION OF LONG TERM FINANCIAL LIABILITIES

Short Term Financial Liabilities for the periods ended are as follows:

Account Name	December 31, 2022	December 31, 2021
Bank Borrowings	759.741.357	1.114.333.011
Lease Liabilities	11.599.426	6.589.945
Total	**771.340.783**	**1.120.922.956**

As of the end of the period, there are no short-term parts of long-term borrowings.
Long Term Financial Liabilities for the periods ended are as follows:

Account Name	December 31, 2022	December 31, 2021
Lease Liabilities	7.411.694	6.774.488
Total	**7.411.694**	**6.774.488**

TL short and long term lease liability amount is TL 19.011.120 (31 December 2021 13.364.433 TL).

Movements of the liabilities are as below:

Account Name	December 31, 2022	December 31, 2021
Balance at January 1	1.127.697.444	864.597.553
Principal and Interest Additions During the Period	3.727.010.263	1.468.557.742
Lease Liabilities	19.011.120	13.364.433
Principal and Interest Payments During the Period	(4.101.888.877)	(1.253.378.171)
Interest Accrual at the End of the Period	6.922.527	34.555.887
Balance at Ending	**778.752.477**	**1.127.697.444**

The details of short-term liabilities are explained below.

December 31, 2022

Type	Currency Amount	TL Amount	Annual Effective Interest Rate (%)
TL Loans		193.812.383	*18,17-41,48*
TL Lease Liabilities		11.599.426	*18,00-21,00*
USD Loans	30.211.882	565.928.974	*6,62-15,75*
Total Short Term Liabilities		**771.340.783**	

December 31, 2021

Type	Currency Amount	TL Amount	Annual Effective Interest Rate (%)
TL Loans		655.216.384	*18,40-33,00*
TL Lease Liabilities		6.589.945	*18,00-21,00*
USD Loans	34.383.032	459.116.627	*1,00-5,75*
Total Short Term Liabilities		**1.120.922.956**	

The details of long-term liabilities are explained below.

December 31, 2022

Type	Currency Amount	TL Amount	Annual Effective Interest Rate (%)
TL Lease Liabilities		7.411.694	*18,00 – 21,00*
Total Long Term Liabilities		**7.411.694**	

December 31, 2021

Type	Currency Amount	TL Amount	Annual Effective Interest Rate (%)
TL Lease Liabilities		6.774.488	*18,00 – 21,00*
Total Long Term Liabilities		**6.774.488**	

The redemption schedule of bank borrowings, lease liabilities and finance lease liabilities is as follows:

Account Name	December 31, 2022	December 31, 2021
0-12 months	771.340.783	1.120.922.956
13-36 months	7.411.694	6.774.488
Total	**778.752.477**	**1.127.697.444**

NOTE 9 OTHER FINANCIAL LIABILITIES

As of December 31, 2022 and 2021, the Group has no other financial liabilites.

NOTE 10 TRADE RECEIVABLES AND PAYABLES

As of December 31, 2022 and 2021, short term trade receivables is as follows:

Account Name	December 31, 2022	December 31, 2021
Trade Receivables	4.176.106.202	3.198.351.135
Trade Receivables from Related Parties	*198*	*1.118*
Trade Receivables from Non Related Parties	*4.176.106.004*	*3.198.350.017*
Notes Receivables	416.417.651	376.114.619
Rediscount on Notes Receivables (-)	(33.133.247)	(20.620.548)
Doubtful Trade Receivables	40.035.292	39.340.860
Provision for Doubtful Trade Receivables (-)	(40.035.292)	(39.340.860)
Total	**4.559.390.606**	**3.553.845.206**

As of 31 December 2022 and 31 December 2021, the Group has no Long-Term Trade Receivables.

As of 31 December 2022, 2.584.293.406 TL of the Group's 4.559.390.606 TL receivables is covered by the insurance company Euler Hermes. Guarantees have been received from the Group customers for the remaining TL 1.975.097.200 of the commercial receivables, 387.097.711 TL. Additional explanations regarding the nature and level of risks in trade receivables are given in Note:38.

As of 31 December 2021, 1.903.767.313 TL of the Group's receivables amounting to 3.553.845.206 TL is covered by the insurance company Euler Hermes. Guarantees were received from Group customers for 190.475.725 TL of the remaining 1.650.077.893 TL of trade receivables. Additional explanations regarding the nature and level of risks in trade receivables are given in Note:38.

Until 31.03.2023, Euler Hermes Sigorta A.Ş. with a credit insurance policy. (Guarantee rate has been determined as 85% - 90% for trade receivables for which a credit limit request has been made.)

Movement of the provision for doubtful receivables is as follows:

	January 1, 2022- December 31, 2022	January 1, 2021- December 31, 2021
Balance at the Beginning of the Period (-)	(39.340.860)	(30.925.364)
Collections During the Period (+)	354.927	-
Expenses During the Period (-)	(1.049.359)	(8.415.496)
Balance at the End of the Period	**(40.035.292)**	**(39.340.860)**

The related disclosures regarding the nature of risks of trade receivables included in **Note 38**.

As of December 31, 2022 and 2021, short term trade payables is as follows:

Account Name	December 31, 2022	December 31, 2022
Trade payables	5.427.224.588	4.262.270.679
Others	*5.427.153.523*	*4.262.173.851*
Due to related parties	*71.065*	*96.828*
Notes payables	-	-
Discount of notes payables (-)	(20.869.730)	(9.053.114)
Total	**5.406.354.858**	**4.253.217.565**

The Company has no non-current trade receivables.

The average maturity of trade receivables and payables is up to 3 months. In the case of rediscount of trade receivables and payables, compound interest rates of Government Debt Securities are used as effective interest rate in TL receivables and payables.

Libor rates are used in the accruals of TL and USD denominated receivables and payables. 31 December 2022: TL 11,75% USD 5,4821 % EUR 3,2910 % (31 December 2021: TL 18,25% USD 0,5831%)

NOTE 11 OTHER RECEIVABLES AND PAYABLES

As of December 31, 2022 and 2021, short term other receivables is as follows:

Account Name	December 31, 2022	December 31, 2021
Deposits and Guarantees Given	14.105	14.105
Receivables from Employees	1.070.038	1.065.840
Other Receivables (*)	1.847.377	485.065
Total	**2.931.520**	**1.565.010**

(*) As of 31 December 2022, 1.818.853 TL of other receivables will be from the tax office. (December 31, 2021 485.065 TL will be received from the tax office.)

As of 31 December 2022 and 2021, long term other receivables is as follows:

Account Name	December 31, 2022	December 31, 2021
Deposits and Guarantees Given	38.941	38.941
Total	**38.941**	**38.941**

The related disclosures regarding the nature of risks of other receivables included in **Note 38**.
As of December 31, 2022 and 2021, short term other payables is as follows:

Account Name	**December 31, 2022**	**December 31, 2021**
Taxes, Fees and Other Deductions Payable	69.467.204	31.966.137
Deposits and Guarantees Received	477.312	279.312
Non-Trade Receivables From Other Payables to Related Parties (**Note 37**)	-	-
Other Payables	131.926	44.394
Total	**70.076.442**	**32.289.843**

NOTE 12 DERIVATIVE INSTRUMENTS

The derivative instruments of the Group included in current assets are as follows:

Account Name	**December 31, 2022**	**December 31, 2021**
Derivatives Receivables	-	42.950.689
Total	**-**	**42.950.689**

Account Name	**December 31, 2022**	**December 31, 2021**
Derivatives Payables	3.770.397	-
Total	**3.770.397**	**-**

As of 31 December 2022, the Group has made a foreign exchange purchase agreement amounting to 27.618.272 USD. It has made a foreign exchange purchase agreement with a maturity of 0 - 3 months, amounting to 27.448.822 USD, and a maturity of 4 - 12 months amounting to 169.450 USD. As of 31 December 2022, the fair value of these contracts is 520.185.132 TL and the valuation difference, which is 3.770.397 TL, is recorded as expense.

As of 31 December 2021, the Group has made a foreign exchange purchase agreement amounting to 46.825.335 USD and 100.000 EURO. It has signed a foreign exchange purchase agreement amounting to 45.843.918 USD and 100.000 EURO with a maturity of 0 - 3 months, and 981.417 USD with a maturity of 4 - 12 months. As of 31 December 2021, the fair value of these contracts is 582.692.871 TL and the valuation difference, which is 42.950.689 TL is recorded.

As of 31 December 2022, the Group has no receivables related to derivative instruments.
As of 31 December 2022, the Group has no payables related to derivative instruments.

NOTE 13 INVENTORIES

As of December 31, 2022, and 2021, inventories is as follows:

Account Name	**December 31, 2022**	**December 31, 2021**
Merchandise	1.080.138.652	941.722.215
Goods in Transit	88.521.384	66.335.663
Provision for Inventory Impairment (-)	(52.686.645)	(24.102.404)
Total	**1.115.973.391**	**983.955.474**

Inventories whose invoices are received at an earlier date than their physical entry in the warehouses are classified under the account "Goods in Transit".
Movement of the provision for inventory impairment is as follows:

	1 Ocak 2022- 31 Aralık 2022	**1 Ocak 2021- 31 Aralık 2021**
Beginning of the Period (-)	(24.102.404)	(15.772.826)
Cancellation of Provision Due to Increase in Net Realizable Value Net (+)	-	-
Provisions During the Period / Currency Translation Differences (-)	(28.584.241)	(8.329.578)
End of the Period (-)	**(52.686.645)**	**(24.102.404)**

For commercial goods that are in stock for more than 3 months, the provision for stock depreciation is calculated with increasing percentages due to the increase in stock waiting times. As of 31 December 2022, **113.817.435 TL** of the inventories are included in the financial statements with their net realizable value and the rest at cost. (As of 31 December 2021, the net realizable value of **64.240.770 TL** and the remainder are included in the financial statements at cost.)

Explanation	December 31, 2022	December 31, 2021
Cost	166.504.080	88.343.174
Provision for Value Decrease in Inventories	(52.686.645)	(24.102.404)
Net Realizable Value **(a)**	113.817.435	64.240.770
Inventory presented with its cost value **(b)**	1.002.155.956	919.714.704
Total Inventories (a+b)	**1.115.973.391**	**983.955.474**

There are not any inventories given as a guarantee for payables.
The information related to the insurance coverage on assets is disclosed in **Note 22**
The inventories recognised as an expense during the period is disclosed in **Note 28.**

NOTE 14 BIOLOGICAL ASSETS

None.

NOTE 15 PREPAID EXPENSES AND DEFERRED INCOME

Short-term prepaid expenses as of December 31, 2022 and December 31, 2021 are as follows:

Account Name	December 31, 2022	December 31, 2021
Prepaid Expenses for Following Months	15.847.574	8.164.610
Advances Given for Purchases	47.967.460	32.984.296
Total	**63.815.034**	**41.148.906**

Deferred Incomes as of December 31, 2022 and December 31, 2021 are as follows:

Account Name	December 31, 2022	December 31, 2021
Advances Received from Customers	53.522.606	31.844.091
Income for the Following Months	244.491.845	189.411.211
Total	**298.014.451**	**221.255.302**

Amounts that have been invoiced but not shipped are tracked in the "Revenues for Future Months" account.

NOTE 16 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As of December 31, 2022 and 2021, the Group has no investments accounted for using the equity method

NOTE 17 INVESTMENT PROPERTIES

As of 31 December 2022 and 2021, investment properties is as follows:

Account Name	31 Aralık 2022	31 Aralık 2021
Investment Properties	54.599.151	55.742.575
Total	**54.599.151**	**55.742.575**

Movement of investment properties is as follows:

December 31, 2022

Cost

Account Name	January1,2022	Acquisitions	Disposals (-)	Transfers	December 31, 2022
Land	1.589.431	-	-	-	1.589.431
Buildings	57.171.215	-	-	-	57.171.215
Total	**58.760.646**	-	-	-	**58.760.646**

Accumulated Depreciation

Account Name	January1,2022	Current Period Depreciation	Disposals	Transfers	December31,2022
Buildings	(3.018.071)	(1.143.424)	-	-	(4.161.495)
Total	**(3.018.071)**	**(1.143.424)**	-	-	**(4.161.495)**
Net Book Value	**55.742.575**				**54.599.151**

The net amount of the investment properties is 54.599.151 TL and the real estates with a net book value of 2.737.596 TL (31 December 2021 2.765.765 TL) consist of the real estates acquired in return for the receivables from the dealers in Istanbul and Tekirdağ. The Group Management considers that the registered value of the buildings in Tekirdağ is close to their fair value. Buildings with a net book value of 51.861.555 TL, including the headquarters of the consolidated companies, are also classified as investment properties.

Information on the accounts in which depreciation and amortization expenses are accounted are given in Note: 30-31. Information on depreciation rates and methods of investment properties is given in Note: 2.08.16. There is no rental income from investment properties in the current period.

Expenses related to other investment properties are accounted under operating expenses. **(Note: 31)**
Information on all kinds of mortgages, restrictions and annotations on the Group's assets can be found in **Note:22.**
Apart from this, there is no restriction regarding the conversion of investment properties into cash or the use of cash from their income.Insurance coverages on asset values are given in Note:22.

December 31, 2021

Cost

Account Name	January 1, 2021	Acquisitions	Disposals (-)	Transfers	December 31, 2021
Land	2.189.431	-	-	(600.000)	1.589.431
Buildings	50.354.963	6.816.252	(600.000)	600.000	57.171.215
Total	**52.544.394**	**6.816.252**	**(600.000)**	-	**58.760.646**

Accumulated Depreciation

Account Name	January 1, 2021	Current Period Depreciation	Disposals	Transfers	December 31, 2021
Buildings	(1.930.605)	(1.107.466)	20.000	-	(3.018.071)
Total	**(1.930.605)**	**(1.107.466)**	**20.000**	-	**(3.018.071)**
Net Book Value	**50.613.789**				**55.742.575**

The net amount of the investment properties is 55.742.575 TL and the real estates with a net book value of 2.765.765 TL (31 December 2020 3.393.935 TL) consist of the properties acquired in return for the receivables from the dealers in Istanbul and Tekirdağ. The Group Management considers that the registered value of the buildings in Tekirdağ is close to their fair value. Buildings with a net book value of 52.976.810 TL, including the headquarters of the consolidated companies, are also classified as investment properties.

The financial information of depreciation and amortization expenses are recognized is disclosed in **Note 30-31**.

The financial information of depreciation rates and related procedures of investment properties are disclosed in **Note 2.08.16**. The Group has no rental income from investment properties during the period.

Expenses from investment properties are recognized under operating expenses. (**Note 31**)

Mortgages and title deed restrictions on investment properties are disclosed in **Note 22**.

Except from the above mentioned matter, the Group has no restriction on the investment properties of the Group's cash generated units from revenues.

Total insurance coverage on investment properties is disclosed in **Note 22**.

NOTE 18 PROPERTY, PLANT AND EQUIPMENT AND RIGHT OF USE ASSETS

December 31, 2022

Cost

Account Name	January 1, 2022	Acquisitions	Disposals (-)	Currency Translation Differences	December 31, 2022
Buildings	20.659.335	-	-	-	20.659.335
Plant, Machinery and Equipment	4.051.829	142.699	-	-	4.194.528
Motor Vehicles	7.258.702	-	(464.346)	-	6.794.356
Furniture and Fixtures	17.394.158	2.455.768	(11.700)	1.725.519	21.563.745
Leasehold Improvements	8.455.942	510.144	-	34.641	9.000.727
Total	**57.819.966**	**3.108.611**	**(476.046)**	**1.760.160**	**62.212.691**

Accumulated Depreciation

Account Name	January 1, 2022	Current Period Depreciation	Disposals	Currency Translation Differences	December 31, 2022
Buildings	(1.304.351)	(413.187)	-	-	(1.717.538)
Plant, Machinery and Equipment	(3.961.648)	(56.641)	-	-	(4.018.289)
Motor Vehicles	(2.999.167)	(1.085.152)	464.346	-	(3.619.973)
Furniture and Fixtures	(12.825.128)	(2.181.439)	2.535	(1.143.716)	(16.147.748)
Leasehold Improvements	(7.207.960)	(539.955)	-	(25.103)	(7.773.018)
Total	**(28.298.254)**	**(4.276.374)**	**466.881**	**(1.168.819)**	**(33.276.566)**
Net Book Value	**29.521.712**				**28.936.125**

December 31, 2021

Cost

Account Name	January 1, 2021	Acquisitions	Disposals (-)	Currency Translation Differences	December 31, 2021
Buildings	20.659.335	-	-	-	20.659.335
Plant, Machinery and Equipment	4.051.829	-	-	-	4.051.829
Motor Vehicles	3.959.067	3.482.155	(182.520)	-	7.258.702
Furniture and Fixtures	14.025.745	1.547.005	-	1.821.408	17.394.158
Leasehold Improvements	8.270.020	147.285	-	38.637	8.455.942
Total	**50.965.996**	**5.176.445**	**(182.520)**	**1.860.045**	**57.819.966**

Accumulated Depreciation

Account Name	January 1, 2021	Current Period Depreciation	Disposals	Currency Translation Differences	December 31, 2021
Buildings	(891.164)	(413.187)	-	-	(1.304.351)
Plant, Machinery and Equipment	(3.922.915)	(38.733)	-	-	(3.961.648)
Motor Vehicles	(2.313.474)	(868.213)	182.520	-	(2.999.167)
Furniture and Fixtures	(10.224.965)	(1.555.641)	-	(1.044.522)	(12.825.128)
Leasehold Improvements	(6.705.657)	(479.957)	-	(22.346)	(7.207.960)
Total	**(24.058.175)**	**(3.355.731)**	**182.520**	**(1.066.868)**	**(28.298.254)**
Net Book Value	**26.907.821**				**29.521.712**

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Other Information:

Depreciation and amortization expenses are included in operating expenses.

The Group has no mortgage on buildings in property, plant and equipment. Total insurance coverage on property, plant and equipment is disclosed in **Note 22**.

As of December 31, 2022 and, December 31, 2021 the movements for right of use assets, and related depreciation are as follows:

December 31, 2022

Cost

Account Name	January 1, 2022	Acquisitions	Currency Translation Differences	Disposals/(-) /Contract Costs	December 31, 2022
Buildings	18.461.857	2.119.298	-	-	20.581.155
Motor Vehicles	8.728.444	13.382.255	622.702	(5.859.201)	16.874.200
Total	**27.190.301**	**15.501.553**	**622.702**	**(5.859.201)**	**37.455.355**

Accumulated Depreciation

Account Name	January1, 2022	Current Period Depreciation	Currency Translation Differences	Disposals/(-) /Contract Costs	December 31, 2022
Buildings	(10.283.197)	(5.021.141)	-	-	(15.304.338)
Motor Vehicles	(5.173.427)	(4.962.348)	(171.120)	5.471.639	(4.835.256)
Total	**(15.456.624)**	**(9.983.489)**	**(171.120)**	**5.471.639**	**(20.139.594)**
Net Book Value	**11.733.677**				**17.315.761**

December 31, 2021

Cost

Account Name	January 1, 2021	Acquisitions	Currency Translation Differences	Disposals/(-) /Contract Costs	December 31, 2021
Buildings	16.990.120	1.471.737	-	-	18.461.857
Motor Vehicles	7.338.834	2.055.402	1.168.203	(1.833.995)	8.728.444
Total	**24.328.954**	**3.527.139**	**1.168.203**	**(1.833.995)**	**27.190.301**

Accumulated Depreciation

Account Name	January 1, 2021	Current Period Depreciation	Currency Translation Differences	Disposals/(-) /Contract Costs	December 31, 2021
Buildings	(6.368.111)	(3.915.086)	-	-	(10.283.197)
Motor Vehicles	(2.774.666)	(3.342.004)	(540.576)	1.483.819	(5.173.427)
Total	**(9.142.777)**	**(7.257.090)**	**(540.576)**	**1.483.819**	**(15.456.624)**
Net Book Value	**15.186.177**				**11.733.677**

NOTE 19 INTANGIBLE ASSETS

Intangible Assets as of the end of the period are presented below:

Other intangible assets comprise of art masterpieces and the Group management determined that related assets are classified in intangible assets. Art masterpieces are not depreciated as it is deemed to have an indefinite useful life.

December 31, 2022

Cost

Account Name	January 1, 2022	Acquisitions	Disposals	Currency Translation Differences	December 31, 2022
Rights	24.829.492	98.491	-	995.432	25.923.415
Other Intangible Assets	155.811	58.100	-	-	213.911
Total	**24.985.303**	**156.591**	-	**995.432**	**26.137.326**

Accumulated Depreciation

Account Name	January1, 2022	Current Period Depreciation	Disposals	Currency Translation Differences	December 31, 2022
Rights	(14.178.998)	(5.932.146)	-	(403.761)	(20.514.905)
Other Intangible Assets	(35.384)	-	-	-	(35.384)
Total	**(14.214.382)**	**(5.932.146)**	-	**(403.761)**	**(20.550.289)**
Net Book Value	**10.770.921**				**5.587.037**

Other intangible assets comprise of art masterpieces. Art masterpieces are not depreciated as it is deemed to have an indefinite useful life.

December 31, 2021

Cost

Account Name	January 1, 2021	Acquisitions	Disposals	Currency Translation Differences	December 31, 2021
Rights	23.536.894	185.756	-	1.106.842	24.829.492
Other Intangible Assets	155.811	-	-	-	155.811
Total	**23.692.705**	**185.756**	-	**1.106.842**	**24.985.303**

Accumulated Depreciation

Account Name	January 1, 2021	Current Period Depreciation	Disposals	Currency Translation Differences	December 31, 2021
Rights	(7.950.421)	(5.832.847)	-	(395.730)	(14.178.998)
Other Intangible Assets	(35.384)	-	-	-	(35.384)
Total	**(7.985.805)**	**(5.832.847)**	-	**(395.730)**	**(14.214.382)**
Net Book Value	**15.706.900**				**10.770.921**

Other intangible assets comprise of art masterpieces. Art masterpieces are not depreciated as it is deemed to have an indefinite useful life.
Depreciation expense and amortization are all included in operating expenses.

Account Name	December 31, 2022	December 31, 2021
Goodwill	1.897.699	1.897.699
Total	**1.897.699**	**1.897.699**

NOTE 20 LIABILITIES WITHIN THE SCOPE OF EMPLOYEE BENEFITS

Employee Benefit obligations as of December 31,2022 and December 31,2021 are as follows:

Account Name	December 31, 2022	December 31, 2021
Payables to Personnel	48.801	114.990
Social Security Payables	4.507.277	1.135.025
Total	**4.556.078**	**1.250.015**

NOTE 21 GOVERNMENT GRANTS

None.

NOTE 22 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

i) Provisions

Account Name	December 31, 2022	December 31, 2021
Provisions for Price Differences	128.842.169	92.122.180
Provision for Lawsuits	327.447	107.757
Total	**129.169.616**	**92.229.937**

December 31, 2022	Provision for Lawsuits	Provisions for Price Differences	Total
Beginning of the Period - 1 January	107.757	92.122.180	92.229.937
Additional Provisions	239.586	128.842.169	129.081.755
Payments During the Period	-	(92.122.180)	(92.122.180)
Reversal of Provisions	(19.896)	-	(19.896)
End of the period	**327.447**	**128.842.169**	**129.169.616**

December 31, 2021	Provision for Lawsuits	Provisions for Price Differences	Total
Beginning of the Period - 1 January	128.446	42.281.787	42.410.233
Additional Provisions	-	92.122.180	92.122.180
Payments During the Period	-	(42.281.787)	(42.281.787)
Reversal of Provisions	(20.689)	-	(20.689)
End of the period	**107.757**	**92.122.180**	**92.229.937**

Price difference invoices are obtained from customers for products sold at different prices for the prior period and provisions are disclosed in the consolidated financial statements during the period. In addition, for increasing the sales, customers has the direct sales target and for achieving the given targets, invoices such as turnover premium, credit note, price difference are obtained from the dealers and related provisions are disclosed in the consolidated financial statements during the period.

Contingent Assets and Liabilities;

December 31, 2022

As of 31 December 2022, the provisions for lawsuits amounted to **327.447 TL** filed against the Group and the related provisions are reflected in to the consolidated financial statements. Provision for lawsuits comprise of case law in the areas of customs and duties.

December 31, 2021

As of 31 December 2021, the provisions for lawsuits amounted to **107.757 TL** filed against the Group and the related provisions are reflected in to the consolidated financial statements. Provision for lawsuits comprise of case law in the areas of customs and duties.

In accordance with TFRS 9, execution proceedings amounted to **40.035.292 TL** for provisions for doubtful receivables of the Group and the related provisions are reflected in to the consolidated financial statements. (31.12.2021 : **39.340.860 TL)**

Commitments, mortgages and guarantees not included in the liability;

December 31, 2022

Account Name	TL	USD	EURO
Bill of Guarantees Given	91.872.987	22.965.000	-
Letters of Guarantee Given	720.368.530	13.000.000	1.200.000
Total	**812.241.517**	**35.965.000**	**1.200.000**

December 31, 2021

Account Name	TL	USD	EURO
Bill of Guarantees Given	73.349.314	16.865.000	-
Letters of Guarantee Given	272.451.030	13.000.000	1.200.000
Total	**345.800.344**	**29.865.000**	**1.200.000**

Letters of guarantee given consist of letters of guarantee given to some public institutions and domestic and foreign vendors from which goods are procured. It is a guarantee for the debts arising from the purchase of goods. Since the debts related to the purchase of goods are paid in due time, there is no resource outflow regarding the letters of guarantee.

iv) Total insurance coverage on assets;

December 31, 2022

Type of Insured Asset	USD	TL
Merchandise	105.000.000	-
Motor Vehicles	-	28.327.632
Plant, Machinery and Equipment	35.000	9.952.958
Buildings	-	11.900.000
Total	**105.035.000**	**50.180.590**

December 31, 2021

Type of Insured Asset	USD	TL
Merchandise	92.000.000	-
Motor Vehicles	-	14.095.300
Plant, Machinery and Equipment	25.000	8.678.652
Buildings	-	14.500.000
Total	**92.025.000**	**37.273.952**

Additional disclosures for receivables insurance from trade receivables are disclosed in **Note 10**.

The above mention amounts include the ceiling amount for the merchandise of the Group. The amount of the premium is equal to the average amount of the merchandise, provided that the above ceiling amount does not exceed. The premium base cannot be less than 40% of the ceiling amount.

v) The ratio of Mortgages and Guarantees Given to Shareholders' Equity is as follows

Collateral, Pledge, Mortgages Given by the Group	December 31,2022	December 31, 2022	December 31, 2021	December 31, 2021
	Döviz Tutarı	TL Karşılığı	Döviz Tutarı	TL Karşılığı
A. Total amount of CPM's given in the name of its own legal personality	-	**987.849.490**	-	**464.176.710**
Letters of Guarantee (USD)	*13.000.000*	243.516.000	*13.000.000*	173.589.000
Letters of Guarantee (EUR)	*1.200.000*	23.964.960	*1.200.000*	18.136.680
Letters of Guarantee (TL)	*720.368.530*	720.368.530	*272.451.030*	272.451.030
Letters and Notes of Guarantee (TL)	-	-	-	-
Pledge		-		-
Mortgages (USD)	-	-	-	-
B. Total amount of CPM's given on behalf of the fully consolidated companies		**522.053.367**	-	**298.547.659**
Bill of Guarantees (USD)	*22.965.000*	430.180.380	*16.865.000*	225.198.345
Bill of Guarantees (EURO)				
Bill of Guarantees (TL)	*91.872.987*	91.872.987	*73.349.314*	73.349.314
C. Total amount of CPM's given on behalf of third parties for ordinary course of business	-	-	-	-
D. Total amount of other CPM's given	-	-	-	-
i. Total amount of CPM's given on behalf of the majority shareholder	-	-	-	-
ii. Total amount of CPM's given to on behalf of other companies which are not in scope of B and C	-	-	-	-
iii. Total amount of CPM's given on behalf of third parties which are not in scope of C	-	-	-	-
Total	-	**1.509.902.857**	-	**762.724.369**

The ratio of other CPM given by the Group to the equity is 0%: (31 December 2021: 0%)

NOTE 23 COMMITMENTS

None.

NOTE 24 LONG TERM PROVISIONS FOR EMPLOYEE BENEFITS

Account Name	December 31, 2022	December 31, 2021
Provision for Employment Termination Benefits	23.721.751	11.962.789
Total	**23.721.751**	**11.962.789**

Pursuant to the provisions of the Labor Law in force, employees whose employment contracts are terminated to qualify for severance pay are obliged to pay the statutory severance pay they are entitled to as per the legislation.

As of 1 January 2023, the amount payable consists of one month's salary limited to a maximum of 19.982,83 TL (31 December 2022: TL 10.848,59) for each year of service.

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

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. As of 31 December 2022, the provisions in the accompanying consolidated financial statements are calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. As of the 31 December 2022, the provisions at the respective balance sheet dates have been calculated assuming an annual inflation rate of 20% and an interest rate of 24%, resulting in a real discount rate of 3.33%. (31 December 2021: 3.42 real discount rate).

As of the 31 December 2022, turnover rate to estimate the probability of retirement is 96,31%. (31 December 2021: 96,88%)

The principal actuarial assumptions made by the Group regarding the real discount rates are reviewed in each balance sheet date.

	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
Balance at January 1	11.962.789	8.780.940
Current Period Service Cost	2.038.099	1.070.024
Actuarial Gains / Losses	7.795.656	895.870
Interest Cost	2.871.070	1.843.998
Payment/Reduction of Benefits /Loss due to Dismissal	1.713.882	603.440
Payment (-)	(2.659.745)	(1.231.483)
Closing Balance	**23.721.751**	**11.962.789**

Provision for employment termination benefits are recognized under operating expenses.

In accordance with the TAS 19 entered into force as of 1 January 2013, actuarial gains and losses initially recognized in equity as other comprehensive income.

Provision for employment termination benefits recognised during the period is as follows:

	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
General Administrative and Marketing Expenses	(6.623.051)	(3.517.462)
Other Operating Income	-	-
Income / (Expense) Recognised in Profit or Loss	**(6.623.051)**	**(3.517.462)**
Actuarial Gains/Losses Recognized in Other Comprehensive Income	(7.795.656)	(895.870)
Profit / (Loss) for the Period	**(14.418.707)**	**(4.413.332)**
	1 Ocak 2022 31 Aralık 2022	**1 Ocak 2021 31 Aralık 2021**
Actuarial Gains/Losses Recognized in Other Comprehensive Income	(7.795.656)	(895.870)
Tax Effect 20%	1.559.131	179.174
Total	**(6.236.525)**	**(716.696)**
Minority Actuarial Gain/Loss	**557.868**	**59.671**
Net Book Value	**(5.678.657)**	**(657.021)**

The actuarial gain recognized in the current period is 7.795.656 TL. Net other comprehensive income is amounted to 6.236.525 TL as a result of the recognition of deferred income tax corresponding to the amount in other comprehensive income / expense. The actuarial gains/losses from to investments accounted for using the equity method and non controlling interests which is presented in the statement of other comprehensive income as 5.678.657 TL.

The amount recognized as actuarial loss in the previous period was 895.870 TL. As a result of recognizing the deferred tax income corresponding to this amount in other comprehensive income/expense in the same way, other comprehensive net expense amounted to 716.696 TL. After minority actuarial profit/loss, 657.021 TL is shown in the comprehensive expense statement.

NOTE 25 CURRENT PERIOD TAX ASSETS AND LIABILITIES

As of 31 December 2022 and 2021, tax assets and liabilities is as follows:

Account Name	December 31, 2022	December 31, 2021
Prepaid Taxes	-	16.467
Total	**-**	**16.467**

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NOTE 26 OTHER ASSETS AND LIABILITIES

As of 31 December 2022 and 2021, other current assets is as follows:

Account Name	December 31, 2022	December 31, 2021
Credit Note Income Accruals	117.434.243	63.749.354
Deferred VAT	40.417.292	55.346.381
Business Cash Advances	709.364	1.121.455
Total	**158.560.899**	**120.217.190**

Group has no other liabilities.

NOTE 27 EQUITY

i) Non-Controlling Interests

Account Name	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 202
Balance at January 1	144.785.978	110.864.433
Gains/Losses on Non Controlling Interests	32.519.026	33.981.216
Business Combinations Under Common Control	(557.868)	(59.671)
Gains/Losses on Minority Interests	(1.200)	-
Total	**176.745.936**	**144.785.978**

ii) Capital / Capital Adjustments Due to Cross Ownership / Repurchased Shares

The capital of the Group has 224.000.000 shares with a nominal value of 1 TL and issued capital of the Group is 224.000.000 TL. The capital of the Group is 224.000.000 TL which include Class A shares amounting to 1.272,72 TL and Class B shares amounting to 223.998.727,28 TL.

Class A shares have concessions to determine more than half of the members of the board of directors and to get 5% of the remaining profit after the first legal reserve and the first dividend to shareholders are set aside.

At the Ordinary General Assembly Meeting of Indeks held on 23 May 2019, the valid period of the Registered Capital Ceiling will be extended to 2019-2023 and the registered capital ceiling will be increased from 150.000.000 TL(Hundred and Fifty Million) to 300.000.000 TL(Three Hundred Million). The amendment of article 6 of the articles of association was registered by the Istanbul Trade Registry Office on 7 June 2019.

The paid in share capital of the Group presented in the consolidated balance sheet is the Group's paid in share capital; paid-in share capital of subsidiaries in the consolidated balance sheet has been eliminated accordingly with the subsidiaries balances.

	December 31,2022		December 31,2021	
Shareholder	**Shareholding Rate %**	**Shareholding Amount**	**Shareholding Rate %**	**Shareholding Amount**
Nevres Erol Bilecik (*)	%32,31	72.378.584	%32,31	72.378.584
Desbil A.Ş.	%7,79	17.439.535	%7,79	17.439.535
Halka Açık	%57,53	128.872.061	%57,53	128.872.061
Diğer	%2,37	5.309.820	%2,37	5.309.820
Total	**% 100**	**224.000.000**	**% 100**	**224.000.000**

(*)The ultimate controlling party of the Group is Nevres Erol Bilecik and his family members. The total shareholding rate of Nevres Erol Bilecik including Desbil A.Ş. share (N. Erol Bilecik has %100 of shares) of is 40.10%.

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In accordance with decision of board dated 03.03.2021 and numbered 2021/03 issued capital has arisen from 56.000.000 TL to 224.000.000 TL on the condition that the upper limit of registered capital 300.000.000 TL of companies where the registered capital system is accepted. The arisen amount 168.000.000 TL has afforded from extraordinary reserves which announced by capital market board on 08.04.2021 and 2021/19 weekly bulletin and registered-announced by İstanbul Commerce Registership on 19.04.2021.

iii) Capital Reserves

None.

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

The analysis of accumulated other comprehensive income or expenses not to be reclassified in profit or loss is as follows:

Account Name	December 31, 2022	December 31, 2021
Beginning of the Period – 1 January	*(1.775.982)*	*(1.118.957)*
Actuaria Gains and (Losses) ***(Note 24)***	*(7.795.656)*	*(895.870)*
Tax Effect ***(Note 24, Note 35)***	*1.559.131*	*179.174*
Actuarial Gains and (Losses) on Non Controlling Interests / Share of other comprehensive income/(expenses) of investments accounted for using the equity method	*557.868*	*59.671*
Actuarial Gains and (Losses) (Net)	**(7.454.639)**	**(1.775.982)**
Gains/(losses) on Remeasurements of Defined Benefit Plans	**(7.454.639)**	**(1.775.982)**
Accumulated Other Comprehensive Income or Expenses not to be Reclassified in Profit or Loss	**(7.454.639)**	**(1.775.982)**

(v) Accumulated Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss

Movement of currency translation differences is as follows:

	December 31, 2022	December 31, 2021
Balance at January 1	64.843.261	23.252.577
Gains / (Losses)	25.405.466	41.590.684
End of the Period	**90.248.727**	**64.843.261**

The Group has no gains/(losses) on cash flow hedges.

vi) *Restricted Reserves from Retained Earnings*

Legal reserves consist of first and second reserves as stipulated in the Turkish Commercial Code. According to Article 519 of the Turkish Commercial Code ("TCC"), the general legal reserve is allocated as 5% of the annual profit until it reaches 20% of the Group's paid-in capital. After reaching this limit, 10% of the total amount will be added to the general legal reserves after the dividend payment is paid to the shareholders. According to the Turkish Commercial Code, if the general legal reserve does not exceed 50% of the share capital or the issued capital, it can be used only to close the losses, to continue the business when business is not going well or to take measures to mitigate the results.

vii) Retained Earnings

Legal reserves consist of first and second reserves as stipulated in the Turkish Commercial Code.

Publicly traded companies have special provision regarding to dividend distribution policy in accordance with the Article 19 of the Capital Market Law No. 6362 and the "Communiqué on Dividends" No. II-19.1 of the Capital Markets Board, which entered into force as of 1 February 2014. In accordance with the Communiqué, corporations have no dividend distribution obligation for shareholders whose shares are traded on the stock exchange and corporations distribute their profits by decisions of the general assembly of shareholders within the frame of their dividend distribution policies to be determined by the general assembly of shareholders and in accordance with provisions of the applicable laws and regulations.

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In addition, publicly traded companies may distribute dividend advances in cash over their profits shown in their interim period financial statements.

As of December 31, 2022 and 2021, equity items is as follows:

Account Name	December 31, 2022	December 31, 2021
Paid in Share Capital	224.000.000	224.000.000
Adjustment to Share Capital	1.064.323	1.064.323
Repurchased Shares (-)	(6.083.601)	(4.979.617)
Share Premium	57.224.464	156.607
Business Combinations Under Common Control	(11.913.128)	(11.913.128)
Accumulated Other Comprehensive Income Or Expenses not to Be Reclassified In Profit Or Loss	(7.454.639)	(1.775.982)
- Gains/(Losses) on Remeasurements of Defined Benefit Plans	*(7.454.639)*	*(1.775.982)*
Accumulated Other Comprehensive Income or Expenses to be Reclassified in Profit or Loss	90.248.727	64.843.261
- Currency Translation Differences	*90.248.727*	*64.843.261*
Restricted Reserves from Retained Earnings	78.711.734	46.315.798
- Legal Reserves	*77.564.684*	*45.168.748*
- Gains on Sale of Interest in a Subsidiary Exempt from Corporate Tax	*1.147.050*	*1.147.050*
Retained Earnings	469.375.944	227.417.678
Net Profit for the Period	551.500.225	403.037.567
Equity Holders of the Parent	**1.446.674.049**	**948.166.507**
Non Controlling Interests	176.745.936	144.785.978
Total Equity	**1.623.419.985**	**1.092.952.485**

In the event of reacquisition of equity based financial instruments, "Repurchased Shares" are deducted from equity; gain or loss has not been reflected in profit or loss due to its purchase, sale, issue or reversal. The amounts received or paid are accounted for directly deducted from equity. The nominal value of repurchased shares in 2013 is amounting to 162.402 TL, and all of the above mentioned shares were sold amounting to 790.897 TL on 21 February 2018. Gain or loss has not been reflected in profit or loss due to the repurchase of these shares and the sale of the repurchased shares. Net gain amounting to 156.607 TL arising from repurchased shares was recorded in Share Premium.

Between 2018 and 2022, 8.771.571 shares were purchased and 8.100.000 shares were sold in November 2022. The sales amount is 137.110.000 TL and due to this sale, 57.067.857 TL has been recorded in the Premiums/Discounts for Shares account. As a result of the repurchase of shares, the balance of the Premiums/Discounts on Shares account was 57.224.464 TL.

As of 31 December 2022, 5.603.277 TL of the repurchased shares consists of the main partner repurchasing its own shares, and the remainder by the subsidiary Datagate A.Ş. Minority share has been deducted from the amount resulting from Datagate A.Ş.'s repurchase of its own shares..

In accordance with the declaration of CMB dated 25 February 2005 and numbered 7/242, the companies which are subject to CMB regulations should distribute their profit stated in the financial statements prepared in accordance with CMB regulations at the minimum level set by the CMB if such minimum distributable profit is covered by the profit in the statutory financial statements. If the minimum distributable profit is not covered by the profit in the statutory financial statements, all profit in the statutory financial statements should be distributed. If the net result for the period in either of the financial statements prepared in accordance with CMB regulations or the statutory financial statements is loss, no profit distribution should be made.

NOTE 28 SALES AND COST OF SALES

Sales and cost of sales for the periods ended December 31, 2022 and December 31, 2021 are as follows:

Account Name	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
Domestic Sales	25.325.295.564	13.141.012.766
Foreign Sales	89.399.809	110.601.152
Other Sales	61.148.303	52.945.918
Sales Returns (-)	(423.311.471)	(186.508.188)
Sales Discounts (-)	(40.897.898)	(26.474.785)
Net Sales	**25.011.634.307**	**13.091.576.863**
Cost of Goods Sold (-)	(23.705.678.779)	(12.525.819.774)
Gross Profit	**1.305.955.528**	**565.757.089**

NOTE 29 RESEARCH AND DEVELOPMENT, MARKETING, SALES & DISTRIBUTION EXPENSES AND GENEREAL ADMINISTRATION EXPENSES

The Operational Expenses for the periods ended December 31, 2022 and December 31, 2021 are as follows:

Account Name	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
General Administration Expenses (-)	(143.470.031)	(91.309.272)
Marketing, Sales & Distribution Expenses (-)	(121.704.573)	(65.374.406)
Total Operating Expenses	**(265.174.604)**	**(156.683.678)**

NOTE 30 EXPENSES BY NATURE

Expenses By Nature of the Company for the periods ended December 31, 2022 and December 31, 2021 are as follows:

Account Name	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
Marketing, Sales and Distribution Expenses and General Administrative Expenses (-)	**(265.174.604)**	**(156.683.678)**
- Personnel Expenses	(133.437.944)	(76.408.070)
- Depreciation and Amortisation Charges	(36.115.783)	(17.021.978)
- Insurance Expenses	(21.335.433)	(17.553.134)
- Transportation, Distribution and Storage Expenses	(17.360.730)	(9.995.259)
- Provision for Doubtful Receivables	(11.312.105)	(3.197.684)
- Outsourcing Expenses (Office Supplies)	(8.515.728)	(4.744.028)
- Provision for Employment Termination Benefits	(7.204.775)	(3.094.247)
- Maintenance and repair expenses	(6.623.051)	(3.517.462)
- Consultancy and Audit Expenses	(5.245.352)	(3.378.618)
- Motor Vehicle Expenses	(5.110.897)	(3.048.382)
- Representation and Hospitality Expenses	(3.730.545)	(2.038.746)
- Advertisement and Promotion Expenses	(2.694.200)	(1.572.039)
- Sales and International Trade Costs	(1.049.359)	(8.415.496)
- Taxes, Duties and Charges	(737.164)	(925.040)
- Other Expenses	(4.701.538)	(1.773.495)
Total Operating Expenses	**(265.174.604)**	**(156.683.678)**

Depreciation and amortization expenses and personnel expenses are included in operating expenses.

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

Account Name	**January 1, 2022- December 31, 2022**	**January 1, 2021- December 31, 2021**
Audit and assurance fee	115.920	71.000
Tax consulting fee	-	-
Other assurance services fee	40.000	15.000
Other service fee apart from audit	-	-
Total	**155.920**	**86.000**

NOTE 31 OTHER OPERATING INCOME / EXPENSE

Other income / expense for the periods ended December 31, 2022 and December 31, 2021 are as follows:

Account Name	**January 1, 2022- December 31, 2022**	**January 1, 2021- December 31, 2021**
Other Operating Income	**809.247.953**	**677.359.790**
Provisions No Longer Required (Lawsuits)	-	20.689
Provision for Doubtful Receivables	354.927	-
Interest Eliminated from Sales	310.261.400	153.286.009
Interest and Rediscount Income	41.711.519	23.800.955
Foreign Exchange Gains (Trade Receivables and Payables)	456.746.717	500.201.103
Other Income and Profits	173.390	51.034
Other Operating Expenses (-)	**(453.676.967)**	**(518.441.023)**
Interest Eliminated from Purchases	(261.895.439)	(95.396.099)
Interest and Rediscount Expenses	(42.431.961)	(25.534.400)
Foreign Exchange Losses (Trade Receivables and Payables)	(145.773.057)	(396.417.234)
Other Expenses and Losses (-)	(3.576.510)	(1.093.290)
Other Operating Income / Expenses (Net)	**355.570.986**	**158.918.767**

NOTE 32 GAINS/ (LOSSES) FROM INVESTMENT ACTIVITES AND INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

As of December 31 2022 and 2021, gains and losses from investment activities is as follows:

Account Name	**January 1, 2022 December 31, 2022**	**January 1, 2021 December 31, 2021**
Gains from Investment Activites	**29.983.967**	**1.034.408**
Fixed Asset Sales Profits	915.844	1.034.408
Currency protected hes. fair value difference income	11.608.915	-
Currency protected deposit interest income	17.062.635	-
Affiliate Sales Earnings	396.573	-
Expenses from Investment Activities (-)	**(690)**	-
Fixed Asset Sales Losses	(690)	-
Other Income / Expenses (Net)	**29.983.277**	**1.034.408**

(*) The Group opened a Currency Protected TL Deposit Account in 2022 according to the Communiqué on Supporting the Conversion of Turkish Lira Deposit and Participation Accounts. Pursuant to the "Announcement on the Accounting of Currency/Gold Conversion Currency/Price Protected TL Deposit Accounts" announced by POA on March 1, 2022, the company classifies currency-protected deposits under financial investments, and as a result of fair value calculation, interest income and future foreign exchange gains. Recognizes /(expenses) under income/(expenses) from investment activities.

NOTE 33 FINANCIAL INCOME / EXPENSE

As of 31 December 2022 and 2021, financial income is as follows:

Account Name	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 202
Interest Income	41.483.573	20.002.167
Foreign Exchange Gains	124.810.567	299.843.640
Total Financial Income	**166.294.140**	**319.845.807**

As of December 31, 2022 and 2021, financial expenses is as follows:

Account Name	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
Bank Charges and Interest Expenses	(586.940.601)	(204.837.873)
Foreign Exchange Losses	(201.633.587)	(52.070.240)
Total Financial Expenses	**(788.574.188)**	**(256.908.113)**

The Group has no capitalised financing costs during the period.

NOTE 34 FIXED ASSETS HELD FOR SALE PURPOSES AND DISCONTINUED OPERATIONS

None.

NOTE 35 TAX ASSETS AND LIABILITIES

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

Account Name	December 31, 2022	December 31, 2021
Current Income Tax Liabilities	270.296.341	166.714.780
Prepaid Taxes (-)	(188.482.729)	(47.428.434)
Current income tax liabilities (net)	**81.813.612**	**119.286.346**

As of 31 December 2022 and 2021, tax assets and liabilities is as follows:

Account Name	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
Current Period Legal Tax Comp.(-)	**(270.296.341)**	**(166.714.780)**
Equity (Premiums/Discounts on Shares) Account) Recognized **Note 27**	16.899.072	-
In the Profit or Loss Statement Recognized Tax Provision	**(253.397.269)**	**(166.714.780)**
Deferred Income Tax / (Expense)	33.361.381	(28.230.717)
Total Tax Income / (Expense)	**(220.035.888)**	**(194.945.497)**

Account Name	December 31, 2022	December 31, 2021
Deferred Tax Assets / Liabilities at the Beginning of the Period	3.734.975	24.213.640
Actuarial Gains/Losses	1.559.131	179.174
Currency Translation Differences	686.857	7.572.878
Deferred Income Tax / (Expense)	33.361.381	(28.230.717)
Deferred Tax Assets/Liabilities at the End of the Period	**39.342.344**	**3.734.975**

i) Current Period Statutory Tax Provision

Advance tax in Turkey is calculated and accrued on a quarterly basis. The corporation tax rate is 25% in Turkey in 2021 (2020: 22%). Corporation tax is payable on the total income of the Group after adjusting for certain disallowable expenses, income not subject to tax and allowances.

The corporate tax rate has been determined as 25% for 2021 and 23% for 2022 with the law numbered 7316 dated April 15, 2021, and it has been stated that the application will be applied as of the provisional corporate tax returns to be declared after 1 July 2021.

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

Pursuant to Article 24 of the Corporate Tax Law No. 5520, the corporate tax return is levied upon the declaration of the taxpayer. There is no clear and definitive agreement on tax assessment procedures in Turkey. Pursuant to Article 25 of the Corporate Tax Law No. 5520, corporations prepare and declare their tax returns from the first day of the fourth month to the evening of the twenty-fifth day of the fourth month following the end of the accounting period for their annual earnings. It is possible to carry out an inspection by the Tax Administration within the 5-year statute of limitations starting from the following accounting period.

Income Tax Withholding:

In addition to corporate tax, income tax withholding must be calculated on the dividends distributed.While the withholding tax rate applied to profit share payments excluding those made to non-resident companies and institutions residing in Turkey that generate income through a workplace or their permanent representative in Turkey is 15%, this rate is 15% with the Presidential Decision published in the Official Gazette dated 22 December 2021 and numbered 31697. changed to 10%.

ii) Deferred Tax:

The Group's tax basis with the statutory financial statements prepared in accordance with Turkish Financial Reporting Standards arising from differences between the consolidated financial statements for temporary differences and deferred tax assets and liabilities are accounted for published by POA. These differences usually result in the recognition of revenue and expenses in different reporting periods for tax purposes and for the purposes of the POA and disclosed below.

Temporary differences are result of recognizing certain income and expense items differently for accounting and tax purposes. Temporary differences are calculated off of the tangible assets (except land), intangible assets, inventories, the revaluation of prepaid expenses, discount of receivables, provision for severance payments, and prior years losses. Every accounting year, the Group reviews the deferred tax asset and in circumstances, where the deferred tax assets cannot be used against the future taxable income, the Group writes-off the recognized deferred tax asset.

The Corporate Tax rate is 2021, with the Provisional Article 13 added to the Corporate Tax Law no. It will be applied as 25% for the corporate earnings of the taxation period of the year 2022 and 23% for the corporate earnings of the 2022 taxation period. This change will be valid for the taxation of corporate earnings for the periods starting from January 1, 2021, starting with the declarations that must be submitted as of July 1, 2021. In deferred tax calculations, considering the effects of temporary differences, the items that make up the deferred tax that cause each temporary difference are evaluated within themselves and the deferred tax rate is used as 20% on the basis of the correction item by estimating the expiry periods of the temporary differences.

Account Name	December 31, 2022 Cumulative Temporary Differences	December 31, 2022 Deferred Tax Assets/(Liabilities)	December31,2021 Cumulative Temporary Differences	December 31, 2021 Deferred Tax Assets/(Liabilities)
Property, Plant and Equipment and Intangible Assets	(7.452.675)	(1.490.535)	(6.857.012)	(1.371.402)
Rediscount Expenses	141.894.153	28.378.831	73.540.064	16.914.215
Provision for Employment Termination Benefits	23.721.744	4.744.349	11.962.783	2.392.557
Provision for Inventory Impairment	52.686.645	10.537.329	24.102.404	5.543.553
Valuation Difference on Notes Payable	(9.158.421)	(1.831.684)	(8.313.854)	(1.912.187)
Derivative Instruments	3.770.393	754.079	(42.950.686)	(9.878.658)
Finance Loss	10.739.963	2.147.993	802.449	184.563
Other	(19.490.088)	(3.898.018)	(35.381.158)	(8.137.666)
Deferred Tax Assets / (Liabilities), Net		**39.342.344**		**3.734.975**

NOTE 36 EARNINGS PER SHARE

Earnings per share disclosed in the consolidated profit or loss and other comprehensive income is determined by dividing the net income by the weighted average number of shares that have been outstanding during the relevant period.

In accordance with the Turkish Accounting Standard ("TAS") numbered 33 "Earning Per Share" paragraph numbered 64 Retrospective Adjustments, amount of calculated earnings per share was adjusted retrospectively by the Group due to capital increase through bonus issues.

Number of total shares and calculation of earnings per share at 1 January – 31 December 2022 and 2021 is as follows:

	January 1, 2022 December 31, 2022	January 1, 2021 December 31, 2021
Profit for the Period	551.500.225	403.037.567
Weighted Average Number of Shares	224.000.000	224.000.000
Earnings Per Share	**2,462055**	**1,799275**
Profit attributable to equity holders of the parent	21.666,20	15.833,71
Profit attributable to non-controlling interests	2,338965	1,709321

NOTE 37 RELATED PARTY DISCLOSURES

Related parties balances are as follows:

	Recevibles		Payables	
December 31, 2022	**Trade Receivables**	**Non-Trade Receivables**	**Trade Receivables**	**Non-Trade Receivables**
Homend A.Ş.	-	-	-	-
Desbil A.Ş.	198	-	71.065	-
Toplam	**198**	**-**	**71.065**	**-**

	Receivables		Payables	
December 31, 2021	**Trade Receivables**	**Non-Trade Receivables**	**Trade Receivables**	**Non-Trade Receivables**
Homend A.Ş.	29	-	-	-
Desbil A.Ş.	1.089	-	96.828	-
Total	**1.118**	**-**	**96.828**	**-**

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There is no secured part in the receivables and payables from related parties. There is no provision for doubtful receivables related to related parties. Desbil, Homend are other related companies.

Current account balances between related parties generally arise from commercial transactions. However, in some cases, there may be cash allocations between companies. Balances arising from non-trading transactions are classified as non-trade payables or receivables. It charges interest on current account balances and is billed in quarterly periods. The Group charges interest in USD, EUR and TL for current account balances during the period, and the interest rates for the year 2022 are 7.00% - 13.00% for twelve months USD, 3.00-11.50% for EUR and 21.00% for TL, 37.00%. (The interest rates on 31 December 2021 are (between 3.15 and 6.50%) (between 3.00 and 5.00%) and (between 18-23.00%)

Related parties transactions are as follows:

January 1, 2022–December 31, 2022

Sales to Related Parties	Sales of Goods and Services	General Expense Allocation	Interest and Foreign Exchange Income	Total Income / Sales
Desbil A.Ş.	-	13.320	1.428.701	1.442.021
Total	**-**	**13.320**	**1.428.701**	**1.442.021**

Purchases from Related Parties	Purchases of Goods and Services	General Expense Allocation	Interest and Foreign Exchange Expense	Total Expenses / Purchases
Desbil A.Ş.	-	1.279.386	43.127	1.322.513
Total	**-**	**1.279.386**	**43.127**	**1.322.513**

January 1, 2021–December 31, 2021

Sales to Related Parties	Sales of Goods and Services	General Expense Allocation	Interest and Foreign Exchange Income	Total Income / Sales
Desbil A.Ş.	-	11.071	-	11.071
Homend A.Ş.	-	2.000	-	2.000
Total	**-**	**13.071**	**-**	**13.071**

Purchases from Related Parties	Purchases of Goods and Services	General Expense Allocation	Interest and Foreign Exchange Expense	Total Expenses / Purchases
Desbil A.Ş.	-	948.203	-	948.203
Total	**-**	**948.203**	**-**	**948.203**

Benefits and Services Provided for Senior Management;

Account Name	**January 1, 2022 December 31, 2022**	**January1,2021 December31,2021**
Short-Term Benefits Provided to Management Staff	29.402.807	18.174.829
Employment Termination Benefits	-	-
Other long term benefits	-	-
Total	**29.402.807**	**18.174.829**

Key management compensation include the benefits and services provided to the senior management and the remuneration of the general manager and assistant general managers.

NOTE 38 NATURE AND LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

Financial Instruments and Financial Risk Management

(a) Capital Risk Management

The Group's main objectives for capital management are to keep the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.
The capital structure of the Group consists of debts includes the credits explained in note 8, cash and cash equivalents explained in **Note 6** and resource items containing respectively issued capital, capital reserves, profit reserves and profits of previous years explained in **Note 27**. Risks, associated with each capital class, and the senior managemen evaluates the capital cost. It is aimed that the capital structure will be stabilized by means of new borrowings or repaying the existing debts as well as dividend payments and new share issuances based on the senior management evaluations.

The Group monitors capital by using the debt to total capital ratio. This ratio is calculated by dividing net debt by total capital.

Net debt is calculated by deducting cash and cash equivalents from the total debt amount (as shown in the balance sheet, loans, financial leasing and trade payables). Total capital is calculated by summing the equity and net debt as shown in the balance sheet.

General strategy based on the Group's equity does not differ from the previous period.

Consolidated net financial debt/invested capital ratios as of 31 December 2022 and 2021 are as follows:

	December 31, 2022	December 31, 2021
Total Liabilities	6.796.229.682	5.859.189.241
Negative: Cash and Cash Equivalents	(2.371.261.159)	(2.095.002.284)
Net Liabilities	4.424.968.523	3.764.186.957
Total Equity	1.623.419.985	1.092.952.485
Total Capital	6.048.388.508	4.857.139.442
Net Liabilities/Total Capital Rate	**73,16%**	**77,50%**

(b) Significant accounting policies

The Group's significant accounting policies relating to financial instruments are presented in the **Note 2**.

(c) Risks

Because of its operations, the Group is exposed to financial risks related to exchange rates and interest rates. The Group also holds the financial instruments risk that other party not be able to meet the requirements of the agreement.

Market risks seen at the level of Group are measured according to the sensitivity analysis principle. Market risks faced by the Group in current period or the process of undertaking the faced risks or the process of the measure of faced risks were not changed compare to previous year.

(c1) Currency risk and management

Transactions in foreign currencies cause exchange rate risk. The Group is exposed to exchange rate risk due to the changes in the exchange rates used in the conversion of foreign currency assets and liabilities into Turkish Lira. The Group generally sells goods on the basis of the foreign currency types from which it purchases goods. Therefore, it does not carry a significant exchange rate risk. Currency risk arises due to future commercial transactions and the difference between recorded assets and liabilities.

The Group is exposed to exchange rate risk depending on the direction of the change in exchange rates, as it has foreign currency receivables and payables, since it mainly uses foreign currency deposits. As of December 31, 2022, all other variables are constant, if the general level of exchange rates were 10% higher, the Group's profit before tax would have been 139.921.380 TL higher (December 31, 2021: 132.635.257 TL higher).

Foreign Exchange Rate Sensitivity Analysis Table

Current Period December 31, 2022

	Profit / Loss	
	Appreciation of Foreign Currency	**Depreciation of Foreign Currency**
In the event of 10% value change of US Dollar against TL;		
1- US Dollar Net Asset / Liability	138.213.621	(138.213.621)
2- The part, hedged from US Dollar Risk (-)		
3- US Dollar Net Effect (1+2)	**138.213.621**	**(138.213.621)**
In the event of 10% value change of Euro against TL		
4- Euro Net Asset/ (Liabilities)	1.707.759	(1.707.759)
5- The part, hedged from Euro Risk (-)		
6- Euro Net Effect (4+5)	**1.707.759**	**(1.707.759)**
Total	**139.921.380**	**(139.921.380)**

Foreign Exchange Rate Sensitivity Analysis Table

Current Period December 31, 2021

	Profit / Loss	
	Appreciation of Foreign Currency	**Depreciation of Foreign Currency**
In the event of 10% value change of US Dollar against TL;		
1- US Dollar Net Asset / Liability	130.566.137	(130.566.137)
2- The part, hedged from US Dollar Risk (-)		
3- US Dollar Net Effect (1+2)	**130.566.137**	**(130.566.137)**
In the event of 10% value change of Euro against TL		
4- Euro Net Asset/ (Liabilities)	2.069.120	(2.069.120)
5- The part, hedged from Euro Risk (-)		
6- Euro Net Effect (4+5)	**2.069.120**	**(2.069.120)**
Total	**132.635.257**	**(132.635.257)**

Table of Foreign Exchange Position

	Current Period				Previous Period			
	Amount in TL	**TL(*)**	**USD**	**AVRO**	**Amount in TL**	**TL(*)**	**USD**	**AVRO**
1. Trade Receivables	2.213.655.685	32.184.598	115.742.745	866.747	1.517.277.964	59.557.262	108.951.231	365.205
2a. Monetary Financial Assets	473.584.712	42.909.120	22.745.046	269.974	1.213.764.827	536.931	89.244.308	1.570.291
2b. Non-monetary financial assets	22.526.256	1.102.654	851.431	276.063	4.596.138	148.466	327.608	5.368
3. Other	86.554.154	41.438.696	1.982.768	403.367	89.202.543	47.973.140	2.690.653	355.657
4. Total Current Assets (1+2+3)	**2.796.320.807**	**117.635.068**	**141.321.990**	**1.816.150**	**2.824.841.472**	**108.215.799**	**201.213.800**	**2.296.521**
5. Trade Receivables	-	-	-	-	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-	-	-	-	-
6b. Non-monetary financial assets	-	-	-	-	-	-	-	-
7. Other	15.431.501	15.431.501	-	-	2.098.464	2.098.464	-	-
8. Total Non Current Assets(5+6+7)	**15.431.501**	**15.431.501**	-	-	**2.098.464**	**2.098.464**	-	-
9. Total Assets (4+8)	**2.811.752.308**	**133.066.569**	**141.321.990**	**1.816.150**	**2.826.939.936**	**110.314.263**	**201.213.800**	**2.296.521**
10. Trade Payables	1.544.105.480	46.412.406	78.999.495	895.034	1.849.797.573	80.647.948	131.388.124	974.203
11. Financial Liabilities	326.065.461	42.740.234	15.125.199	-	227.117.305	26.066.734	15.056.584	-
12a. Other Monetary Liabilities	59.668.773	58.255.729	55.630	18.577	24.211.696	22.843.945	77.265	22.234
12b. Other Non- Monetary Liabilities	89.020.305	75.564.974	671.240	44.148	111.690.658	67.341.949	3.290.973	26.754
13. Total Current Liabilities (10+11+12)	**2.018.860.019**	**222.973.343**	**94.851.563**	**957.758**	**2.212.817.232**	**196.900.576**	**149.812.946**	**1.023.190**
14. Trade Payables	-	-	-	-	-	-	-	-
15. Financial Liabilities	1.354.922	1.354.922	-	-	1.211.596	1.211.596	-	-
16a. Other Monetary Liabilities	2.076.016	2.076.016	-	-	923.700	923.700	-	-
16b. Other Non- Monetary Liabilities	-	-	-	-	-	-	-	-
17. Total Non Current Liabilities (14+15+16)	**3.430.938**	**3.430.938**	-	-	**2.135.296**	**2.135.296**	-	-
18. Total Liabilities (13+17)	**2.022.290.957**	**226.404.281**	**94.851.563**	**957.758**	**2.214.952.528**	**199.035.872**	**149.812.946**	**1.023.190**
19. Off-Balance Sheet Derivative Instruments Net Asset / (Liability) Position (19a-19b	516.414.735	-	27.618.272	-	625.643.560	-	46.825.335	100.000
19a. Total Asset Amount of Hedged (*)	516.414.735	-	27.618.272	-	625.643.560	-	46.825.335	100.000
19b. Total Liabilities Amount of Hedged	-	-	-	-	-	-	-	-
20. Net Foreign Exchange Asset / (Liability) Position (9-18+19)	**1.305.876.086**	**(93.337.712)**	**74.088.698**	**858.392**	**1.237.630.968**	**(88.721.609)**	**98.226.189**	**1.373.331**
21. Monetary Items Net Foreign Exchange Asset / (Liabilities) Position (1+2a+3+5+6a-10-11-12a-14-15-16a)	**753.969.745**	**(75.745.589)**	**44.307.468**	**223.110**	**627.780.921**	**(71.599.730)**	**51.673.567**	**939.060**
22. Total Fair Value of Financial Instruments Used for Foreign Exchange Hedge								
23. Foreign Exchange Hedged Portion Amount of Assets	520.185.132	-	27.618.272	-	582.692.871	-	46.825.335	100.000
24. Foreign Exchange Hedged Portion Amount of Liabilities	-	-	-	-	-	-	-	-
25. Export	89.399.809	-	-	-	110.601.152	-	-	-
26. Import	5.950.092.320	-	-	-	2.636.182.754	-	-	-

(*)Foreign currencies of companies whose functional currency is usd are TL and EUR.

c2) *Credit Risk Details*

The exposure of consolidated financial assets to credit risk is as follows:

Current Period	Receivables					Bank Deposits and Reverse Repo	Notes
	Trade Receivables		Other Receivables				
	Related Party	Other	Related Party	Other	Notes		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (*)	**198**	**4.559.390.408**	-	**2.970.461**		**2.356.536.136**	
- Maximum risk, secured with guarantees	-	2.971.391.117	-	-			
A. Net book value of financial assets that are not overdue or impaired	**198**	**4.556.806.699**	-	**2.970.461**	**10-11**	**2.356.536.136**	**6**
B. Net book value of assets that are past due but not impaired	-	12.659.391				-	
- Secured with guarantees		(10.075.682)			**10-11**	-	**6**
C. Net book values of impaired assets	-	-	-			-	
- Past Due (gross book value)	-	40.035.292	-	-	**10-11**	-	**6**
- Impairment (-)		(40.035.292)			**10-11**	-	**6**
- The portion of the net worth secured by collateral, etc.	-		-		**10-11**	-	**6**
- Undue (gross book value)	-	-	-	-	**10-11**	-	**6**
- Impairment (-)					**10-11**	-	**6**
- The portion of the net worth secured by collateral, etc.					**10-11**	-	**6**
D. Elements involving off-balance sheet credit risk							

Previous Period	Receivables					Bank Deposits and Reverse Repo	Notes
	Trade Receivables		Other Receivables				
	Related Party	Other	Related Party	Other	Notes		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (*)	**1.118**	**3.553.844.088**	-	**1.603.951**		**2.090.356.214**	
- Maximum risk, secured with guarantees	-	2.094.243.038	-	-			
A. Net book value of neither past due nor impaired financial assets	**1.118**	**3.551.966.100**	-	**1.603.951**	**10-11**	**2.090.356.214**	**6**
B. Net book value of past due but not impaired financial assets	-	8.450.708				-	
- Secured with guarantees		(6.572.720)			**10-11**	-	**6**
C. Net book value of impaired assets	-	-	-	-		-	
- Past due (gross amount)	-	39.340.860	-	-	**10-11**	-	**6**
- Impairment (-)		(39.340.860)			**10-11**	-	**6**
- Secured with guarantees	-		-		**10-11**	-	**6**
- Not past due (gross amount)	-	-	-	-	**10-11**	-	**6**
- Impairment (-)					**10-11**	-	**6**
- Secured with guarantees					**10-11**	-	**6**
D. Bilanço dışı kredi riski içeren unsurlar							

(*) While determining the amount, factors that increase credit reliability such as guarantees received have not been considered

	Receivables	
Current Period (December 31, 2022)	**Trade Receivables**	**Current Period**
Past due up to 1 month	8.376.674	-
Past due 1-3 months	3.162.984	-
Past due more than 3 months	1.119.733	-
Secured with guarantees	10.075.682	-

	Receivables	
Current Period (December 31, 2021)	**Trade Receivables**	**Other Receivables**
Past due up to 1 month	4.394.168	-
Past due 1-3 months	2.332.180	-
Past due more than 3 months	1.724.360	-
Secured with guarantees	6.572.720	-

As collaterals obtained from customers and notes and letters of guarantee have been taken into consideration as factors that increase collateral and credit reliability.

Indeks Bilgisayar's collection risk arises mainly from its trade receivables. Almost all of the trade receivables are due to receivables from dealers. The Group has established an effective control system on its dealers and the credit risk arising from these transactions is followed by the risk management team and the Group management and limits are set for each dealer and limits are revised when necessary. Receiving sufficient collateral from dealers is another method used in the management of credit risk. The Group does not have a significant trade receivable risk due to the fact that it is a creditor from a large number of customers rather than a small number of customers. Trade receivables are evaluated by taking into consideration the past experiences and current economic situation of the Group management and are presented on the balance sheet net of provision for doubtful receivables. The low profit margin of the sector due to the structure of the sector makes collection and risk tracking policies significant for the Group and maximum sensitivity is presented accordingly. Our detailed explanations on our collection and risk management policy are as follows.

For receivables exceeding the maturity of several months, enforcement proceedings and / or lawsuits are filed. The same process could be executed some dealers who are in financial stress. Since profit margins in the sector are low, collection of receivables is extremely important. There are current accounts and risk management units in order to reduce the risk of receivables with credibility evaluations are made through dealers. Cash collections are made from the resellers who are new or risky and sales are made.

The Group sells goods to Turkey in nearly every enterprise engaged in the buying and selling of computers. The capital structure of the dealers, which are defined as the classic dealers within the distribution channel, is low. This group of dealers, which is estimated to be around 5.000 in Turkey, takes the risk in terms of risk management, the Group has established its own organization and working system to minimize the group and take necessary measures. Measures taken can be listed as follows:

Cash collecting procedure with companies that have not completed 1 year in the sector: In the sector, it is worked with cash collecting with the computer companies that have not completed 1 year.

The intelligence team, which consists of two personnel who are structured within the current accounts and risk management department, constantly make the intelligence of the dealers.

Credit Committee: The necessary intelligence services of the companies that have completed one year in the sector and the credit limit increase are arranged by the intelligence team and presented to the credit committee collected every week. The credit committee consists of the finance manager, current accounts manager, intelligence staff and the sales department manager of the relevant customer, under the chairmanship of the deputy general manager in charge of financial affairs. The credit committee establishes credit limits to firms based on the information obtained and past payment and sales performance. It determines the mode of operation and, if necessary, requests the collateral to be received from the dealer.

The Group's sales have been spread across Turkey and it reduces the risk of condensation.
Trade receivables are evaluated by taking into consideration the Group policies and procedures and accordingly, and doubtful receivables are presented in the balance sheet accordingly. **(Note 10).**

(c3) Interest Rate Risk

The Group's liabilities related to its fixed-rate financial debts are given in **Note: 8**, and its fixed-rate assets (deposit etc.) are given in **Note: 6.**

Interest Rate Position Table

	Current Period	**Previous Period**
Fixed Interest Rate Financial Instruments		
Financial Assets	826.494.376	268.590.851
Financial Liabilities	778.752.477	1.127.697.444
Floating Interest Rate Financial Instruments		
Financial Assets	-	-
Financial Liabilities	-	-

If the interest rate in TL currency was 1 point higher and all other variables remained constant, the profit before tax would have been 477.419 TL higher on 31 December 2022. (31 December 2021: 8.591.066 TL less). The majority of the Group's fixed-rate assets and liabilities are short-term. Therefore, fixed-rate assets and liabilities are also taken into account in the interest rate risk calculation. When only floating rate assets and liabilities are considered, there is no interest rate risk.

(c4) Liquidity risk management

The Group manages the liquidity risk by regularly monitoring the cash flows on a daily and weekly basis, by matching the maturities of financial assets and liabilities and by ensuring the continuation of sufficient funds and borrowing reserves.

Liquidity risk statements

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

Undiscounted contractual cash flows of the consolidated financial liabilities as of 31 December 2022 and 2021 are as follows:
December 31, 2022

Expected Terms	**Book Value**	**Cash Outflows Total As Per the Agreement**	**Less than 3 Months**	**3-12 Months**	**1-5 Years**	**More than 5 Years**
Non-Derivative Financial Liabilities	**6.255.183.777**	**6.295.448.760**	**6.164.092.448**	**122.607.494**	**8.748.818**	-
Bank Loans	759.741.357	775.051.483	662.993.748	112.057.735	-	-
Lease obligations	19.011.120	23.096.247	3.797.670	10.549.759	8.748.818	-
Trade Liabilities	5.406.354.858	5.427.224.588	5.427.224.588	-	-	-
Other Liabilities	70.076.442	70.076.442	70.076.442			-

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Derivative Financial Liabilities	**(3.770.397)**	**(11.977.956)**	**(11.655.659)**	**(322.297)**	-	-
Derivative Cash Inflows	516.414.735	516.414.735	513.246.308	3.168.427	-	-
Derivative Cash Outflows	(520.185.132)	(528.392.691)	(524.901.967)	(3.490.724)	-	-

Forward transactions are in Turkish Lira equivalent to 27.618.272 USD. While calculating the liability, derivative cash outflows are calculated by taking into account the exchange rates at maturity. Derivative cash inflows are calculated taking into account the exchange rate of 31 December 2022. The actual profit and loss will be determined on the maturity date.

December 31, 2021

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Non-Derivative Financial Liabilities	**5.413.204.852**	**5.467.638.571**	**5.097.243.003**	**362.889.356**	**7.506.212**	-
Bank Loans	1.114.333.011	1.157.095.828	800.238.627	356.857.201	-	-
Lease obligations	13.364.433	15.982.221	2.443.854	6.032.155	7.506.212	-
Trade Liabilities	4.253.217.565	4.262.270.679	4.262.270.679	-	-	-
Other Liabilities	32.289.843	32.289.843	32.289.843	-	-	-

Expected Terms	Book Value	Cash Outflows Total As Per the Agreement	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Derivative Financial Liabilities	**42.950.689**	**32.327.675**	**33.654.237**	**(1.326.562)**	-	-
Derivative Cash Inflows	625.643.560	625.643.560	612.562.253	13.081.307	-	-
Derivative Cash Outflows	(582.692.871)	(593.315.885)	(578.908.016)	(14.407.869)	-	-

Forward transactions consist of 46.825.335 USD and 100.000 EURO equivalent of Turkish Lira. While calculating the liability, derivative cash outflows are calculated by taking into account the exchange rates at maturity. Derivative cash inflows are calculated taking into account the 31 December 2021 exchange rate. The actual profit and loss will be determined on the maturity date.

(c5) Other Risks Analysis

Common Stocks, etc. Risks Related to Financial Instruments

The Group does not have any securities and similar financial assets sensitive to changes in fair value.

NOTE 39 FINANCIAL INSTRUMENTS

Financial Risk Management

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

Fair Value of Financial Instruments

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

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

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

Financial Assets

Financial assets and liabilities denominated in foreign exchanges have been translated into Turkish Lira at the exchange rates prevailing at the balance sheet date. The carrying values of financial assets and liabilities denominated in foreign exchanges are considered to approximate their respective carrying values.

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

The carrying values of trade receivables after deduction of provision for doubtful receivables are considered to approximate their respective carrying values.

Financial Liabilities

Financial assets and liabilities denominated in foreign exchanges have been translated into Turkish Lira at the exchange rates prevailing at the balance sheet date. The carrying values of Financial assets and liabilities denominated in foreign exchanges are considered to approximate their respective carrying values.

The fair values of trade payables, bank borrowings and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Fair value estimation:

Effective from 1 January 2009, the Group has applied the amendment to TFRS 7 for financial instruments measured at fair value in the balance sheet. This amendment is explained on the basis of the levels in the following calculation hierarchy of the fair value calculations.

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

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices): The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions

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

The carrying values of financial assets and liabilities denominated in foreign exchanges are considered to approximate their respective carrying values.

As of December 31, 2022 and 2021, the Group has no financial investments. (Level 2) **(Note 7)**

The fair values of certain financial assets carried at amortized cost, such as cash and cash equivalents, are considered to approximate their respective carrying values due to their short-term nature.

Trade receivables and payables are measured at amortized cost using the effective interest method, and are therefore considered to approximate their fair values.

NOTES 40 EVENTS AFTER THE BALANCE SHEET DATE

None.

NOTE 41 THE OTHER MATTERS WHICH SUBSTANTIALLY AFFECT THE CONSOLIDATED FINANCIAL STATEMENTS OR ARE REQUIRED TO BE DESCRIBED IN TERMS OF MAKING THE CONSOLIDATED FINANCIAL STATEMENTS CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.