

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

**VERUSATURK GİRİŞİM SERMAYESİ
YATIRIM ORTAKLIĞI A.Ş.**

FINANCIAL STATEMENTS
AT 31 DECEMBER 2021 TOGETHER WITH THE
INDEPENDENT AUDITOR'S REPORT



**CONVENIENCE TRANSLATION INTO ENGLISH OF
INDEPENDENT AUDITOR'S REPORT
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INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Verusaturk Giriřim Sermayesi Yatırım Ortaklığı A.Ş.

A. Audit of the financial statements

1. Our opinion

We have audited the accompanying financial statements of Verusaturk Giriřim Sermayesi Yatırım Ortaklığı A.Ş. (the "Company") which comprise the statement of financial position as at 31 December 2021, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements comprising a summary of significant accounting policies.

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

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"). Our responsibilities under these standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We hereby declare that we are independent of the Company in accordance with the Ethical Rules for Independent Auditors (including Independence Standards) (the "Ethical Rules") and the ethical requirements regarding independent audit in regulations issued by POA that are relevant to our audit of the 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 financial statements of the current period. Key audit matters were addressed in the context of our independent audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Valuation calculation carried out in order to determine the fair value of financial investments</p>	
<p>As can be seen in Note 17; the Company has financial investment amounting to TRY 1,537 million non-publicly traded and these investments accounted through their fair values.</p> <p>In the valuation of financial investment with the assistance of experts by the company management, adjusted net asset value, market multiples and values and discounted cash flows techniques have been used. Weighted average cost of capital, terminal growth rate, multipliers of similar companies, liquidity discount, production amount and estimated electricity sales prices were used. Changes that occur in these estimates will cause change in the financial statements.</p> <p>We focused on these areas during our work due to significance of the amount on the financial statement, the use of estimations and need to use experts to check calculations.</p>	<p>We assessed the technical sufficiency and independence of the valuation company that performed the calculation.</p> <p>Total value was found using different valuation techniques at different rates. We received assessment of valuation experts within PwC Turkey during the assessment of assumptions and methods used by the Company management and the control of activities carried out by the valuation company. The technical and theoretical controls of the models, used by the management and designed using discount and terminal growth rates, were performed with the help of our valuation experts. We evaluated whether the terminal growth rate applied was suitable by comparing it to macro-economic data. In order to control that the discount rate was in acceptable range, we compared company data specific to the company subject to valuation and with the data of other public companies operating in the same industry. It was assessed that assumptions were at acceptable ranges.</p> <p>Projections prepared for cash-generating units, which are the basis of the calculations, were assessed by comparison to the past financial performance of the relevant cash-generating unit and the realization probability of forecasts for the forthcoming period were examined.</p> <p>By performing additional sensitivity analyses to those prepared by the valuation company, we assessed how sensitive the fair value studies were in terms of amount.</p> <p>We checked the mathematical accuracy of fair value calculations.</p> <p>We assessed the sufficiency of necessary footnote statement as part of TFRS.</p>



4. Other information

Responsibility for other information belongs to the Company management. The other information Other information consists of the Additional Note Checking the Compliance with the Portfolio Restrictions and the Limit of Financial Liability and Total Expenses, which does not have a measurement criterion within the scope of TFRS and does not cover the financial statements and the auditor's report regarding these statements.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

6. 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 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 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 financial statements.



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

- Identify and assess the risks of material misstatement in the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



B. Other responsibilities arising from regulatory requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code (“TCC”) No. 6102 and that causes us to believe that the Company’s bookkeeping activities concerning the period from 1 January to 31 December 2021 period are not in compliance with the TCC and provisions of the Company’s articles of association related to financial reporting.
2. In accordance with subparagraph 4 of Article 402 of the TCC, the Board of Directors submitted the necessary explanations to us and provided the documents required within the context of our audit.
3. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor’s report on the early risk identification system and committee was submitted to the Company’s Board of Directors on 25 February 2022.

PwC Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.

Mert Tüten, SMMM
Partner

Istanbul, 25 February 2022

INDEX	PAGE
STATEMENT OF FINANCIAL POSITION	1
STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME	2
STATEMENT OF CHANGES IN EQUITY	3
STATEMENT OF CASH FLOWS	4
NOTES TO FINANCIAL STATEMENTS	5-33
NOTE 1 ORGANIZATIONS AND OPERATIONS OF THE COMPANY	5
NOTE 2 BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS	5-16
NOTE 3 RELATED PARTY DISCLOSURE	16-17
NOTE 4 TRADE RECEIVABLES AND PAYABLES	17
NOTE 5 OTHER RECEIVABLES	17
NOTE 6 OTHER ASSETS AND LIABILITIES	17
NOTE 7 COMMITMENTS	18
NOTE 8 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	18
NOTE 9 EMPLOYEE BENEFITS	18
NOTE 10 SHARE CAPITAL, RESERVES AND OTHER EQUITY ITEMS	18-19
NOTE 11 REVENUE	19
NOTE 12 GENERAL ADMINISTRATIVE EXPENSES	19
NOTE 13 EXPENSES BY NATURE	19
NOTE 14 OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES	20
NOTE 15 FINANCE EXPENSES	20
NOTE 16 EARNINGS PER SHARE	21
NOTE 17 FINANCIAL INSTRUMENTS	21-22
NOTE 18 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS	22-27
NOTE 19 FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES)	27-30
NOTE 20 NOTES ON STATEMENT OF CASH FLOWS	31
NOTE 21 FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR'S	31
NOTE 22 EVENTS AFTER THE REPORTING PERIOD	31
NOTE 23 ADDITIONAL NOTE: FINANCIAL LIABILITIES TO PORTFOLIO LIMITATIONS AND COMPLIANCE CONTROL	32-33

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.**AUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021**

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated.)

ASSETS	Notes	Current Year 31 December 2021	Prior Year 31 December 2020
Current Assets		1,538,623,330	376,211,637
Cash and cash equivalents	20	873,521	3,344,460
Financial investments	17	1,536,928,921	372,027,011
Other receivables		259,755	164,966
- <i>Other receivables from third parties</i>	5	259,755	164,966
Assets related to current assets		34,526	196,203
Other current assets	6	526,607	478,997
Non-Current Assets		22,106	1,371
Property, plant and equipment		14,378	1,371
Intangible assets		7,728	-
TOTAL ASSETS		1,538,645,436	376,213,008
LIABILITIES AND EQUITY			
Current Liabilities		140,634	12,118,919
Trades payables	4	701	1,008
- <i>Trade payables to third parties</i>		701	1,008
Payables related to employee benefits	9	39,220	21,487
Other payables		-	12,028,512
- <i>Other payables to related parties</i>	3	-	12,028,512
Short-term provisions		18,578	11,332
- <i>Short-term provisions for employee benefits</i>		18,578	11,332
Other short term liabilities	6	82,135	56,580
Long Term Liabilities		24,576,043	102,735
Other payables		24,404,907	-
- <i>Other payables to related parties</i>	3	24,404,907	-
Long-term provisions		171,136	102,735
- <i>Long-term provisions for employee benefits</i>		171,136	102,735
EQUITY		1,513,928,759	363,991,354
Share Capital	10	52,000,000	52,000,000
Share premium	10	17,826,859	17,826,859
Reserves on retained earnings	10	7,355,087	6,173,242
Retained earnings		284,209,408	106,251,863
Net profit of the year		1,152,537,405	181,739,390
TOTAL LIABILITIES AND EQUITY		1,538,645,436	376,213,008

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

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.**AUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR 1 JANUARY - 31 DECEMBER 2021**

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated.)

	Notes	Current Year 1 January - 31 December 2021	Prior Year 1 January - 31 December 2020
Revenue	11	-	-
Costs of Sales (-)	11	-	-
Gross Profit		-	-
Administrative expenses (-)	12	(3,869,111)	(3,174,856)
Other income from operating activities	14	1,166,875,882	185,648,736
Other expenses from operating activities (-)	14	(111,245)	(490,431)
Operating profit		1,162,895,526	181,983,449
Finance expense (-)	15	(10,358,121)	(244,059)
Profit before tax		1,152,537,405	181,739,390
PROFIT FOR THE YEAR		1,152,537,405	181,739,390
Earnings per share			
Earnings per share	16	22.16	3.49
Other comprehensive incomes		-	-
TOTAL COMPREHENSIVE INCOME		1,152,537,405	181,739,390

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

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

AUDITED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 1 JANUARY - 31 DECEMBER 2021

(Amounts expressed in Turkish Lira ("TL") unless otherwise stated.)

	Notes	<u>Retained Earnings</u>					Total Equity
		Capital	Share Premium	Legal Reserves	Retained Earnings	Net Profit for the Year	
Balances as at 1 January 2020		52,000,000	17,826,859	4,370,408	76,266,273	31,182,084	181,645,624
Transfers		-	-	1,802,834	29,379,250	(31,182,084)	-
Total comprehensive income		-	-	-	-	181,739,390	181,739,390
Dividends (*)		-	-	-	(6,120,000)	-	(6,120,000)
Due to redemption of shares increase / (decrease) (**)		-	-	-	6,726,340	-	6,726,340
Balances as at 31 December 2020	10	52,000,000	17,826,859	6,173,242	106,251,863	181,739,390	363,991,354
Balances as at 1 January 2021		52,000,000	17,826,859	6,173,242	106,251,863	181,739,390	363,991,354
Transfers		-	-	1,181,845	180,557,545	(181,739,390)	-
Total comprehensive income		-	-	-	-	1,152,537,405	1,152,537,405
Dividends		-	-	-	(2,600,000)	-	(2,600,000)
Balances as at 31 December 2021	10	52,000,000	17,826,859	7,355,087	284,209,408	1,152,537,405	1,513,928,759

(*) Dividends distributed are disclosed net off the dividends related to the shares owned by the Company.

(**) The Company has purchased an sold its own shares in the stock exchange.

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

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

AUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 1 JANUARY - 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

	Notes	Current Year 1 January - 31 December 2021	Prior Year 1 January - 31 December 2020
A. Cash flows from operating activities			
Profit for the year		1,152,537,405	181,739,390
Adjustments to reconcile profit for the year			
Adjustments related to depreciation and amortization expenses	12	6,889	7,877
Adjustments related to provision for employee benefits		75,647	31,682
Adjustments related to interest (income)/expenses		(14,935,980)	(5,686,655)
Adjustments related to (gain)/loss on fair value of financial assets	14	(1,141,486,345)	(173,220,611)
Changes in working capital			
- Adjustments related to (increase) / decrease trade receivables		-	11,250,000
- Adjustments related to increase / (decrease) in other assets		19,278	503,185
- Adjustments related to (increase) / decrease trade payables		(307)	(113)
- Increase / (decrease) in payables due to employee benefits		17,733	(4,427)
- Adjustments related to increase in other liabilities		25,555	2,858
Net cash generated by operating activities		(3,740,125)	14,623,186
- Interest received	14	685,517	5,246,053
- Cash outflows for the acquisition of shares of other enterprises or funds or borrowing instruments	19	(251,156,404)	(74,628,063)
- Cash inflows from the sale of shares of other enterprises or funds or debt instruments	19	227,740,839	11,551,480
Payments made under the provisions for employee benefits		-	(34,997)
Net cash generated by operating activities		(26,470,173)	(43,242,341)
B. Cash Flows from investing activities			
Payments for purchase of tangible and intangible assets		(27,624)	-
Net cash generated by investing activities		(27,624)	-
C. Cash flows from financing activities			
Payments for the acquisition of treasury shares		-	(3,105,974)
Cash inflows for the disposal of treasury shares		-	9,832,314
Decrease in other payables from related parties		26,630,000	12,028,512
Dividends paid	10	(2,600,000)	(6,120,000)
Interest paid	15	(3,142)	(161,910)
Net cash generated by financing activities		24,026,858	12,472,942
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B)			
		(2,470,939)	(30,769,399)
C. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR			
	20	3,344,460	34,113,859
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (A+B+C)			
	20	873,521	3,344,460

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

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

1. GENERAL INFORMATION

Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. (the “Company”) was established on 9 January 2012. The activity of the Company is Capital Markets Board of Venture Capital to engage with purposes and issues regulations concerning the Investment Company and established mainly in Turkey or to be established, development potential and realize their investment activities on venture company which is in need of capital.

The address of its registered office and principal place of business is Eski Büyükdere Caddesi İz Plaza Giz No: 9 Kat 14 No: 49-50 Maslak, Sarıyer, İstanbul.

The registered capital ceiling of the Company is increased by TL 250,000,000 at 2019 year end general assembly meeting dated by 6 May 2020 and the share capital of the Company is TL 52,000,000. The immediate parent and ultimate controlling party of the Company is Verusa Holding A.Ş.

Verusaturk Girişim Sermayesi Yatırım Ortaklığı A.Ş. chose to measure its investments in associates and joint ventures in accordance with TFRS 9 as financial assets at fair value through profit or loss since these are investments in an associate or joint venture, indirectly or through direct enterprises, including a venture capital organization or fund, investment trust and investment insurance funds in scope of TAS 28 paragraph 18. As such, the Company presented stand-alone financial statements and therefore did not present segment reporting in accordance with TFRS 8.

As of 31 December 2021, the average number of employees of the Company is 5 (31 December 2020: 5).

Approval of Financial Statements

The financial statements have been approved by the Board of Directors and authorized for issue on 25 February 2022. The General Assembly has the authority to amend the financial statements.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Presentation

Statement of Compliance in TFRS

The Company and its subsidiaries in Turkey prepare their books and accompanying financial statements in accordance with the accounting standards stated by Turkish Commercial Code (“TCC”) and the tax legislation..

The accompanying financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards (“TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué. In addition, the financial statements and footnotes have been prepared in accordance with the formats announced by the CMB with the announcement dated 7 June 2013 and the TMS taxonomy published by the Public Oversight Authority (“KGK”). Financial statements are based on historical cost, except for financial investments measured at their fair values.

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Functional and Presentation Currency

The individual financial statements of the Company is presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial position and operating results of each entity are expressed in Turkish Lira (“TL”), which is the functional currency of the Company, and the presentation currency of the financial statements.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.1 Basis of Presentation (cont'd)

Share in subsidiaries

The entity may choose to measure investments in associates and joint ventures in accordance with TFRS 9 as financial assets at fair value through profit or loss if an investment in an associate or joint venture, indirectly or through direct enterprises, including an venture capital organization or fund, investment trust and investment insurance funds in accordance with TMS 28 standard paragraph 18.

Exception from Consolidation

Investment entity in accordance with TFRS 10 Consolidated Financial Statements Standard (a) Funds obtained from one or more investors to provide investment management services; (b) Investor or investors; only business capital gains, investment income or both. (c) an entity that measures and assesses the performance of all (or almost all) of its investments on a fair value basis. In evaluating whether or not it meets the above definition, the Company looks at whether the investment entities have the following features:

- (a) It has more than one investment,
- (b) It has more than one investor,
- (c) It has investors who have no related party.

The Company does not consolidate its subsidiaries in accordance with TFRS 10 and measures the fair value difference of its investments in subsidiaries and associates through profit or loss.

2.2 Changes in Accounting Policies

Significant changes in the accounting policies are applied retrospectively and prior period financial statements are restated. The Company does not have any material changes in accounting policies in the current period.

2.3 Changes and Mistakes in Accounting Estimates

If the changes in accounting estimates are related to only one period, they are applied in the period in which the changes are made; if they are related to future periods, they are applied both in the current and following periods. The Company does not have material changes in the accounting estimates in the current period.

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (Cont'd)

2.4 New and Amended Turkish Financial Reporting Standards (cont'd)

a) As of December 31, 2021, the new standards in effect and the changes and comments to the previous standards:

- **Amendment to IFRS 16, ‘Leases’ – Covid-19 related rent concessions Extension of the Practical expedient;** as of March 2021, this amendment extended till June 2022 and effective from 1 April 2021. As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. On 28 May 2020, the IASB published an amendment to IFRS 16 that provides an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.
- **Amendments to IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform Phase 2;** effective from annual periods beginning on or after 1 January 2021. The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one.

b) Standards, amendments and interpretations that are issued but not effective as at 31 December 2021:

- **IFRS 17, ‘Insurance contracts’;** effective from annual periods beginning on or after 1 January 2023. This standard replaces IFRS 4, which currently permits a wide variety of practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.
- **Amendments to IAS 1, Presentation of financial statements’ on classification of liabilities;** effective date deferred until accounting periods starting not earlier than 1 January 2024. These narrow-scope amendments to IAS 1, ‘Presentation of financial statements’, clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the ‘settlement’ of a liability.

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (Cont'd)

2.4 New and Amended Turkish Financial Reporting Standards (cont'd)

b) Standards, amendments and interpretations that are issued but not effective as at 31 December 2021:

- **A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16;** effective from Annual periods beginning on or after 1 January 2022.
 - **Amendments to IFRS 3,** ‘Business combinations’ update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.
 - **Amendments to IAS 16,** ‘Property, plant and equipment’ prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.
 - **Amendments to IAS 37,** ‘Provisions, contingent liabilities and contingent assets’ specify which costs a company includes when assessing whether a contract will be loss-making.

Annual improvements make minor amendments to IFRS 1, ‘First-time Adoption of IFRS’, IFRS 9, ‘Financial instruments’, IAS 41, ‘Agriculture’ and the Illustrative Examples accompanying IFRS 16, ‘Leases’
- **Narrow scope amendments to IAS 1,** Practice statement 2 and IAS 8; effective from annual periods beginning on or after 1 January 2023. The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.
- **Amendment to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction;** from annual periods beginning on or after 1 January 2023. These amendments require companies to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.

The Company expected that the implementation of the standards and changes will not have a significant impact on the financial statements in the next periods, and other standards, changes and interpretations are issued but not effective as of 31 December 2021 are not listed because they are not related to the Company's activities.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (Cont'd)

2.5 Summary of Significant Accounting Policies

Related Parties

A related party is a person or entity that is related to the entity that is preparing its financial statements.

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same company (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a company of which the other entity is a member).
- (ii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Revenue

Venture Fund

Revenues consist of sales of subsidiaries and / or associates, and consulting services provided to associates. Subsidiary and subsidiary sales revenue generating loss of control is recorded in the sales records. Revenues from consulting services provided to associates are recorded on the date of service.

Purchasing costs are recorded in the cost of sales when these investments are sold. Income and expenses arising from the valuation of venture capital investments at the reporting date are followed in the income and expenses account from main operations. The valuation of financial investments traded at the stock exchange as of the reporting dates and the gains and losses arising from purchases and sales are recorded from the main activities to other income and expenses.

Dividend and interest income

Dividend income from investments is recognized when the shareholder's right to receive payment has been established.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Property, Plant and Equipment

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

Depreciation is recognized so as to write off the cost or valuation of assets under construction, less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

Intangible Assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses

Financial Instruments

Financial Assets

The Company classifies its financial assets as (a) Business model used for managing financial assets, (b) financial assets subsequently measured at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss based on the characteristics of contractual cash flows. The Company reclassifies all financial assets effected from the change in the business model it uses for the management of financial assets. The reclassification of financial assets is applied prospectively from the reclassification date. In such cases, no adjustment is made to gains, losses (including any gains or losses of impairment) or interest previously recognized in the financial statements.

Classification of financial assets

Financial assets that satisfy the following requirements are subsequently measured at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 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.

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies

Financial Instruments (Cont'd)

Financial Assets

Classification of financial assets

Financial assets that meet the following conditions are measured at fair value through other comprehensive income:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- 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.

Financial assets measured at fair value through profit or loss, are assets that are not measured at amortised cost or at fair value through other comprehensive income. Gains and losses on valuation of these financial assets are accounted for under the statement of income.

The Company may make an irrevocable preference for the subsequent changes to the fair value of its investment in the equity instruments held for the first time in its presentation in the financial statements for the purpose of presentation to the other comprehensive income

(i) Amortised cost and effective interest method

Interest income on financial assets carried at amortized cost is calculated using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset:

(a) Credit-impaired financial assets when purchased or generated. For such financial assets, the Company applies the effective interest rate on the amortized cost of a financial asset based on the loan from the date of the recognition in the financial statements.

(b) Non-financial assets that are impaired at the time of acquisition or generation but subsequently become a financial asset that has been impaired. For such financial assets, the Company applies the effective interest rate to the amortized cost of the asset in the subsequent reporting periods.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI.

Interest income is recognised in profit or loss and is included in the “finance income – interest income” line item.

Dividends obtained from equity instruments are accounted in profit or loss in accordance with TFRS 9, unless they are part of the recovery of part of the investment cost

(ii) Financial assets at fair value through profit or loss

Financial assets that do not meet the criteria for FVTOCI or at amortized costs are deemed as financial assets at fair value through profit or loss.

Financial assets at fair value through profit or loss are measured at fair value at the end of each period and all fair value changes are recognized in profit or loss unless they are part of the hedging transaction.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial assets (cont'd)

Impairment of financial assets

The Company allocates the provision for impairment losses on assets, contracts arising from agreements with customers, and expected credit losses on financial collateral agreements in the financial statements if the provision has significant amount. The expected amount of credit loss is updated in the reporting period to reflect changes in credit risk since the financial asset has been recognized for the first time.

The Company utilizes a simplified approach to assets and receivables arising from contracts with customers, which are not material financing elements, and calculates the impairment provisions as a percentage of the expected credit losses over the life of the related financial assets.

For all other financial instruments, the Company recognizes expected credit losses for a lifetime if there has been a significant increase in credit risk since initial recognition. However, if the credit risk of the financial instrument has not increased significantly since the initial recognition, the Company recognizes the loss provision for the expected 12-month loan loss amount for that financial instrument.

Measurement and accounting of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Financial Assets (cont'd)

Finansal liabilities

Financial liabilities are classified as at fair value through profit and loss on initial recognition. On initial recognition of liabilities other than those that are recognised at fair value through profit and loss, transaction costs directly attributable to the acquisition or issuance therefore are also recognised in the fair value.

A financial liability is subsequently classified at amortized cost except:

- (a) Financial liabilities at FVTPL: These liabilities including derivative instruments are subsequently measured at fair value.
- (b) Financial liabilities arising if the transfer of the financial asset does not meet the conditions of derecognition from the financial statements or if the ongoing relationship approach is applied: When the Company continues to present an asset based on the ongoing relationship approach, a liability in relation to this is also recognised in the financial statements. The transferred asset and the related liability are measured to reflect the rights and liabilities that the Company continues to hold. The transferred liability is measured in the same manner as the net book value of the transferred asset.
- (c) A contingent consideration recognized in the financial statements by the entity acquired in a business combination where TFRS 3 is applied: After initial recognition, the related contingent consideration is measured as at FVTPL.

The Company did not reclassify any financial liability as a result of the above accounting policy.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Loans and Receivables

Commercial and other receivables and loans with fixed and determinable payments that are not quoted in the market are classified in this category. Loans and receivables (trade and other receivables, bank balances, cash and others) are carried at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate method unless the effect of rediscount is significant.

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Effects of Exchange Rates

Foreign Currency Balances and Transactions

The individual financial statements of the Company are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The results and financial position of each entity are expressed in TL, which is the functional currency of the Company, and the presentation currency for the financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than TL (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise.

Earnings per Share

Earnings per share disclosed in the statement of comprehensive income are determined by dividing net earnings by the weighted average number of shares that have been outstanding during the related period.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings on equity items. Such kind of bonus shares are taken into consideration in the computation of earnings per share as issued share certificates. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the period has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the year in which they were issued and each earlier year.

Events After the Reporting Period

Events after the reporting period are those events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information. The Company adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date.

Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Corporate Taxes

The Company benefits from the gain exemption under Article 5/1-d of the Corporate Tax Law. Accordingly, the Company's earnings are exempt from corporate tax.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.5 Summary of Significant Accounting Policies (cont'd)

Employee Benefits

Termination and retirement benefits:

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Company. Such payments are considered as being part of defined retirement benefit plan as per TAS 19 (Revised) Employee Benefits ("TAS 19").

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation. Determined actuarial gains and losses are recognized in profit and loss due to not material.

Statement of Cash Flow

Cash flows related to current period classifies and reports as operating, investing and financing.

Capital and Dividends

Ordinary shares are classified as equity. Dividends on ordinary shares are recognized in equity in the period in which the dividend is decided.

2.6 Comparative Information and Restatement of Financial Statements of of Prior Period

Financial statements of the Company have been prepared comparatively with the prior period in order to give information about financial position and performance. In order to maintain consistency with current year financial statements, comparative information is reclassified and significant changes are disclosed if necessary.

In the current year, the Company does not have any significant classifications for the prior year.

2.7 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

Critical judgments in applying the Company's accounting policies

In the process of applying accounting policies mentioned Note.2.5, the management has made the following comments, which have a significant effect on the amounts recognized in the financial statements:

The calculation of the fair values of the financial investments

The fair value of the Company's financial assets, that are classified as fair value through profit or loss, has been determined by independent valuation which are held in Pamukova Elektrik Üretimi A.Ş. In the independent valuation, adjusted net asset, discounted cash flows ("DCF"), and market multiples ("equivalence value") have been used together or separately as deemed appropriate by the valuation expert. The fair values of the investments have been calculated by using the weighted average of the fair values calculated according to different methods. For the fair value calculation of Pamukova Elektrik Üretim A.Ş., sum of the parts method is used and an adjusted net asset value is calculated. Subsidiaries and investments measured at cost in the unaudited financial statements of Pamukova Elektrik Üretim A.Ş. as at 31 December 2021 have been adjusted to reflect their fair values along with the other adjustments in assets and liabilities and the fair value of the adjusted net asset value for Pamukova Elektrik Üretim A.Ş. is calculated. Pamukova Elektrik Üretim A.Ş. has one subsidiary (Pamel Yenilenebilir Elektrik Üretim A.Ş.) and one associate (Enda Enerji Holding A.Ş.).

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS (cont'd)

2.7 Critical Accounting Judgments and Key Sources of Estimation Uncertainty (cont'd)

The calculation of the fair values of the financial investments (cont'd)

The fair value of the Company's financial assets, that are classified as fair value through profit or loss, has been determined by independent valuation which are held in Vektora Yazılım Teknolojileri A.Ş. In this valuation, discounted cash flows ("DCF") and market multiples ("equivalence value") have been used together or separately as deemed appropriate by the valuation expert.

The fair value of the Company's financial assets, that are classified as fair value through profit or loss, has been determined by independent valuation which are held in Mavi Hospital Sağlık Hizmetleri A.Ş. In this valuation, discounted cash flows ("DCF") and market multiples ("equivalence value") have been used together or separately as deemed appropriate by the valuation expert.

The fair value of the Company's financial assets, that are classified as fair value through profit or loss, has been determined by independent valuation which are held in Golive Yazılım Hizmetleri A.Ş. In this valuation, discounted cash flows ("DCF") and market multiples ("equivalence value") have been used together or separately as deemed appropriate by the valuation expert.

3. RELATED PARTY DISCLOSURES

Related company balances are as follows:

<u>Other payables to related parties</u>	<u>31 December 2021</u>	<u>31 December 2020</u>
	<u>Long term</u>	<u>Short term</u>
Verusa Holding A.Ş. (*)	24,404,907	12,028,512
	<u>24,404,907</u>	<u>12,028,512</u>

(*) Long term payables to related parties consist of financial liabilities to Verusa Holding and it is discounted by 23.61% (Note 18).

The transactions between the Company and its related parties are as follows:

<u>Rediscount income</u>	<u>1 January - 31 December 2021</u>	<u>1 January - 31 December 2020</u>
	Verusa Holding A.Ş.	24,473,409

<u>Interest income / (expense)</u>	<u>1 January - 31 December 2021</u>	<u>1 January - 31 December 2020</u>
	Verusa Holding A.Ş.	(10,219,804)
Pamukova Elektrik Üretim A.Ş.	-	602,512
	<u>(10,219,804)</u>	<u>454,001</u>

<u>Other income</u>	<u>1 January - 31 December 2021</u>	<u>1 January - 31 December 2020</u>
	Pamukova Elektrik Üretim A.Ş.	79,895

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

3. RELATED PARTY DISCLOSURES (cont'd)

The detail of compensation of key management personnel in the current year is as follows:

	1 January- 31 December 2021	1 January- 31 December 2020
Fees and other short-term benefits	1,431,644	1,386,378

The Company has determined the key management team as general manager, board members and independent board members. The compensation of key management personnel consist of payments to board members and general manager salary.

4. TRADE RECEIVABLES AND PAYABLES

	31 December 2021	31 December 2020
<u>Current Trade Payables</u>		
Trade Payables	701	1,008
	701	1,008

There are no trade receivables.

5. OTHER RECEIVABLES

	31 December 2021	31 December 2020
<u>Current Other Receivables</u>		
Deposits and guarantees given	220,618	124,789
Other various receivables	39,137	40,177
	259,755	164,966

6. OTHER ASSETS AND LIABILITIES

	31 December 2021	31 December 2020
<u>Other Current Assets</u>		
VAT carried forward	515,014	470,910
Advances given	10,000	-
Other	1,593	8,087
	526,607	478,997
<u>Other Current Liabilities</u>		
Taxes and Dues Payable	82,135	53,901
Advance received	-	2,679
	82,135	56,580

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

7. COMMITMENTS

As of 31 December 2021, there are no guarantees, pledges and mortgages given (31 December 2020 : None).

8. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

As of 31 December 2021, there are no lawsuits, provisions, contingent assets and liabilities (31 December 2020 : None).

9. EMPLOYEE BENEFITS

	<u>31 December 2021</u>	<u>31 December 2020</u>
Social security premiums paid	33,720	21,487
Payables to personnel	5,500	-
	<u>39,220</u>	<u>21,487</u>

10. SHARE CAPITAL, LEGAL RESERVES AND OTHER EQUITY ITEMS

a) Capital / Mutual Participation Capital Adjustment

The share capital held is as follows:

<u>Shareholders</u>	<u>%</u>	<u>31 December 2021</u>	<u>%</u>	<u>31 December 2020</u>
Verusa Holding A.Ş.	57.69	30,000,000	72.00	37,440,000
Investco Holding A.Ş.	5.14	2,672,800	-	-
Public Shares	37.17	19,327,200	28.00	14,560,000
Authorized Capital	100	52,000,000	100	52,000,000

The Company has been 250,000,000 TL Registered Capital Ceiling and its issued capital is TL 52,000,000 (31 December 2020: 250,000,000 TL Registered Capital Ceiling, issued capital TL 52,000,000). The shares representing the Company's issued capital are separated into A and B groups; both share groups are registered. In the current capital, there are 4,066,072 (31 December 2020: 4,066,072 shares) of Group A shares and 47,933,928 (31 December 2020: 47,933,928) shares of Group B shares. Group A shares have the privilege to nominate two thirds of the members of the Board of Directors. Group B shares do not have any privileges.

b) Restricted reserves

	<u>31 December 2021</u>	<u>31 December 2020</u>
Legal reserves	7,355,087	6,173,242

Legal reserves of the Company, classified within accumulated profits, are TL 7,355,087 as of 31 December 2021 (31 December 2020: TL 6,173,242).

The Company, reserves 5% of the historical statutory profit as first legal reserve, until the total reserve reaches 20% of the historical paid in share capital. The other legal reserve is appropriated at the rate of 10% per annum of all cash dividend distributions after the payment of dividends to the shareholders at a rate of 5%. According to Turkish Commercial Law, general legal reserves can only be used if it does not exceed the capital or issued capital for close the losses, continue the business when business is not going well or end the unemployment and to take suitable precautions to reduce the results of unemployment.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

10. SHARE CAPITAL, LEGAL RESERVES AND OTHER EQUITY ITEMS (cont'd)

c) Share Premium

At the initial public offering of the Company, the share capital of the Company with a nominal value of TL 14,050,000 was increased from TL 37,950,000 to TL 52,000,000. As a result of the sale of 1TL nominal value shares with 2.36 TL premium value, a net share issuance premium of TL 17,826,859 has been generated.

d) Dividend

At the General Assembly meeting of the Company on 16 July 2021, it was decided to distribute a dividend of 2,600,000 TL and dividend payments were made on 30 July 2021 (31 December 2020: 6,240,000 TL).

11. REVENUE

None.

12. GENERAL ADMINISTRATIVE EXPENSES

<u>General Administrative Expenses</u>	<u>1 January - 31 December 2021</u>	<u>1 January - 31 December 2020</u>
Payroll expenses	(2,911,561)	(2,269,314)
Rent expenses	(515,901)	(476,754)
Services rendered from third parties	(196,871)	(240,656)
Taxes, dues and charges	(12,315)	(6,335)
Depreciation and amortization expenses	(6,889)	(7,877)
Other expenses	(225,574)	(173,920)
	<u>(3,869,111)</u>	<u>(3,174,856)</u>

13. EXPENSES BY NATURE

<u>General Administrative Expenses</u>	<u>1 January - 31 December 2021</u>	<u>1 January - 31 December 2020</u>
Payroll expenses	(2,911,561)	(2,269,314)
Rent expenses	(515,901)	(476,754)
Services rendered from third parties	(196,871)	(240,656)
Taxes, dues and charges	(12,315)	(6,335)
Depreciation and amortization expenses	(6,889)	(7,877)
Other expenses	(225,574)	(173,920)
	<u>(3,869,111)</u>	<u>(3,174,856)</u>

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

14. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

Other income from operating activities	1 January - 31 December 2021	1 January - 31 December 2020
Gain on revaluation on financial investments	1,136,351,910	173,220,611
Rediscount income	24,473,409	-
Interest income from related parties (Note 3)	-	602,512
Gain on purchase-sale of financial investments	5,134,435	2,710,702
Interest income from third parties	685,517	5,246,053
Foreign exchange gain from operations	95,833	3,744,407
Other income	134,778	124,451
	1,166,875,882	185,648,736
Other expenses from operating activities	1 January - 31 December 2021	1 January - 31 December 2020
Foreign exchange loss from operations	(49)	-
Other expenses	(111,196)	(490,431)
	(111,245)	(490,431)

(*) The details of gain on revaluation on financial investments and gain / (loss) on purchase-sale of financial investments are as follows :

	1 January - 31 December 2021	1 January - 31 December 2020
Pamukova Elektrik Üretim A.Ş.	979,627,278	173,220,611
Vektora Yazılım Teknolojileri A.Ş.	78,907,160	-
Mavi Hospital Sağlık Hizmetleri A.Ş.	45,163,090	-
Golive Yazılım Hizmetleri A.Ş.	32,654,382	-
Other, net	5,134,435	2,710,702
	1,141,486,345	175,931,313

15. FINANCIAL EXPENSES

	1 January - 31 December 2021	1 January - 31 December 2020
Interest expense to related parties	(10,219,804)	-
Interest expense	(3,142)	(161,910)
Commision expense	(135,175)	(82,149)
	(10,358,121)	(244,059)

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

16. EARNING PER SHARE

	1 January - 31 December 2021	1 January - 31 December 2020
Earning per share		
Number of share	52,000,000	52,000,000
Profit for the year	1,152,537,405	181,739,390
Earning per share	22.16	3.49

17. FINANCIAL INSTRUMENTS**Financial Investments**

<u>Current financial investments</u>	<u>31 December 2021</u>	<u>31 December 2020</u>
Financial assets at fair value through profit or loss	1,536,928,921	372,027,011
	<u>31 December 2021</u>	<u>31 December 2020</u>
<u>Shares</u>		
Shares not-traded on stock exchange	1,536,928,921	372,027,011
	<u>1,536,928,921</u>	<u>372,027,011</u>

Financial Investments With Fair Value Differences On Profit / Loss

Financial Investments Type	Share Rate %	31 December 2021	Share Rate %	31 December 2020
<u>Shares not traded on stock exchange</u>		1,536,928,921		372,027,011
Pamukova Elektrik Üretim A.Ş. (1)	51	1,277,026,226	51	297,398,948
Core Engage Yazılım A.Ş. (2)	50	2,800,000	50	2,500,000
Golive Yazılım Hizmetleri A.Ş. (3)	25	56,282,445	25	23,628,063
Mavi Hospital Sağlık Hizmetleri A.Ş. (4)	50	69,163,090	50	24,000,000
Kahve Diyarı Pazarlama Sanayi ve Ticaret A.Ş. (5)	50	15,500,000	50	15,500,000
Probel Yazılım ve Bilişim Sistemleri A.Ş. (6)	10	9,000,000	10	9,000,000
Vektora Yazılım Teknolojileri A.Ş. (7)	60	107,157,160		-
		<u>1,536,928,921</u>		<u>372,027,011</u>

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

17. FINANCIAL INSTRUMENTS (cont'd)

Financial Investments With Fair Value Differences On Profit / Loss (cont'd)

(1) The fair value of Pamukova Elektrik Üretim A.Ş., which the Company has classified as venture capital investment, the fair value of which is reflected in profit / loss, is 1.277,026,226 TL, and is calculated based on the values in the independent valuation.

Pamel Yenilenebilir Elektrik Üretim A.Ş. merged with Tortum Elektrik Üretim A.Ş. which is a 100% subsidiary of Pamukova Elektrik Üretim A.Ş. on 31 March 2021. As a result of the merger, the issued capital of Pamel Yenilenebilir Elektrik Üretim A.Ş. increased from 17,000,000 TL to 31,095,331 TL.

(2) Core Engage Yazılım A.Ş. was established on 24 July 2020 with 5,000,000 TL capital, 50% of which belongs to the Company in order to operate in the field of software services and digital game software.

(3) The fair value of Golive Yazılım Hizmetleri A.Ş., which the Company has classified as venture capital investment, the fair value of which is reflected in profit / loss, is 56,282,445 TL, and is calculated based on the values in the independent valuation.

(4) The fair value of Mavi Hospital Sağlık Hizmetleri A.Ş., which the Company has classified as venture capital investment, the fair value of which is reflected in profit / loss, is 69,163,090 TL, and is calculated based on the values in the independent valuation.

(5) The Company has become a shareholder to Kahve Diyarı Pazarlama Sanayi ve Ticaret A.Ş. by paying 15,500,000 TL to 50% unlisted share on 11 December 2020 through a capital increase.

(6) The Company has become a shareholder to Probel Bilgisayar Yazılım Sanayi ve Ticaret A.Ş. by paying 9,000,000 TL to 10% unlisted share on 24 December 2020 through a capital increase.

(7) The Company has become a shareholder to Vektora Yazılım Teknolojileri A.Ş., by paying a total of 28,250,000 TL to 60% unlisted share %35 with a dedicated capital increase method and %25 with the share purchase method from the existing shareholder on 11 January 2021. The fair value of Vektora Yazılım Teknolojileri A.Ş., which the Company has classified as venture capital investment, the fair value of which is reflected in profit / loss, is 107,157,160 TL, and is calculated based on the values in the independent valuation.

18. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Foreign currency risk management

Transactions denominated in foreign currencies result in foreign currency risk.

The Company is exposed to currency risk due to the volatility of the exchange rate used in the conversion of foreign currency denominated assets and liabilities into Turkish Lira. Exchange risk is caused by the recorded assets and liabilities and future commercial transactions. In this framework, the Company controls this risk through a natural method of offsetting foreign currency assets and liabilities. The management analyzes the foreign exchange position of the Company and ensures that measures are taken where necessary.

The breakdown of the Company's monetary and non-monetary assets and monetary and non-monetary liabilities in foreign currencies is as follows:

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

18. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Foreign currency risk management (cont'd)

	31 December 2021	
	TL Equivalent (Functional Currency)	US Dollar
1. Trade Receivables	-	-
2a. Monetary Financial Assets	226,593	17,000
2b. Non-monetary Financial Assets	-	-
3. Other	-	-
4. Current assets	226,593	17,000
5. Trade Receivables	-	-
6a. Monetary Financial Assets	-	-
6b. Non-monetary Financial Assets	-	-
7. Other	-	-
8. Non-current assets	-	-
9. TOTAL ASSETS	226,593	17,000
10. Payables	-	-
11. Financial Liabilities	-	-
12a. Monetary Other Liabilities	-	-
12b. Non-Monetary Other Liabilities	-	-
13. Current Liabilities	-	-
14. Payables	-	-
15. Financial Liabilities	-	-
16a. Monetary Other Liabilities	-	-
16b. Non-Monetary Other Liabilities	-	-
17. Non-current Liabilities	-	-
18. TOTAL LIABILITES	-	-
19. Off-balance Sheet Derivative Instruments		
Net Asset/Liability Position (19a-19b)	-	-
19.a Amount of active foreign derivative currency off-balance sheet	-	-
19.b. Amount of passive foreign derivative currency off-balance sheet	-	-
20. Net Foreign Currency Assets/Liabilities Position	226,593	17,000
21. Monetary Items Net Foreign Currency Assets / Liabilities (1+2a+5+6a-10-11-12a-14-15-16a)	226,593	17,000
22. Total fair value of financial instruments used for foreign currency hedge	-	-
23. Amount of hedged portion of foreign currency assets	-	-
24. Amount of hedged portion of foreign exchange liabilities	-	-

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

18. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Foreign currency risk management (cont'd)

	31 December 2020	
	TL Equivalent (Functional Currency)	US Dollar
1. Trade Receivables	-	-
2a. Monetary Financial Assets	124,789	17,000
2b. Non-monetary Financial Assets	-	-
3. Other	-	-
4. Current assets	124,789	17,000
5. Trade Receivables	-	-
6a. Monetary Financial Assets	-	-
6b. Non-monetary Financial Assets	-	-
7. Other	-	-
8. Non-current assets	-	-
9. TOTAL ASSETS	124,789	17,000
10. Payables	-	-
11. Financial Liabilities	-	-
12a. Monetary Other Liabilities	-	-
12b. Non-Monetary Other Liabilities	-	-
13. Current Liabilities	-	-
14. Payables	-	-
15. Financial Liabilities	-	-
16a. Monetary Other Liabilities	-	-
16b. Non-Monetary Other Liabilities	-	-
17. Non-current Liabilities	-	-
18. TOTAL LIABILITES	-	-
19. Off-balance Sheet Derivative Instruments		
Net Asset/Liability Position (19a-19b)	-	-
19.a Amount of active foreign derivative currency		
off-balance sheet	-	-
19.b. Amount of passive foreign derivative currency		
off-balance sheet	-	-
20. Net Foreign Currency Assets/Liabilities Position (9-18+19)	124,789	17,000
21. Monetary Items Net Foreign Currency Assets /		
Liabilities (1+2a+5+6a-10-11-12a-14-15-16a)	124,789	17,000
22. Total fair value of financial instruments used		
for foreign currency hedge	-	-
23. Amount of hedged portion of foreign currency assets	-	-
24. Amount of hedged portion of foreign exchange liabilities	-	-

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

18. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Foreign currency risk management (cont'd)

Foreign currency sensitivity analysis

The Company is exposed to foreign currency risk in US Dollars.

The following table details the Company's sensitivity to a 20% increase and decrease in US Dollar against TL. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 20% change in foreign currency rates. A positive number below indicates an increase in profit or equity.

	31 December 2021	
	Profit / Loss	
	Revaluation of foreign currency	Depreciation of foreign currency
In case of a 20% increase in US Dollar against TL		
1 - US Dollar net asset / liability	45,319	(45,319)
2- US Dollar risk hedged (-)	-	-
3- US Dollar Net Effect (1 +2)	45,319	(45,319)
Total	45,319	(45,319)

	31 December 2020	
	Profit / Loss	
	Revaluation of foreign currency	Depreciation of foreign currency
In case of a 20% increase in US Dollar against TL		
1 - US Dollar net asset / liability	24,958	(24,958)
2- US Dollar risk hedged (-)	-	-
3- US Dollar Net Effect (1 +2)	24,958	(24,958)
Total	24,958	(24,958)

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

18. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Capital Risk Management

The Company manages its capital to ensure that entities in the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The Company's risk management committee reviews the capital structure of the Company collectively on a semiannual basis. As a part of this review, the committee considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the committee, the Company will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

Financial Risk Factors

The Company's activities expose it to a variety of financial risks including interest rate risk, liquidity risk, currency risk and credit risk. The Company's risk management programme generally focuses on uncertainty in financial markets and minimizing potential negative effects on Company's financial performance.

Risk management, is conducted by a treasury department with some politic approved by the board of management. Treasury department of the Company defines and evaluates the financial risk, and by working with the operation units they use tools to decrease the risk. Board of management generates a written procedure about foreign exchange risk, interest rate risk, loan risk, how to use derivative instruments and other non-derivative financial instruments, and how to evaluate excess liquidity or a general legislation about risc management.

Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Company, aiming to decrease credit risk by transacting only with parties who has credit assurance and where possible, obtaining sufficient gurantee.

Details of credit risk by class of financial instruments

31 December 2021	Trade Receivables		Other Receivables		Deposit in banks
	Related Party	Other	Related Party	Other	
Maximum credit risk exposed as of balance sheet date	-	-	-	259,755	844,175
A. Net book value of financial assets that are neither past due nor impaired	-	-	-	259,755	844,175

Details of credit risk by class of financial instruments

31 December 2020	Trade Receivables		Other Receivables		Deposit in banks
	Related Party	Other	Related Party	Other	
Maximum credit risk exposed as of balance sheet date	-	-	-	164,966	3,316,138
A. Net book value of financial assets that are neither past due nor impaired	-	-	-	164,966	3,316,138

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

18. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS (cont'd)

Liquidity risk

Conservative liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Company aims maintaining flexibility in funding by keeping committed credit lines available.

As of 31 December 2021 and 2020, cash flows of financial liabilities based on contractual maturities are as follows:

31 December 2021	Total Contracted					
	Carrying value	Cash Outflows (I+II)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	5 years + (IV)
Non-derivative financial liabilities						
Other payables to related parties	24,404,907	48,878,316	-	-	48,878,316	-
Trade payables	701	701	701	-	-	-
Payables related to employee benefits	39,220	39,220	39,220	-	-	-
Total liabilities	24,444,828	48,918,237	39,921	-	48,878,316	-

31 December 2020	Total Contracted					
	Carrying value	Cash Outflows (I+II)	Less than 3 months (I)	3 to 12 months (II)	1 to 5 years (III)	5 years + (IV)
Non-derivative financial liabilities						
Other payables to related parties	12,028,512	12,028,512	-	12,028,512	-	-
Trade payables	1,008	1,008	1,008	-	-	-
Payables related to employee benefits	21,487	21,487	21,487	-	-	-
Total liabilities	12,051,007	12,051,007	22,495	12,028,512	-	-

19. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES)

The fair values of financial assets

The fair values of financial assets and financial liabilities are determined and grouped as follows:

- Level 1: the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- Level 2: the fair value of other 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; and
- Level 3: the fair value of the financial assets and financial liabilities are determined where there is no observable market data.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

19. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES) (Cont'd)

Financial Assets

The fair values of balances denominated in foreign currencies, which are converted at period-end exchange rates, are considered to approximate their carrying values.

The fair values of financial assets carried at cost, including cash and bank deposits, are considered to approximate their carrying values due to their short-term nature and negligible credit losses. The fair values of financial investments are estimated based on market prices at the balance sheet date.

Trade receivables are valued at amortized cost using the effective interest method and are considered to approximate their fair values including the related provisions for doubtful receivables.

Financial Liabilities

The fair value of bank borrowings and other monetary liabilities is considered to approximate their carrying value

Long-term loans denominated in foreign currencies are converted at period-end exchange rates and accordingly their fair value approximates their carrying value.

Trade payables are valued at amortized cost using the effective interest method and are thus considered to approximate their fair values.

Fair value hierarchy of financial assets and liabilities that are measured at fair value:

The Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

19. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES) (cont'd)

Fair value hierarchy of financial assets and liabilities that are measured at fair value (cont'd)

Financial Assets	Fair Value		Fair Value Hierarchy	Valuation Techniques	Significant observable inputs	Relationship of observable inputs to fair value
	31 December 2021	31 December 2020				
Shares not traded on the stock exchange	1,277,026,226	297,398,948	Level 3	Net Asset Value, Equivalence Value and Discounted Cash Flow	<p>Pamukova Elektrik Üretim A.Ş.:</p> <p>Total value was found using different valuation techniques at different rates. While calculating the fair value of Enda which is a subsidiary of Pamukova Elektrik Üretim A.Ş., market multipliers and discounted cash flow value are weighted.</p> <p>Considering the equivalent value method, 10% liquidity discounts have been applied with weighted average EBITDA multipliers of similar publicly traded companies.</p> <p>Considering the income approach, the weighted average capital cost, which is calculated between 8.30% and 11.3% in US Dollars, is used for each of the subsidiaries and affiliates subject to the appraisal study. Due to the fact that the power plants are included in the scope of Yekdem together with the amount of production, the fixed electricity sales prices were estimated during the Yekdem period.</p> <p>The expiration years of the power plants are between 2044 and 2057 and the YEKDEM expiration years are between 2020 and 2026.</p> <p>The fair value of Pamel Yenilenebilir Elektrik Üretim A.Ş. has been calculated over the year end listed transaction closing value. Pamel Yenilenebilir Elektrik Üretim A.Ş. merged with Tortum Elektrik Üretim A.Ş. which is a 100% subsidiary of Pamukova Elektrik Üretim A.Ş. on 31 March 2021. As a result of the merger, the issued capital of Pamel Yenilenebilir Elektrik Üretim A.Ş. increased from 17,000,000 TL to 31,095,331 TL and the share rate is 79.07 % as of 31 December 2021.</p>	<p>The fair value decreases when the liquidity rate increases.</p> <p>As the weighted average cost of capital increases, the fair value decreases.</p>
Shares not traded on the stock exchange	107,157,160	-	Level 3	Equivalence Value and Discounted Cash Flow	<p>Vektora Yazılım Teknolojileri A.Ş.:</p> <p>Total value was found using different valuation techniques at different rates.</p> <p>Considering the equivalent value method, 30% liquidity discounts have been applied by using multipliers of similar publicly traded companies.</p> <p>Considering the income approach, the weighted average capital cost is calculated as 30.2% in TL.</p>	<p>The fair value decreases when the liquidity rate increases.</p> <p>As the weighted average cost of capital increases, the fair value decreases.</p>
Shares not traded on the stock exchange	69,163,090	24,000,000	Level 3	Equivalence Value and Discounted Cash Flow (2020: Purchase Value)	<p>Mavi Hospital Sağlık Hizmetleri A.Ş.:</p> <p>Total value was found using different valuation techniques at different rates.</p> <p>Considering the equivalent value method, 20% liquidity discounts have been applied by using multipliers of similar publicly traded companies.</p> <p>Considering the income approach, the weighted average capital cost is calculated as 27.8% in TL.</p>	<p>The fair value decreases when the liquidity rate increases.</p> <p>As the weighted average cost of capital increases, the fair value decreases.</p>
Shares not traded on the stock exchange	56,282,445	23,628,063	Level 3	Equivalence Value and Discounted Cash Flow (2020: Purchase Value)	<p>Golive Yazılım Hizmetleri A.Ş.:</p> <p>Total value was found using different valuation techniques at different rates.</p> <p>Considering the equivalent value method, 30% liquidity discounts have been applied by using multipliers of similar publicly traded companies.</p> <p>Considering the income approach, the weighted average capital cost is calculated as 29.79% in TL.</p>	<p>The fair value decreases when the liquidity rate increases.</p> <p>As the weighted average cost of capital increases, the fair value decreases.</p>
Shares not traded on the stock exchange	27,300,000	27,000,000	Level 3	Purchase Value	Considering the change in the fair market value and the amount in the financial statements, it is indicated by the purchase value	

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

19. FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES) (cont'd)

Fair value hierarchy of financial assets and liabilities that are measured at fair value (cont'd)

First level financial assets at fair value through profit or loss	1 January - 31 December 2021	1 January - 31 December 2020
	Trading purpose	
Opening balance, 1 January	-	11,551,480
Total gain/loss		
- charged to profit/loss	5,134,435	-
Additions	222,606,404	-
Sales	(227,740,839)	(11,551,480)
Closing balance, 31 December	-	-

Third level financial assets at fair value through profit or loss	1 January - 31 December 2021	1 January - 31 December 2020
	Trading purpose	
Opening balance, 1 January	372,027,011	124,178,337
Total gain/loss		
- charged to profit/loss	1,136,351,910	173,220,611
Capital increase	-	440,563
Additions	28,550,000	74,187,500
Closing balance, 31 December	1,536,928,921	372,027,011

Fair value at Financial Instruments

31 December 2021	Loans and receivables (including cash and cash equivalents)	Financial liabilities at amortized costs	Financial assets through profit and loss	Carrying value	Note
	<u>Financial Assets</u>				
Cash and Cash Equivalents	873,521	-	-	873,521	20
Financial Investments	-	-	1,536,928,921	1,536,928,921	17
Other Receivables	259,755	-	-	259,755	5
<u>Financial Liabilities</u>					
Trade Payables	-	701	-	701	4
31 December 2020	Loans and receivables (including cash and cash equivalents)	Financial assets	Financial liabilities at amortized costs	Carrying value	Note
<u>Financial Assets</u>					
Cash and Cash Equivalents	3,344,460	-	-	3,344,460	20
Financial Investments	-	-	372,027,011	372,027,011	17
Other Receivables	164,966	-	-	164,966	5
<u>Financial Liabilities</u>					
Trade Payables	-	1,008	-	1,008	4

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

20. NOTES ON STATEMENT OF CASH FLOWS

	31 December 2021	31 December 2020
Cash	4,429	6,098
Cash at Banks	844,175	3,316,138
<i>Demand Deposit</i>	44,175	256,138
<i>Time Deposit</i>	800,000	3,060,000
Other cash equivalents	24,917	22,224
	873,521	3,344,460

Foreign Currency Type	Interest Rate (%)	Due Date	Original Amount	31 December 2021
TL	20.5	January 2022	800,000	800,000
				800,000

Foreign Currency Type	Interest Rate (%)	Due Date	Original Amount	31 December 2020
TL	11.9 - 19	January 2021	3,060,000	3,060,000
				3,060,000

21. FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR'S

Information regarding the fees for the services received from the independent audit firms, in accordance with the letter of POA dated 19 August 2021 that was prepared considering the Board Decision published in the Official Gazette on 30 March 2021, is as follows. The independent audit fee for the reporting period is 121,000 TL (31 December 2020: 95,100 TL). There is no service other than the audit received from the independent audit firm.

22. EVENTS AFTER REPORTING PERIOD

None noted.

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

22. ADDITIONAL NOTE: CONTROL OF COMPLIANCE WITH PORTFOLIO LIMITATIONS, FINANCIAL DEBT AND TOTAL EXPENSES

ADDITIONAL NOTES: PORTFOLIO LIMITATIONS, FINANCIAL LIABILITIES AND TOTAL EXPENSES				
	Individual Financial Statement Main Account Items	Related Regulation in the Com	Current Period (TL) 31 December 2021	Prior Period (TL) 31 December 2020
A	Money and Capital Market Instruments	Md.20/1 – (b)	869,092	3,338,362
B	Venture Capital Investments	Md.20/1 – (a)	1,536,928,921	372,027,011
C	Subsidiaries in Portfolio Management Company and Consultancy Company	Md.20/1 – (d) ve (e)	-	-
D	Other Assets		847,423	847,635
E	Partnership Net Assets	Md.3/1-(a)	1,538,645,436	376,213,008
F	Financial Liabilities	Md.29	-	-
G	Provisions, Contingent Assets and Liabilities (Pledges, Guarantees and Mortgages)	Md.20/2 – (a)	-	-
H	Equity		1,513,928,759	363,991,354
I	Other liabilities		24,716,677	12,221,654
E	Total Partnership Sources	Md.3/1-(a)	1,538,645,436	376,213,008
	Individual Other Financial Informations	Related Regulation in the Com	Current Period (TL)	Current Period (TL)
A1	Investment in Capital Market Instruments and Transactions:	Md.20/1 – (b)	-	-
A2	TL and FX-Time Deposits / Private Current-Participation Account	Md.20/1 – (b)	869,092	3,338,362
B1	Collective Investment Agency	Md.21/3 – (c)	-	-
B2	Combined Debt and Capital Financing	Md.21/3 – (f)	-	-
B3	Non-Stock Shares of Publicly-held Companies	Md.21/3 – (e)	-	-
B4	Special-purpose entity	Md.21/3 – (g)	-	-
C1	Participation in Portfolio Management Company	Md.20/1 – (e)	-	-
C2	Participation in Portfolio Consultancy Company	Md.20/1 – (d)	-	-
F1	Short-term loans	Md.29/1	-	-
F2	Long -Term Loans	Md.29/1	-	-
F3	Short-Term Debt Instruments	Md.29/1	-	-
F4	Long-Term Debt Instruments	Md.29/1	-	-
F5	Other Short Term Financial Liabilities	Md.29/1	-	-
F6	Other Long Term Financial Liabilities	Md.29/1	-	-
G1	Pledge	Md.20/2 – (a)	-	-
G2	Financial Guarantee	Md.20/2 – (a)	-	-
G3	Mortgages	Md.20/2 – (a)	-	-
I	Outsourced Services Expenses	Md.26/1	196,871	240,656

VERUSATURK GİRİŞİM SERMAYESİ YATIRIM ORTAKLIĞI A.Ş.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

(Amounts expressed in Turkish Lira (TL) unless otherwise stated.)

22. ADDITIONAL NOTE: CONTROL OF COMPLIANCE WITH PORTFOLIO LIMITATIONS, FINANCIAL DEBT AND TOTAL EXPENSES (cont'd)

PORTFOLIO LIMITATIONS, FINANCIAL DEBT AND TOTAL EXPENSE LIMIT CONTROL TABLE: FOR PARTNERSHIPS SHARING					
	Portfolio Limitations	Related Regulation in the Communiqué	Current Period 31 December 2021	Prior Period 31 December 2020	Minimum Rate
1	Money and Capital Market Instruments	Md.22/1 – (b)	0.06%	0.89%	≤ %49
2	Investment in Capital Market Instruments and Transactions:	Md.22/1 – (c)			
	<i>1. Other</i>		0.00%	0.00%	≤ %10
3	Venture capital investments	Md.22/1 – (b)	99.89%	98.89%	≥ %51
4	Portfolio Management Company and Consultancy	Md.22/1 – (ç)	0.00%	0.00%	≤ %10
5	Foreign Aid Organization Established Abroad	Md.22/1 – (e)	0.00%	0.00%	≤ %49
6	Debt and Capital mix Financing	Md.22/1 – (h)	0.00%	0.00%	≤ %25
7	Non-public venture company stock shares	Md.22/1 – (f)	0.00%	0.00%	≤ %25
8	TL and FX-Time Deposits / Private Current-Participation Account	Md.22/1 – (ı)	0.06%	0.89%	≤ %20
9	Short-Term Financial Debt and Nominal Value of Debt Instruments	Md.29	0.00%	0.00%	≤ %50
10	Long-Term Financial Debt and Nominal Value of Debt Instruments	Md.29	0.00%	0.00%	≤ %200
11	Pledges, Guarantees and Mortgages	Md.22/1 – (d)	0.00%	0.00%	≤ %10
12	Outsourced Services Expenses	Md.26/1	0.01%	0.06%	≤ %2.5