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Årsredovisning

för

Yilport Nordic Terminals Investments AB

556966-3189

Räkenskapsåret

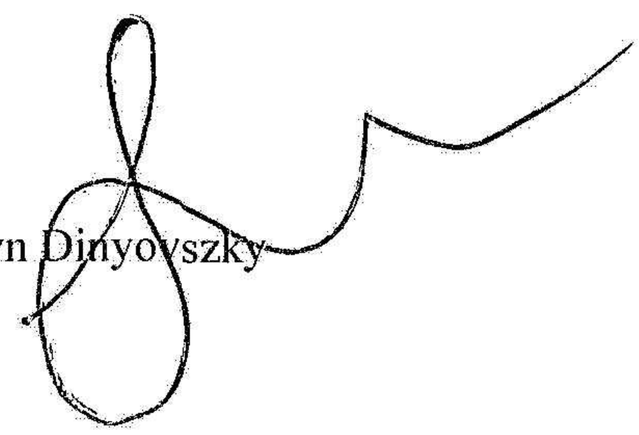
2022

Fastställelseintyg

Undertecknad verkställande direktör i Yilport Nordic Terminals Investments AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma den 30 juni 2023. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Gävle den 30 juni 2023



Eryn Dinyovszky

20230717115688

Årsredovisning

för

Yilport Nordic Terminals Investments AB

556966-3189

Räkenskapsåret

2022

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Styrelsen och verkställande direktören för Yilport Nordic Terminals Investments AB får härmed avge årsredovisning för räkenskapsåret 2022.

Årsredovisningen är upprättad i svenska kronor, SEK.

Förvaltningsberättelse

Verksamheten

Allmänt om verksamheten
Bolaget skall bedriva holdingverksamhet och därmed förenlig verksamhet. Bolaget äger samtliga aktier i Yilport Oslo Terminal Investment AS som bedriver hamnverksamhet i Oslo hamn.
Företaget har sitt säte i Stockholm.

Väsentliga händelser under räkenskapsåret
Inga väsentliga händelser finns att rapportera.

Flerårsöversikt (Tkr)	**2022**	**2021**	**2020**	**2019**
Nettoomsättning	0	0	0	0
Resultat efter finansiella poster	52 435	9 495	-27	-1
Soliditet (%)	99,9	99,9	100,0	100,0

Förändringar i eget kapital

	Aktie-kapital	**Överkursfond**	**Balanserat resultat**	**Årets resultat**	**Totalt**
Belopp vid årets ingång	1 200 000	59 643 440	30 598 466	9 494 651	**100 936 557**
Disposition enligt beslut av årsstämman:			9 494 651	-9 494 651	**0**
Utdelning			-17 109 402		**-17 109 402**
Årets resultat				52 434 880	**52 434 880**
Belopp vid årets utgång	**1 200 000**	**59 643 440**	**22 983 715**	**52 434 880**	**136 262 035**

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Resultatdisposition
Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	22 983 715
Överkursfond	59 643 440
årets vinst	52 434 880
	135 062 035

disponeras så att	
till aktieägare utdelas	17 153 520
i ny räkning överföres	117 908 515
	135 062 035

Styrelsen föreslås bemyndigas att besluta om tidpunkt då utdelningen skall betalas.

Styrelsen anser att förslaget är förenligt med försiktighetsregeln i 17 kap. 3 § aktiebolagslagen enligt följande redogörelse: Styrelsens uppfattning är att vinstutdelningen är försvarlig med hänsyn till de krav verksamhetens art, omfattning och risk ställer på storleken på det egna kapitalet, bolagets konsolideringsbehov, likviditet och ställning i övrigt.

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning med tilläggsupplysningar.

20230717115911

Resultaträkning

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Rörelsekostnader			
Övriga externa kostnader		-9 893	-124 905
Summa rörelsekostnader		**-9 893**	**-124 905**
Rörelseresultat		**-9 893**	**-124 905**
Finansiella poster			
Resultat från andelar i koncernföretag		52 068 075	9 446 542
Övriga ränteintäkter och liknande resultatposter		4 856	173 014
Räntekostnader och liknande resultatposter		371 842	0
Summa finansiella poster		**52 444 773**	**9 619 556**
Resultat efter finansiella poster		**52 434 880**	**9 494 651**
Resultat före skatt		**52 434 880**	**9 494 651**
Årets resultat		**52 434 880**	**9 494 651**

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Balansräkning

	Not	2022-12-31	2021-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Finansiella anläggningstillgångar			
Andelar i koncernföretag	2	100 481 682	100 481 682
Summa finansiella anläggningstillgångar		**100 481 682**	**100 481 682**
Summa anläggningstillgångar		**100 481 682**	**100 481 682**
Omsättningstillgångar			
Kassa och bank			
Kassa och bank		35 896 228	570 750
Summa kassa och bank		**35 896 228**	**570 750**
Summa omsättningstillgångar		**35 896 228**	**570 750**
SUMMA TILLGÅNGAR		**136 377 910**	**101 052 432**

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Balansräkning

	Not	2022-12-31	2021-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		1 200 000	1 200 000
Summa bundet eget kapital		**1 200 000**	**1 200 000**
Fritt eget kapital			
Fri överkursfond		59 643 440	59 643 440
Balanserat resultat		22 983 715	30 598 466
Årets resultat		52 434 880	9 494 651
Summa fritt eget kapital		**135 062 035**	**99 736 557**
Summa eget kapital		**136 262 035**	**100 936 557**
Kortfristiga skulder			
Skulder till koncernföretag		115 875	115 875
Summa kortfristiga skulder		**115 875**	**115 875**
SUMMA EGET KAPITAL OCH SKULDER		**136 377 910**	**101 052 432**

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Noter

Not 1 Redovisningsprinciper

Allmänna upplysningar
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd (BFNAR 2016:10) om årsredovisning i mindre företag.

Koncernförhållanden
Företaget är moderföretag men med hänvisning till undantagsreglerna i årsredovisningslagem 7 kap 2§ pt 1 upprättas ingen egen koncernredovisning. Det överordnade moderföretaget Yiport Holding AS är den minsta koncernen som bolaget tillhör och som upprättar koncernredovisning

Nyckeltalsdefinitioner
Nettoomsättning
Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter samt intäktskorrigeringar.

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Not 2 Andelar i koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	100 481 682	60 359 575
Lämnat aktieägartillskott	0	40 122 107
Utgående ackumulerade anskaffningsvärden	**100 481 682**	**100 481 682**
Utgående redovisat värde	**100 481 682**	**100 481 682**

Namn:	Antal andelar:
Yilport Oslo Terminal Investment AS	100%

Not 3 Uppgifter om moderföretag
Bolaget ägs till 87,5% av det turkiska bolaget Yilport Holding AS som driver ett flertal stora hamnar runt om i världen. Resterande 12,5% ägs av Infranode ll AB. Yilport Holding ingår i den intemationella privatägda industri-och handelskoncemen Yildirim Group, med säte i Istanbul. Koncernens årsredovisning kan laddas ner via hemsidan www.yildirimgroup.com eller begäras via mail: info@yildirimgroup.com.

20230717115935

Stockholm 2023-06-26

Özer Öz
Ordförande

Evren Öztürk

Jasper Yildirim

Niels Vallo

Martin Ekström

Eryn Dinyovszky
Verkställande direktör

B

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Stockholm 2023-06-26

Özer Öz
Ordförande

Evren Öztürk

Jasper Yildirim

Niels Vallo

Martin Ekström

Eryn Dinyovszky
Verkställande direktör

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Stockholm 2023-06-26

Özer Öz
Ordförande

Evren Öztürk

Jasper Yildirim

Niels Vallo

Martin Ekström

Eryn Dinyovszky
Verkställande direktör

20230711711598

Stockholm 2023-06-26

Özer Öz
Ordförande

Evren Öztürk

Jasper Yildirim

Niels Vallo

Martin Ekström

Eryn Dinyovszky
Verkställande direktör

Vår revisionsberättelse har lämnats 2023-06-30

Deloitte AB

Camilla Backlund
Auktoriserad revisor

20230717111599

Deloitte.

REVISIONSBERÄTTELSE

Till bolagsstämman i YILPORT Nordic Terminals Investments AB
organisationsnummer 556966-3189

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för YILPORT Nordic Terminals Investments AB för räkenskapsåret 2022-01-01 - 2022-12-31.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av YILPORT Nordic Terminals Investments ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till YILPORT Nordic Terminals Investments AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om beslut har fattats om att avveckla verksamheten.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- Identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för YILPORT Nordic Terminals Investments AB för räkenskapsåret 2022-01-01 - 2022-12-31 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till YILPORT Nordic Terminals Investments AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat styrelsens motiverade yttrande samt ett urval av underlagen för detta för att kunna bedöma om förslaget är förenligt med aktiebolagslagen.

Umeå 2023-06-30
Deloitte AB

Camilla Backlund
Auktoriserad revisor

Public

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YILPORT HOLDİNG A.Ş.
AND ITS SUBSIDIARIES
AND JOINT VENTURES

CONSOLIDATED FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2022 TOGETHER
WITH INDEPENDENT
AUDITORS' REPORT

Public

Public

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Public

YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

ASSETS	Notes	Audited 31 December 2022	Audited 31 December 2021
CURRENT ASSETS			
Cash and cash equivalents	28	98,911,385	119,149,828
Financial investments	24	6,575	6,505,300
Trade receivables	4	49,066,701	55,969,504
- Trade receivables from related parties	*5*	*7,417,274*	*7,268,984*
- Trade receivables from third parties		*41,649,427*	*48,700,520*
Inventories	7	5,731,652	3,901,718
Other receivables	6	162,907,559	83,741,141
- Other receivables from related parties	*5*	*161,514,504*	*82,119,899*
- Other receivables from third parties		*1,393,055*	*1,621,242*
Prepaid expenses		10,826,644	7,400,788
- Prepaid expenses to third parties	*8*	*10,826,644*	*7,400,788*
Current tax assets	23	1,634,336	2,631,750
Other current assets	15	5,949,600	7,936,031
Total Current Assets		**335,034,452**	**287,236,060**
NON-CURRENT ASSETS			
Other receivables	6	27,970,351	84,951,701
- Other receivables from related parties	*5*	*27,959,457*	*84,933,857*
- Other receivables from third parties		*10,894*	*17,844*
Derivative financial instruments	24	7,706,457	145,426
Financial investments	24	16,007,292	9,757,434
Investments in equity accounted investees	3	270,321,373	287,156,965
Property, plant and equipment	9	477,061,284	489,500,028
Intangible assets		607,944,287	692,625,270
- Goodwill	*11*	*97,349,382*	*102,927,799*
- Other intangible assets	*10*	*510,594,905*	*589,697,471*
Right of use assets	26	210,107,564	236,997,203
Prepaid expenses		12,641,501	3,714
- Prepaid expenses to third parties	*8*	*12,641,501*	*3,714*
Deferred tax assets	23	57,491,725	61,930,332
Other non-current assets	15	16,604,161	6,253,289
Total Non-Current Assets		**1,703,855,995**	**1,869,321,362**
TOTAL ASSETS		**2,038,890,447**	**2,156,557,422**

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

Public

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

LIABILITIES AND EQUITY			
CURRENT LIABILITIES	**Notes**	**Audited 31 December 2022**	**Audited 31 December 2021**
Short term borrowings		173,496,577	180,694,875
- Short term loans and borrowings	*24*	*16,562,866*	*34,819,499*
- Short term portion of long term loans and borrowings	*24*	*134,926,983*	*123,031,902*
- Lease liabilities	*24*	*22,006,728*	*22,843,474*
Trade payables	4	31,974,739	38,595,183
- Trade payables to related parties	*5*	*1,255,234*	*6,386,361*
- Trade payables to third parties		*30,719,505*	*32,208,822*
Employee benefit liabilities	14	4,885,083	3,955,972
Other payables	6	103,759,053	45,807,795
- Other payables to related parties	*5*	*67,407,081*	*12,371,073*
- Other payables to third parties		*36,351,972*	*33,436,722*
Deferred income	8	554,389	476,796
Current income tax liabilities	24	1,883,250	3,561,022
Current provisions		8,972,322	46,829,217
- Other short term provisions	*12*	*8,972,322*	*46,829,217*
Other current liabilities	15	155,409	200,452
Total Current Liabilities		**325,680,822**	**320,121,312**
NON-CURRENT LIABILITIES			
Long term borrowings		638,003,399	738,410,243
- Long term loans and borrowings	*24*	*456,539,676*	*527,497,287*
- Lease liabilities	*24*	*181,463,723*	*210,912,956*
Derivative financial instruments	24	16,881,192	21,682,287
Other payables	6	541,908,093	601,892,300
- Other payables to related parties	*5*	*356,973,548*	*390,042,749*
- Other payables to third parties		*184,934,545*	*211,849,551*
Deferred income	8	509,119	611,287
Non-current provisions		56,962,227	58,388,102
- Long term provisions for employee benefits	*14*	*13,556,385*	*10,380,560*
- Other long term provisions	*12*	*43,405,842*	*48,007,542*
Deferred tax liabilities	23	55,585,513	61,478,152
Total Non-Current Liabilities		**1,309,849,543**	**1,482,462,371**
EQUITY			
Share capital	16	617,131,760	617,131,760
Restricted reserves	16	32,828,212	31,229,575
Other share capital reserves	16	21,826,039	21,826,039
Accumulated other comprehensive income/(loss) that will be reclassified subsequently to profit or loss		317,113,735	291,917,908
- Foreign currency translation reserve	*16*	*322,858,239*	*291,917,908*
- Share of other comprehensive income of investments in equity accounted investees	*16*	*(5,744,504)*	-
Accumulated other comprehensive income/(loss) that will not be reclassified subsequently to profit or loss		(233,060,588)	(183,321,358)
- Property revaluation reserve	*16*	*105,001,988*	*152,912,705*
- Foreign currency translation reserve	*16*	*(336,186,443)*	*(336,186,443)*
- Accumulated gain/(loss) on remeasurement of defined benefit plans		*(1,876,133)*	*(47,620)*
Accumulated losses		(427,495,922)	(371,038,141)
Net profit/ (loss) for the year		74,798,328	(54,003,312)
Equity attributable to owners of the Parent		**403,141,564**	**353,742,471**
Non-controlling interest	3	218,518	231,268
Total Equity		**403,360,082**	**353,973,739**
TOTAL LIABILITIES AND EQUITY		**2,038,890,447**	**2,156,557,422**

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

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

	Notes	Audited 1 January-31 December 2022	Audited 1 January-31 December 2021
Revenue	17	447,026,483	439,434,525
Cost of sales	17	(305,588,962)	(288,200,884)
Gross profit		**141,437,521**	**151,233,641**
Administrative expenses (-)	18	(41,404,037)	(38,893,896)
Marketing expenses (-)	18	(1,460,664)	(1,260,292)
Other income from operating activities	20	15,987,499	29,110,096
Other expenses from operating activities (-)	20	(38,484,233)	(42,868,862)
Operating Profit		**76,076,086**	**97,320,687**
Income from investing activities	21	20,705,340	24,285,511
Expenses from investing activities (-)	21	(65,496)	(2,057,409)
Share of profit/(loss) of investments in equity accounted investees	3	3,852,422	(2,708,421)
OPERATING PROFIT BEFORE FINANCE EXPENSE		**100,568,352**	**116,840,368**
Finance income	22	162,556,787	65,853,216
Finance expenses (-)	22	(193,743,729)	(253,977,634)
Gain on net monetary position		1,927,934	-
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**71,309,344**	**(71,284,050)**
Tax income from continuing operations	23	**3,489,603**	**16,802,441**
- Current tax expense		*(11,747,450)*	*(11,297,907)*
- Deferred tax income / (expense)		*15,237,053*	*28,100,348*
PROFIT/(LOSS) FOR THE PERIOD		**74,798,947**	**(54,481,609)**
Attributable to:			
Owners of the parent		74,798,328	(54,003,312)
Non-controlling interest	3	619	(478,297)
		74,798,947	**(54,481,609)**
Items that will be reclassified subsequently to profit or loss:			
Change in currency translation reserve of subsidiaries		(18,619,902)	(43,014,575)
Share of other comprehensive income of investments in equity accounted investees	3	(5,744,504)	-
Items that will not be reclassified subsequently to profit or loss:			
Gains on revaluation of property, plant and equipment		-	51,253,828
Gain/(loss) on remeasurement of defined benefit plans		(2,285,641)	(559,910)
Income tax relating to items that will not be reclassified subsequently		457,128	(5,013,401)
OTHER COMPREHENSIVE INCOME / (LOSS)		**(26,192,919)**	**2,665,942**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**48,606,028**	**(51,815,667)**
Attributable to:			
Owners of the parent		48,618,778	(55,365,703)
Non-controlling interest		(12,750)	3,550,036
		48,606,028	**(51,815,667)**

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

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

				Accumulated other comprehensive income/loss that will be reclassified subsequently to profit or loss		Accumulated other comprehensive income/loss that will not be reclassified subsequently to profit or loss							
	Share capital	Other capital reserves	Restricted reserves	Foreign currency translation reserve	Share of other comprehensive income of investments in equity accounted investees	Foreign currency translation reserve	Property revaluation reserve	Accumulated gain/loss on remeasurement of defined benefit plans	Prior year's profit/losses	Net loss for the year	Equity attributable to owners of the Parent	Non-controlling interests	Total equity
Balance at 1 January 2021	**617,131,760**	**16,787,730**	**21,526,381**	**338,960,816**	**-**	**(336,186,443)**	**106,784,260**	**400,308**	**(340,417,045)**	**(4,629,035)**	**420,358,732**	**15,228,087**	**435,586,819**
Loss for the year	-	-	-	-	-	-	-	-	-	*(54,003,312)*	*(54,003,312)*	*(478,297)*	*(54,481,609)*
Other comprehensive income / (loss) for the year	-	-	-	*(47,042,908)*	-	-	*46,128,445*	*(447,928)*	-	-	*(1,362,391)*	*4,028,333*	*2,665,942*
Total comprehensive income / (loss) for the year	-	-	-	(47,042,908)	-	-	46,128,445	(447,928)	-	(54,003,312)	(55,365,703)	3,550,036	(51,815,667)
Transfers	-	-	9,703,194	-	-	-	-	-	(14,332,229)	4,629,035	-	-	-
Change in proportion of ownership [2]	-	-	-	-	-	-	-	-	(694,746)	-	(694,746)	(18,546,856)	(19,241,602)
Issuance of preference shares [1]	-	5,038,309	-	-	-	-	-	-	-	-	5,038,309	-	5,038,309
Dividends	-	-	-	-	-	-	-	-	(15,594,121)	-	(15,594,121)	-	(15,594,121)
Balance at 31 December 2021	**617,131,760**	**21,826,039**	**31,229,575**	**291,917,908**	**-**	**(336,186,443)**	**152,912,705**	**(47,620)**	**(371,038,141)**	**(54,003,312)**	**353,742,471**	**231,267**	**353,973,738**
Balance at 1 January 2022	**617,131,760**	**21,826,039**	**31,229,575**	**291,917,908**	**-**	**(336,186,443)**	**152,912,705**	**(47,620)**	**(371,038,141)**	**(54,003,312)**	**353,742,471**	**231,268**	**353,973,739**
Profit for the year	-	-	-	-	-	-	-	-	-	*74,798,328*	*74,798,328*	*619*	*74,798,947*
Other comprehensive income / (loss) for the year	-	-	-	*(18,606,533)*	*(5,744,504)*	-	-	*(1,828,513)*	-	-	*(26,179,550)*	*(13,369)*	*(26,192,919)*
Total comprehensive income / (loss) for the year	-	-	-	(18,606,533)	(5,744,504)	-	-	(1,828,513)	-	74,798,328	48,618,778	(12,750)	48,606,028
Transfers	-	-	1,598,637	49,546,864	-	-	(47,910,717)	-	(57,238,096)	54,003,312	-	-	-
Effect of IAS 29 indexation	-	-	-	-	-	-	-	-	780,315	-	780,315	-	780,315
Balance at 31 December 2022	**617,131,760**	**21,826,039**	**32,828,212**	**322,858,239**	**(5,744,504)**	**(336,186,443)**	**105,001,988**	**(1,876,133)**	**(427,495,922)**	**74,798,328**	**403,141,564**	**218,518**	**403,360,082**

[1] On 28 May 2021, Yılport Nordic Terminal Investments AB, a 100% owned subsidiary of Yılport Holding A.Ş., issued new capital in the form of preference shares, to Infranode II AB, a private equity investment fund controlled by Sweden based private equity firm. Details of this transaction are explained in Note 6.

[2] Yilport Iberia increased its ownership rate in Liscont from 83.45% to 99.91% by paying 19.2 Million USD. Effect of change in proportion of ownership of subsidiaries has been accounted under "Effect of change in ownership in subsidiaries without losing control".

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

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

	Notes	Audited 1 January-31 December 2022	Audited 1 January-31 December 2021
A.Cash flows from operating activities			
Profit/(loss) for the year		74,798,947	(54,481,609)
Depreciation of property, plant and equipment and right of use assets	9, 26	48,033,428	46,160,908
Amortization of intangible assets	10	51,491,476	49,683,925
Gain on sale or disposal of property, plant and equipment, net	21	(794,528)	(734,117)
Retirement payment provision	14	2,020,417	1,323,453
Expected credit loss provisions	4	78,925	57,609
Allowance for impairment on inventory	7	52,456	58,950
Group's share of (profit) / loss of investments in accounted for using the equity method	3	(3,852,422)	2,708,421
Interest income	21, 22	(20,393,115)	(35,327,502)
Dividend income on preference shares	21	(18,884,165)	(21,221,857)
Unrealized (gain) / loss on derivative instruments, net	22	(14,688,180)	7,921,418
Interest expense	22	131,775,671	89,021,611
Unused vacation pay accrual	14	2,379,844	2,849,887
Provisions for legal claims	12	202,153	98,272
Provisions released for legal claims	12	-	(295,145)
Other provision released	12	(4,145)	(2,166)
Provision arising from IFRIC 12 Concession Agreements	12	-	81,401,352
Provisions released from IFRIC 12 Concession Agreements	12	-	(4,906,572)
Provisions released for expected credit loss	4	(157,958)	(394,590)
Unrealized foreign exchange losses / gains, net		(2,295,477)	(8,532,727)
Unrealized foreign exchange differences from borrowings	24	(25,717,639)	(39,532,208)
Effect of IAS 29 Indexation		(1,037,206)	-
Tax income	23	(3,489,603)	(16,802,441)
		219,518,879	**99,054,872**
Changes in working capital			
Decrease / (increase) in trade receivables		7,304,946	(2,219,774)
Increase in inventories		(1,859,682)	(467,562)
Decrease / (increase) in prepaid expenses		(16,063,643)	3,877,179
Decrease in other receivables from third parties		235,137	830,717
Decrease in trade payables to third parties		(1,489,317)	(3,654,387)
Increase / (decrease) in trade payables to related parties		(5,131,127)	3,545,634
Increase / (decrease) in employee benefit liabilities		929,111	(231,443)
Decrease in deferred income to third parties		(24,575)	(357,916)
Decrease in other current and non-current liabilities		(45,043)	(35,095)
Decrease / (increase) in other current and non-current assets		(6,993,566)	2,147,008
Increase / (decrease) in other payables to third parties		(23,317,629)	10,153,785
		173,063,491	**112,643,018**
Employee termination benefit paid	14	(663,325)	(448,013)
Unused vacation paid	14	(1,371,356)	(2,805,106)
Legal claims paid	12	(158,106)	(11,981)
Payment arising from IFRIC 12 concession agreements	12	(36,403,044)	(3,701,069)
Income taxes paid	23	(13,798,683)	(13,574,186)
Net cash generated by operating activities		**120,668,977**	**92,102,663**

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

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

	Notes	Audited 1 January-31 December 2022	Audited 1 January-31 December 2021
B.Cash flows from investing activities			
Dividend received from equity accounted investees	3	2,914,086	-
Cash outflows due to capital increase in subsidiaries	3	(5,562)	-
Payments for property, plant and equipment	9	(37,125,287)	(100,503,712)
Payments for intangible assets	10	(5,928,471)	(139,590,187)
Proceeds on disposal of intangibles	10	192,098	4,504,054
Proceeds on disposal of property, plant and equipment	9	845,184	9,728,221
Interest received	21	6,113,336	(2,605,287)
Issuance of preference shares		-	5,038,309
Change in non-trade payables to related parties		59,914,382	48,663,186
Change in non-trade receivables from related parties		(40,088,230)	233,242,118
Change in other non-trade current receivables from related parties		18,884,165	21,221,857
Change in financial investments	24	248,867	18,028,094
Net cash used in investing activities		**5,964,568**	**97,726,653**
C. Cash flows from financing activities			
Interest paid		(27,368,699)	(33,122,546)
Proceeds from borrowings	24	76,794,166	97,310,763
Repayment of borrowings	24	(134,218,827)	(152,415,792)
Repayments of obligations under finance lease	24	(1,597,869)	(1,733,164)
Effect of transactions under common control		-	(19,241,602)
Repayments of lease liablities under IFRS 16	24	(23,039,142)	(23,958,983)
Net cash used in financing activities		**(109,430,371)**	**(133,161,324)**
INCREASE IN CASH AND CASH EQUIVALENTS BEFORE CURRENCY TRANSLATION DIFFERENCES (A+B+C)		**17,203,174**	**56,667,992**
D. EFFECT OF CURRENCY EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**(37,441,617)**	**(48,963,580)**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+D)		**(20,238,443)**	**7,704,412**
E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR		**119,149,828**	**111,445,416**
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	**28**	**98,911,385**	**119,149,828**

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

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

1. ORGANIZATION AND OPERATIONS OF THE GROUP

Yılport Holding A.Ş. ("the Company") was established in 2011 in order to act as a holding company for Yıldırım Group's port operations. The addresses of its registered office and principal place of business is Dilovası OSB 1. Kısım Goksu Cad. No: 18 41455 Kocaeli, Turkey.

The immediate parent and the major shareholder of the Company is Yıldırım Holding A.Ş. which was established in May 1989. Ultimate controlling party of the Yıldırım Holding A.Ş. are members of Yıldırım family.

The Company and its subsidiaries ("the Group") are currently active in 11 countries on 4 continents. Principal activities of the Group are container shipping and port management and logistics and liquid storage services.

The number of employees of controlled subsidiaries of the Group is 3,966 as at 31 December 2022 (31 December 2021: 3,798). The number of employees employed in joint ventures is 3,206 as at 31 December 2022 (31 December 2021: 3,116).

The details of the Company's subsidiaries are as follows:

Name of consolidated entities	Short name	Place of incorporation and operation	Nature of business	Incorporation or acquisition year
Yılport Konteyner Terminali ve Liman İşletmeleri A.Ş.	Yılport Konteyner	Turkey	Port Service	2005
Eti Lojistik A.Ş.	Eti Lojistik	Turkey	Logistics Service	2011
Yılport Malta Terminal Investments BV	Yılport Malta	Holland	Holding	2011
Yılport Yarımca Yatırım ve Liman İşl. A.Ş.	Yılport Yarımca	Turkey	Holding	2012
Yılport Gemlik Liman İşl. ve Yatırımları A.Ş.	Yılport Gemlik	Turkey	Holding	2012
Gemport Gemlik Liman ve Depolama İşl. A.Ş.	Gemport	Turkey	Port Service	2012
Nemtrans Lojistik Hizmetleri ve Petrol Ürünleri Ticaret A.Ş.	Nemtrans	Turkey	Logistics Service	2012
Rota Liman Hizmetleri Sanayi A.Ş.	Rotaport	Turkey	Port Service	2012
Yılport Sweden Terminal Investments AB	Yılport Sweden	Sweden	Holding	2014
Yılport Gävle Containerterminal AB	YGCT	Sweden	Port Service	2014
Yılport Sweden Logistics AB	Yılport Sweden Logistics	Sweden	Port Service	2014
Yılport Gavle Logistics AB	YGL	Sweden	Holding	2014
Yılport Nordic Terminal Investments AB	Nordic	Sweden	Holding	2014
Yılport Oslo Terminal Investment AB	Yılport Oslo	Norway	Port Service	2014
Yılport International Holding A.Ş.	Yılport International	Turkey	Holding	2015
Yılport Portugal Overseas Terminal Investment AB	YPOTI	Sweden	Holding	2015
Yılport Gavle AB	Yılport Gavle	Sweden	Port Service	2016
Yılport Iberia S.A. and its subsidiaries	Yılport Iberia	Portugal & Spain	Port Service	2016
Solventaş Teknik Depolama A.Ş.	Solventaş	Turkey	Liquid Storage Service	2016
Terminal San Cataldo B.V.	San Cataldo	Holland	Holding	2017
Yılport Overseas Holding B.V.	Yılport Overseas	Holland	Holding	2017
Etipet Petrol Turizm Oto. San. Tic. A.Ş.	Etipet	Turkey	Logistics Service	2019
San Cataldo Container Terminal S.p.A	Terminal San Cataldo S.p.A	Italy	Port Service	2019
Yılport Americas Holding LLC	Yılport Americas	United States	Holding	2019
Yılport Mississippi Container Terminal Management LLC	Yılport Missisippi	United States	Holding	2019
Yılport Mississippi Container Terminal Management II LLC	Yılport Gulfport	United States	Holding	2019
Operadora Logistica Guatemala	OLG	Guatemala	Logistics Service	2021

The details of the Company's joint ventures are as follows:

Name of joint venture	Short name	Place of incorporation and operation	Nature of business	Incorporation or acquisition year
MFTL Holding Limited	MFTL Holding	Malta	Holding	2011
Terminales Portuarios Euroandarinos Paita S.A.	Paita	Peru	Port Management	2016
Tersado - Terminais Portuários do Sado S.A.	Tersado-Terminais	Portugal	Port Management	2016
Yılport Ecuador Terminal Investments AB	Yeti AB	Sweden	Port Management	2016

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1. ORGANIZATION AND OPERATIONS OF THE GROUP (cont'd)

The Group started activities in 2004 by acquiring Sedef Port. In 2005, the Group acquired Alemdar Holding Inc. and subsequently merged the two operations to create Yılport Konteyner Terminali ve Liman İşletmeleri A.Ş. The Home Terminal at Gebze was expanded and fitted with 8 STS cranes, a pioneering installation of an APS crane, and OCR integration with NAVIS N4 in Turkey. The Group electrified the RTGs.

The Group initiated the Gemlik terminal project in 2011, designed to handle the largest vessels. In 2012, the company acquired Gemport, a leading 600,000 TEU capacity container and Ro-Ro facility adjacent to the Gemlik project.

In 2011, CMA-CGM transferred half of its shares in Malta Freeport Terminals to the Yıldırım Group companies in Turkey. MFTL Holding Limited is the immediate parent Company of Malta Freeport Terminals Limited ("MFTL") and a private limited liability company whose main activity is holding shares and investment portfolios. MFTL is the single operating company for the two Container terminals and the Distripark facilities. The company has now established itself as a significant maritime transhipment logistic center in the Mediterranean, presently ranking with the key players in the region. The Government of Malta awarded CMA-CGM a 30-year concession in October 2004 to operate and develop further MFT. In view of the heavy investment had to be undertaken within the port, in February 2008, CMA-CGM was granted an extension of the concession for the Freeport, bringing the total duration to 65 years and hence up to 2068.

The Group expanded its portfolio further, acquiring Rotaport in 2012. Its dedicated bulk-handling equipment and multimodality will continue to lead the port industry.

In 2014, The Group acquired Gävle Container Terminal in Sweden and the Port of Oslo in Norway, further expanding to the Nordic region. In 2015, the Tertir portfolio, which consists of 10 ports and terminals, 7 in Portugal, 2 in Spain, and 1 in Peru, was acquired. In 2016, Solventas Teknik Depolama A.Ş., the largest liquid terminal in Turkey, was added to The Group's portfolio. Also, The Group secured the rights to the Baltic Sea Gateway in Sweden, which renders Yılport the sole operator in the Port of Gävle.

The Group expanded its reach into Latin America in 2016 by acquiring the rights to Puerto Bolívar in Ecuador. Yılport Ecuador Terminal Investments AB is a private limited liability Company whose main activity is holding shares and investment portfolios. It is the immediate parent Company of Yilport Terminal Operations SA. Yilport Terminal Operations SA signed a concession agreement on 8 August 2016 and obtained the 50-year concession to develop Puerto Bolivar, located in Ecuador, in the province of El Oro. Yilport Terminal Operations SA will invest a total of USD 750 million for the expansion and modernization of the port until 2066. Upon completion of 5 investment phases, the annual container handling capacity will reach 2.5 million TEU.

In 2017, Nordic Logistics Group was established in Gävle to increase efficiency in the supply chain.

In 2018, the Group expanded its portfolio in Mediterranean Region by signing 49 years of concession for Taranto SCCT. Also, OLG operations started at Puerto Quetzal, Guatemala in 2020.

In 2020, The Group continued its investments by starting operations at Taranto SCCT Terminal and opening an automated paper warehouse at Yılport Gävle.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of Preparation and Statement of Compliance

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The Group's and its Turkish subsidiaries maintain their books of account and prepare their statutory financial statements in accordance with accounting principles in the Turkish Commercial Code and tax legislation. Subsidiaries that are registered in foreign countries maintain their books of account and prepare their statutory statements in accordance with the prevailing accounting principles in their registered countries. The accompanying consolidated financial statements include adjustments and classifications to the statutory records of the Company in accordance with IFRS.

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

2.1 Basis of Preparation and Statement of Compliance (cont'd)

Preparation of financial statements during periods of high inflation

IAS 29 requires the financial statements of any entity whose functional currency is the currency of a hyperinflationary economy to be restated for changes in the general purchasing power of that currency, so that the financial information provided is more meaningful. The Standard lists factors that indicate an economy is hyperinflationary. One of the indicators of hyperinflation is if cumulative inflation over a three-year period approach, or is more than, 100 per cent. Currently, Turkey has economic conditions that will now require reporting entities to follow the requirements set out in IAS 29 'Financial Reporting in Hyperinflationary Economies'.

Cumulative change in Consumer Price Index (CPI) for the last 3 years exceeded 100% in 2022. The Group's hard currency is USD, Group applied IAS 29 for the group companies which have TL as their functional currency starting from 1 January 2022 and has not restated its previous year financial statements in accordance with IAS 29. Indexation of all non-monetary assets, non-monetary liabilities and income statement has been done by using Consumer Price Index. Effect of IAS 29 indexation from 1 January 2022 until 31 December 2022 is accounted under consolidated statement of profit or loss and comprehensive income.

Under common control transactions:

Impact of business acquisitions

The acquisition of OLG, which is under common control, was completed on 13 October 2021. As a result of this acquisition, OLG is included in the consolidation scope.

The Group has evaluated the share transfer as an under common control transactions since the control in shareholders remains and the share transfer is realized under the control of the same shareholders.

Accordingly, goodwill is not recognized and the method of pooling of interest is applied, as of the beginning of the reporting period that the common control exists, and the consolidated financial statements has been prepared as the Group has fully consolidated all asset and liabilities of OLG to Yılport Holding A.Ş. and its subsidiaries since 1 January 2020.

Yılport Iberia increased its ownership rate in Liscont from 83.45% to 99.91% by paying 19.2 Million USD. Effect of change in proportion of ownership of subsidiaries has been accounted under "Effect of change in ownership in subsidiaries without losing control.

2.2 Currency Used

Reporting currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in US Dollars, which the presentation currency for the consolidated financial statements.

The results and consolidated financial positions of the Group companies who have functional currency other hand US Dollars were translated into US Dollars using the following procedures:

(a) Assets and liabilities for each balance sheet presented were translated at the closing rate at the date of that balance sheet;
(b) Income and expenses for each income statement was translated at the exchange rates at the dates of the transactions (using average rates during the period); and
(c) All resulting exchange differences shall be recognized as a separate component of equity as translation reserve.

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

2.2 Currency Used (cont'd)

Functional currency

Each entity in the Group determines its own functional currency and items included in the financial statements of the entity are measured using that functional currency.

Turkish Lira ("TL"), US Dollars ("USD"), Euro ("EUR"), Swedish Krona ("SEK"), Norwegian Krone ("NOK") and Guatemalan Quetzal ("GTQ") are used to a significant extent or have a significant impact on the operations of the Group and reflect the economic substance of the underlying events and circumstances relevant to the Group. Therefore, the Group companies mainly use TL, USD, EUR, SEK, NOK and GTQ as functional currencies.

Transactions in foreign currencies are initially recorded in the functional currency rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the balance sheet date. Non-monetary items and equity balances (excluding profit or loss) that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

The exchange rates used for the preparation of financial statements as of 31 December 2022 and 2021 are as follows:

	31 December 2022	Average rates for the year ended 31 December 2022	31 December 2021	Average rates for the year ended 31 December 2021
US Dollars-TL	18.6983	16.5512	12.9775	8.8557
US Dollars-EUR	0.9380	0.9155	0.8839	0.8482
US Dollars-SEK	10.4829	10.1795	9.0955	8.6455
US Dollars-NOK	9.8933	9.6559	8.8451	8.6365
US Dollars-GTQ	8.6964	8.8591	7.7174	7.7376

The translation of assets and liabilities denominated in various other currencies into USD for the purpose of the consolidated financial statements does not necessarily mean that the Group could realize or settle in TL the same values of the assets and liabilities as indicated in the consolidated balance sheets. Similarly, it does not mean that the Group could return or realize the same TL value of capital and general reserve to its shareholders.

Functional currency of Yılport Holding and Yılport International have been changed from TL to USD and EUR respectively as of 1 January 2021 as a result of the changes in currencies used, in accordance with IAS 21 "The Effect of Changes in Foreign Exchange Rates". The parent uses the currency of the local environment of its subsidiaries as its functional currency as this is the environment which drives the dividend income it receives, which is its primary source of revenue, i.e., the parent is seen as an extension of its subsidiaries.

Functional currency of Yılport Yarımca have been changed from TL to USD as of 1 January 2022 as a result of the changes in currencies used, in accordance with IAS 21 "The Effect of Changes in Foreign Exchange Rates". The parent uses the currency of the local environment of its subsidiaries as its functional currency as this is the environment which drives the dividend income it receives, which is its primary source of revenue, i.e., the parent is seen as an extension of its subsidiaries.

Functional currencies of Solventaş and Rota have been changed from TL to USD as of 1 January 2022 as a result of the changes in currencies used for pricing of services, in accordance with IAS 21 "The Effect of Changes in Foreign Exchange Rates".

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

2.3 Changes in Accounting Policies

Significant changes in accounting policies are applied retrospectively and consolidated financial statements are rearranged. Group's accounting policies in the current year there was no significant change.

2.4 Changes in Accounting Estimates and Errors

If changes in accounting estimates and immaterial errors impact only one period, changes are applied in the current period but if the estimated changes also affect the subsequent periods, changes are applied both in the current and subsequent periods prospectively.

If any material accounting errors are identified, changes are applied retrospectively and prior period's financial statements are restated.

In the current period, there are no material errors and changes in the accounting estimates of the Group.

Comparative Information and Reclassification of Prior Period Consolidated Financial Statements

Financial statements of the Group 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 reclassed and significant changes are disclosed if necessary. The nature, reason and amounts of the significant classifications are explained below:

"Property, plant and equipment" amounting to USD 38,261,773 has been reclassified to "Right of use assets" as of 31 December 2021.

"Short term finance lease liabilities" amounting to USD 4,669,629 has been reclassified to "Short term finance lease under IFRS 16" as of 31 December 2021.

"Long term finance lease liabilities" amounting to USD 30,923,808 has been reclassified to "Long term finance lease under IFRS 16" as of 31 December 2021.

"Provision arising from IFRIC-12 concession" under "Other long term provisions" amounting to USD 39,761,535 has been reclassified to "Provision arising from IFRIC-12 concession" under "Other short term provisions" as of 31 December 2021.

"Foreign currency translation reserve" under "Accumulated other comprehensive income/(loss) that will be reclassified subsequently to profit or loss" amounting to USD (47,620) has been reclassified to "Accumulated gain/loss on remeasurement of defined benefit plans" as of 31 December 2021.

"Foreign exchange gains from operating activities" under "Other income from operating activities" amounting to USD (22,802,532) has been reclassified to "Foreign exchange gains from financing activities" under "Finance income" as of 31 December 2021.

"Foreign exchange gains from operating activities" under "Other income from operating activities" amounting to USD (3,948,808) has been reclassified to "Foreign exchange losses from operating activities" under "Other expenses from operating activities" as of 31 December 2021.

"Foreign exchange gains from operating activities" under "Other income from operating activities" amounting to USD (6,772) has been reclassified to "Foreign exchange losses from financing activities" under "Finance expenses" as of 31 December 2021.

"Foreign exchange losses from operating activities" under "Other expenses from operating activities" amounting to USD (929,339) has been reclassified to "Foreign exchange losses from financing activities" under "Finance expenses" as of 31 December 2021.

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

2.4 Changes in Accounting Estimates and Errors (cont'd)

Comparative Information and Reclassification of Prior Period Consolidated Financial Statements (cont'd)

"Forcign exchange gains from financing activities" under "Finance income" amounting to USD (273,303,165) has been reclassified to "Foreign exchange losses from financing activities" under "Finance expenses" as of 31 December 2021.

"Guarantor income" under "Finance income" amounting to USD (459,757) has been reclassified to "Guarantor expenses" under "Finance expenses" as of 31 December 2021.

"Deferred VAT" under "Other current assets" amounting to USD (3,243,617) has been reclassified to "Deferred VAT" under "Other non-current assets" as of 31 December 2021.

2.5 Basis of Consolidation

The details of the Company's subsidiaries at 31 December 2022 and 31 December 2021 are as follows:

Subsidiaries

Name of subsidiaries	Effective ownership interest (%)		Voting power held (%)	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Yılport Konteyner	100.0	100.0	100.0	100.0
Eti Lojistik	100.0	100.0	100.0	100.0
Yılport Malta	100.0	100.0	100.0	100.0
Yılport Yarımca	100.0	100.0	100.0	100.0
Yılport Gemlik	100.0	100.0	100.0	100.0
Gemport	100.0	100.0	100.0	100.0
Nemtrans	100.0	100.0	100.0	100.0
Rotaport	100.0	100.0	100.0	100.0
Yılport Sweden	100.0	100.0	100.0	100.0
YGCT	100.0	100.0	100.0	100.0
SPT	100.0	100.0	100.0	100.0
Yılport Sweden Logistics	100.0	100.0	100.0	100.0
YGL	100.0	100.0	100.0	100.0
Nordic	100.0	100.0	100.0	100.0
Yılport Oslo	100.0	100.0	100.0	100.0
Yılport International	100.0	100.0	100.0	100.0
YPOTI	100.0	100.0	100.0	100.0
Yılport Gavle	100.0	100.0	100.0	100.0
Yılport Iberia	100.0	100.0	100.0	100.0
Solventaş	100.0	100.0	100.0	100.0
San Cataldo	100.0	100.0	100.0	100.0
Yilport Overseas	100.0	100.0	100.0	100.0
Notable Category	100.0	100.0	100.0	100.0
Etipet	100.0	100.0	100.0	100.0
Terminal San Cataldo S.p.A	100.0	100.0	100.0	100.0
Yilport Americas	100.0	100.0	100.0	100.0
Yilport Missisippi	100.0	100.0	100.0	100.0
Yilport Gulfport	100.0	100.0	100.0	100.0
OLG	99.9	99.9	99.9	99.9

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

2.5 Basis of Consolidation (cont'd)

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

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

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

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

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

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

2.5 Basis of Consolidation (cont'd)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IAS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 "Financial instruments: recognition and measurement", when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2.6 Investments in Joint Ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. Under the equity method, an investment in a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in a joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

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

2.6 Investments in Joint Ventures (cont'd)

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognized in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities.

Therefore, if a gain or loss previously recognized in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

Name of joint ventures	Proportion of ownership interest (%)		Voting power held (%)	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
MFTL Holding	50.00	50.00	50.00	50.00
Terminales Portuarios Euroandarinos Paita S.A.	50.00	50.00	50.00	50.00
Tersado - Terminais Portuários do Sado S.A.	25.00	25.00	25.00	25.00
Yılport Ecuador Terminal Investments AB (*)	11.00	11.00	11.00	11.00

(*) Since the management has representation in Board of Director and approval mechanism on operations, it is concluded that the Group has significant influence on Yılport Ecuador Terminal Investments AB.

The details of joint venture are given in Note 3 as at 31 December 2022 and 2021.

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

2.7 Business Combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognized amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognized in profit or loss.

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

2.7 Business Combinations (cont'd)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Business combinations that took place prior to 1 January 2010 were accounted for in accordance with the previous version of IFRS 3.

Business combinations involving entities under common control

IFRS 3 excludes from its scope business combinations involving entities or businesses under common control. Such business combination are those where all of the combining entities or businesses are controlled by the same party or parties both before and after such business combination, and that control is not transitory - such as the transfers arising from the corporate reorganization. The Group, in the absence of specific guidance under IFRS, applied the guidance in paragraph 10-12 of IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors* and has elected to apply the guidance set out under generally accepted accounting principles in the United States for transfer of net assets between entities under common control.

The Group, pursuant to the foregoing guidance, measured and recognized the assets received and liabilities assumed at their historical costs to the controlling shareholder. The components of equity (or net assets) of the transferred entity is reflected within the Group equity as "effect of transactions under common control".

The effects of intra-entity transactions on assets, liabilities, revenues, and cost of sales for the periods presented and on retained earnings at the beginning of the periods presented are eliminated.

2.8 The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as at 31 December 2022 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRIC interpretations effective as of 1 January 2022 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as at 1 January 2022 are as follows:

Amendments to IFRS 3 – Reference to the Conceptual Framework

In May 2020, the IASB issued amendments to IFRS 3 Business combinations. The amendments are intended to replace to a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing requirements of IFRS 3. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments issued to IFRS 3 must be applied prospectively.

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

2.8 The new standards, amendments and interpretations (cont'd)

i) The new standards, amendments and interpretations which are effective as at 1 January 2022 are as follows (cont'd):

Amendments to IAS 16 – Proceeds Before Intended Use

In May 2020, the IASB issued amendments to IAS 16 Property, plant and equipment. The amendments prohibit entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and costs of producing those items, in profit or loss. The amendments must be applied retrospectively only to items of PP&E made available for use on or after beginning of the earliest period presented when the entity first applies the amendment.

Amendments to IAS 37 – Onerous contracts – Costs of Fulfilling a Contract

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent assets. The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making and also apply a "directly related cost approach". Amendments must be applied prospectively to contracts for which an entity has not fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

The amendments did not have a significant impact on the financial position or performance of the Group.

Annual Improvements – 2018–2020 Cycle

In May 2020, the IASB issued Annual Improvements to IFRS Standards 2018–2020 Cycle, amending the followings:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter: The amendment permits a subsidiary to measure cumulative translation differences using the amounts reported by the parent. The amendment is also applied to an associate or joint venture.
- IFRS 9 Financial Instruments – Fees in the "10 per cent test" for derecognition of financial liabilities: The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either borrower or lender on the other's behalf.

Improvements are effective for annual reporting periods beginning on or after 1 January 2022. Earlier application is permitted for all.

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

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

2.8 The new standards, amendments and interpretations (cont'd)

ii) Standards issued but not yet effective and not early adopted

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

IFRS 17 - The New Standard for Insurance Contracts

The IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. IFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2023; early application is permitted.

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

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

In January 2020 and October 2022, IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in October 2022 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, October 2022 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for periods beginning on or after 1 January 2024. The amendments must be applied retrospectively in accordance with IAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2022 amendments, and vice versa.

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

Amendments to IAS 8 - Definition of Accounting Estimates

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments issued to IAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted.

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

2.8 The new standards, amendments and interpretations (cont'd)

ii) Standards issued but not yet effective and not early adopted (cont'd)

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments issued to IAS 1 are effective for annual periods beginning on or after 1 January 2023. In the absence of a definition of the term 'significant' in IFRS, the Board decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in IFRS and is widely understood by the users of financial statements, according to the Board. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

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

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments issued to IAS 12 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

The amendments are not applicable for the Group and will not have an impact on the financial position or performance of the Group.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

In September 2022, the Board issued amendments to IFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. In applying requirements of IFRS 16 under "Subsequent measurement of the lease liability" heading after the commencement date in a sale and leaseback transaction, the seller lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8. A seller-lessee applies the amendments to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. A seller-lessee applies the amendments retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application of IFRS 16.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

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

2.9 Summary of Significant Accounting Policies

Revenue

The Group recognizes revenue when the goods or services are transferred to the customer and when performance obligations are fulfilled. Goods or services are considered to be transferred when the control belongs to the customer.

Group recognizes revenue based on the following main principles:

(a) Identification of customer contracts.
(b) Identification of performance obligations
(c) Determination of transaction price in the contract
(d) Allocation of price to performance obligations
(e) Recognition of revenue when the performance obligations are fulfilled

The Group evaluates each contracted obligation separately and respective obligations, which are committed to deliver the goods or perform services, are determined as separate performance obligations. The Group determines at contract inception whether the performance obligation is satisfied over time or at a point in time. When the Group transfers control of a good or service over time, and therefore satisfies a performance obligation over time, then the revenue is recognized over time by measuring the progress towards complete satisfaction of that performance obligation. The goods or services are transferred when the control of the goods or services is delivered to the customers.

The Group recognizes revenue from the following major sources:

- Port administration services;
- Liquid storage services; and
- Logistics services

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control of a product or service to a customer.

Port administration services:

Port administration revenues comprise of services provided to ships and motorboats (pilotage, tugboat rents, etc.) and cargo handling fees (general cargo, dumping, and container) recognized on an accrual basis.

Liquid storage services:

The Group's revenues consist of storing all kinds of bulk liquid chemicals, mineral oils, food products and petroleum products, loading and unloading services and various handling services.

Logistics services:

The Group's logistics hub consists of stevedoring, warehouse services, shipping agency, railway, land route as well as value added services such as customs clearance, cargo insurance, and pre-inspection.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described above.

Leasing

The Group as lessee

Assets held under finance leases are initially recognized as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognized as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognized as a liability. The aggregate benefit of incentives is recognized as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Effect of Exchange Differences:

Foreign Currency Balances and Transactions:

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 except for:

- Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets where they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- Exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below for hedging accounting policies); and

- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognized in the foreign currency translation reserve and recognized in profit or loss on disposal of the net investment.

Inventories

Inventory is valued at the lower of cost or net realizable value. The costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory held by the method most appropriate to the particular class of inventory, with the majority valued by using the monthly weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. When the net realizable value of inventory is less than cost, the inventory is written down to the net realizable value and the expense is included in statement of profit or loss in the period the write-down or loss occurred. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed. The reversal amount is limited to the amount of the original write-down.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Property, Plant and Equipment

Land held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of each reporting period.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Property, plant and equipments except for land are recognized at cost after accumulated depreciation and accumulated impairment amounts are deducted.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognized so as to write off the cost or valuation of assets, other than freehold land and properties 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.

The following useful lives are used in the calculation of depreciation:

	Useful life
Land improvements	5-50 years
Buildings	10-50 years
Plant, machinery and equipment	2-15 years
Motor vehicles	5-18 years
Furniture and fixtures	3-10 years
Leasehold improvements	4-25 years

Public

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

2.9 Summary of Significant Accounting Policies (cont'd)

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.

Computer software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives (3-5 years).

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Contractual customer relationships

Contractual customer relationships acquired in a business combination are recognized at fair value at the acquisition date. The contractual customer relations have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the customer relationship.

Port license

Port license acquired in a business combination are recognized at fair value at the acquisition date. The port license has a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the port license.

Pilotage rights

Pilotage rights acquired in a business combination are recognized at fair value at the acquisition date. The pilotage rights have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the pilotage rights.

Operating license

Operating license acquired in a business combination are recognized at fair value at the acquisition date. The operating license have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the port license.

Concession rights

Concession rights acquired in a business combination are recognized at fair value at the acquisition date. The concession rights have a finite useful life and are carried at cost less accumulated amortization. Amortization is calculated using the straight-line method over the expected life of the port license.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Intangible Assets (cont'd)

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in profit or loss when the asset is derecognized.

Impairment of Tangible and Intangible Assets Other Than Goodwill

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is the present value of future cash flows expected to be derived from an asset or cash-generating unit. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Income Taxes

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and it excludes items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Income Taxes (cont'd)

Deferred tax

Deferred tax liability or asset is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases which are used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Taxation of Foreign Subsidiaries and Operations

Entities and operations consolidated in the accompanying consolidated financial statements are subject to corporate tax and withholding tax regimes effective in the relevant country.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current and deferred tax for the year

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity.

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

2.9 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 Group. Such payments are considered as being part of defined retirement benefit plan as per IAS 19 (Revised) *Employee Benefits* ("IAS 19").

The retirement benefit obligation recognized in the statement of financial position represents the present value of the defined benefit obligation. The actuarial gains and losses are recognized in other comprehensive income.

Unused vacations

Liabilities due to unused vacations classified as provisions due to employee benefits are accrued and discounted if the discount effect is material.

Financial Instruments

Financial assets

Classification

Group classifies its financial assets in three categories of financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit of loss. The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The appropriate classification of financial assets is determined at the time of the purchase.

Recognition and Measurement

"Financial assets measured at amortized cost", are non-derivative assets that are held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Group's financial assets measured at amortized cost comprise "cash and cash equivalents", "trade receivables" and "financial investments". Financial assets carried at amortized cost are measured at their fair value at initial recognition and by effective interest rate method at subsequent measurements. Gains and losses on valuation of non-derivative financial assets measured at amortized cost are accounted for under the statement of income.

"Financial assets measured at fair value through other comprehensive income", are non-derivative assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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. Gains or losses on a financial asset measured at fair value through other comprehensive income is recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains and losses until the financial asset is derecognized or reclassified. When the financial asset is derecognized the cumulative gain or loss previously recognized in other comprehensive income is reclassified to retained earnings. Group may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, to present subsequent changes in fair value in other comprehensive income. In such cases, dividends from those investments are accounted for under statement of income.

"Financial assets measured at fair value through profit or loss", are assets that are not measured at amortized 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.

Changes regarding the classification of financial assets and liabilities in terms of IFRS 9 are summarised below. Related changes in classification do not result in changes in measurement of the financial assets and liabilities.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Derecognition

The Group derecognized a financial asset when the contractual rights to the cash flows from the asset expired, or it transferred the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Group was recognized as a separate asset or liability.

Impairment

Impairment of the financial and contractual assets measured by using "Expected Credit Loss model" (ECL). The impairment model applies for amortized financial and contractual assets.
Provision for loss measured as below;

- 12- Month ECL: results from default events that are possible within 12 months after reporting date.
- Lifetime ECL: results from all possible default events over the expected life of financial instrument

Lifetime ECL measurement applies if the credit risk of a financial asset at the reporting date has increased significantly since 12 month ECL measurement if it has not.

The Group may determine that the credit risk of a financial asset has not increased significantly if the asset has low credit risk at the reporting date. However, lifetime ECL measurement (simplified approach) always apply for trade receivables and contract assets without a significant financing.

Derivative financial instruments and hedge accounting

The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

If the cash flow hedge of a firm commitment or an expected forward transaction result in the recognition of an asset or liability, at the initial recognition of this asset or liability the gain or loss previously recognized under equity related to derivatives are included in the measurement of the initial amount of the asset or liability. In a hedge accounting that does not result in the recognition of an asset or liability, the amounts previously recognized under equity are transferred to statement of profit or loss in the period in which the hedged item has an effect on profit or loss. The changes in the fair value of derivatives that do not meet the criteria for hedge accounting are recognized in the statement of profit or loss.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognized in other comprehensive income and accumulated in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in profit or loss.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Financial Instruments (cont'd)

Financial Liabilities

At initial recognition, the Group measures a financial liability at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, *transaction costs* that are directly attributable to the issue of the financial liability.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for:

(a) financial liabilities at fair value through profit or loss: Such liabilities, including *derivatives* that are liabilities, are subsequently measured at fair value.

(b) financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies. If a transfer does not result in derecognition because the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group continues to recognise the transferred asset in its entirety and recognises a financial liability for the consideration received. In subsequent periods, the Group recognises any income on the transferred asset and any expense incurred on the financial liability.

(c) contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies. Such contingent consideration is subsequently be measured at fair value with changes recognised in profit or loss.

Recognition and derecognition of financial assets and liabilities

The Group recognises a financial asset or a financial liability in the consolidated statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument.

The Group derecognises a financial asset when, and only when:

(a) the contractual rights to the cash flows from the financial asset expire, or

(b) it transfers the financial asset and the transfer qualifies for derecognition

Recognition and derecognition of financial assets and liabilities (cont'd)

If a transfer of financial asset does not result in derecognition because the Group has retained substantially all the risks and rewards of ownership of the transferred asset, the Group will continue to recognise the transferred asset in its entirety and recognise a financial liability for the consideration received. In subsequent periods, the Group recognises any income on the transferred asset and any expense incurred on the financial liability.

The Group derecognizes a financial liability (or a part of a financial liability) from its consolidated statement of financial position when, and only when, it is extinguished—i.e. when the obligation specified in the contract is discharged or cancelled or expires.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Provisions, Contingent Assets and Liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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.

Provision is also made for close-down, restoration and environmental costs when the obligation occurs, based on the net present value of estimated future costs required to satisfy the obligation.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank deposits with original maturities of more than three months and shorter than 1 year are classified under short-term financial investments.

Trade Receivables

Trade receivables that are created by way of providing goods or services directly to a debtor are measured at amortized cost, using the effective interest rate method. Short duration receivables with no stated interest rate are measured at the original invoice amount unless the effect of imputing interest is significant.

The Group has preferred to apply "simplified approach" defined in IFRS 9 for the recognition of impairment losses on trade receivables, carried at amortised cost and that do not comprise of any significant finance component (those with maturity less than 12 months). In accordance with the simplified approach, Group measures the loss allowances regarding its trade receivables at an amount equal to "lifetime expected credit losses" except incurred credit losses in which trade receivables are already impaired for a specific reason. If the amount of the impairment subsequently decreases due to an event occurring after the write-down, the reversal of provision is credited to other operating income. Interest income/expenses and foreign exchange gain/losses arising from trading activities are accounted for under "Other income / expenses from operating activities" in the consolidated statement of profit and loss.

Trade Payables

Trade payables are payments to be made arising from the purchase of goods and services from suppliers within the ordinary course of business. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Statement of Cash Flows

In statement of cash flows, cash flows are classified and reported according to operating, investment and finance activities.

Cash flows from operating activities reflect cash flows generated from sale activities of the Group. Cash flows from investment activities express cash flows used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Group.

Cash flows of finance activities express sources of financial activities and repayments of these sources of the Group.

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Share Capital and Dividends

Common shares are classified as equity. Dividends on common shares are recognized in equity in the period in which they are approved and declared.

Offsetting

Financial assets and liabilities are expressed in the balance sheet with net values if the legal right of offsetting exists, they are paid as offsetting or collection is possible or acquisition of the asset and fulfilment of the liability are realized simultaneously.

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 Group adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date.

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

2.9 Summary of Significant Accounting Policies (cont'd)

Related Parties

A related party is a person or entity that is related to reporting entity, 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 group (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 group of which the other entity is a member).
(iii) 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).

The Group has determined the general managers, assistant general manager and the board members of the Group as senior management.

EBITDA Calculation

This financial information includes analysis of earnings of the Group before interest, tax, depreciation and amortization expenses. This financial figure is presented in the financial statements for information purposes, but related note does not form an integral part of these consolidated financial statements.

2.10 Critical Accounting Judgments and Key Sources of Estimation Uncertainty

Critical Judgments in Applying the Entity's Accounting Policies

In the process of applying the entity's accounting policies, which are described in Note 2, management has made the following judgments that have the most significant effect on the amounts recognized in the financial statements.

Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Income taxes

The Group operates in various tax jurisdictions and is subject to the related tax regulations. Significant judgment is required to determine the Group provision for income taxes. The Group estimates its liabilities for tax obligations as well as the utilization of available loss carry forwards. When the final tax outcome is known, the actual positions may vary from these estimates and adjustments to deferred income tax positions may be required.

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

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

Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2. Goodwill allocated to cash generating units and carrying values of all cash generating units are annually tested for impairment. The recoverable amounts (that is, higher of value in use and fair value less cost to sell) are normally determined on the basis of value in use, applying discounted cash flow calculation (Note 11).

In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of growth in adjusted EBITDA, calculated as results from operating activities before depreciation and amortization and other income / (expenses), timing and quantum of future capital expenditure, long term growth rates, and the selection of discount rates to reflect the risks involved.

Value in use was determined by discounting the expected future cash flows to be generated by the cash-generating unit and the terminal value. The calculation of the value in use was based on the following key assumptions:

Gemport

The projection period for the purposes of impairment testing was taken as 18 years between 1 January 2023 and 31 December 2040. Revenues are expected to record higher growth rates in upcoming years with new services calling the port. Due to increased capacity coming from new installed equipment, Gemport is going to welcome those new volumes without any fall in service quality. For first 5 years (2023 – 2027) operating cash flows were extrapolated with CAGR of 10.2% and 6.7% for remaining 13 years of the testing periods (2028 – 2040).WACC rates between 12.2% and 10.7% were applied in determining the recoverable amount of the cash-generating unit.

Iberia

The projection period for the purposes of impairment testing was taken as several concession periods ends between 1 January 2023 and 31 December 2048. Cash flows for further periods were extrapolated using nominal growth rates between 6.0% and 12.3.% over periods. Constant rates of WACC between 6.69% and 8.86% were applied in determining the recoverable amount of the cash-generating unit.

Yilport Gavle (Formerly:Baltic Sea Gateway)

The projection period for the purposes of impairment testing was taken as 24 years between 1 January 2023 and 31 December 2045. Container revenues are expected to increase after 2022, driven by the new container terminal expansion project in Yılport Gavle. Cash flows for further periods were extrapolated using growth rates between 1.0% and 7.2% over periods. An 7.5% WACC rates for 2023 to 2045 was applied in determining the recoverable amount of the cash-generating unit.

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

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

Key Sources of Estimation Uncertainty (cont'd)

Impairment of goodwill (cont'd)

Solventaş

The projection period for the purposes of impairment testing was taken as 18 years between 1 January 2023 and 31 December 2040. Operating cash flows for first 5 years were extrapolated using growth rates between 2.7% and 2.2% for remaining periods. WACC rate between 12.2% and 10.7% were applied in determining the recoverable amount of the cash-generating unit.

As of 31 December 2022, the Group assessed the recoverable amount of goodwill and determined that there was no (31 December 2021: None) impairment in ports.

Useful lives of property, plant and equipment

The Group reviews the estimated useful lives of its property, plant and equipment at the end of each reporting year. The Group takes into consideration the intended use of the property, plant and equipment, the advancement in technology related to the particular type of property, plant and equipment as well as other factors that may require management to extend or shorten the useful lives and the assets' related depreciation.

Revaluation of property, plant and equipment:

The Group Management periodically performs independent valuation for its lands. Fair value of the lands of the Group as of 31 December 2021 was calculated by an independent appraiser based on valuation report. The respective firm is independent from the Company which is authorized by CMB and provides real estate appraisal services in accordance with capital market legislation. These valuations are performed frequently enough to ensure that the fair value of the revalued assets does not differ materially from its carrying amount. If the Group Management believes that the carrying amount of the revalued assets does not differ significantly from its fair value, they do not perform a new revaluation exercise.

Net realizable value of inventories

Inventories are stated at the lower of cost and net realizable value. The impairment calculation requires management to estimate the future cash flows expected to arise from the sale of inventories and the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. For each of the following financial instrument, valuation techniques and assumptions are used. Fair value of non-derivative financial instruments which is determined for disclosure purposes, is determined based on the present value of future principal and interest cash flows. These cash flows are calculated based on discount rate prevailing at the reporting date (Note 24).

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

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

Key Sources of Estimation Uncertainty (cont'd)

Expected credit loss

Group management has set a loss allowance provision amount of USD 1,513,473 (Note 4) for receivables, which are overdue and possible to create collection problems in future in the consolidated financial statements for the year ended 31 December 2022.

Deferred taxes

Deferred tax assets and liabilities are recorded using substantially enacted tax rates for the effect of temporary differences between book and tax bases of assets and liabilities. Currently, there are deferred tax assets resulting from operating loss carry-forwards and deductible temporary differences, all of which could reduce taxable income in the future. Based on available evidence, both positive and negative, it is determined whether it is probable that all or a portion of the deferred tax assets will be realized. The main factors which are considered include future earnings potential; cumulative losses in recent years; history of loss carry-forwards and other tax assets expiring; the carry-forward period associated with the deferred tax assets; future reversals of existing taxable temporary differences; tax-planning strategies that would, if necessary, be implemented, and the nature of the income that can be used to realize the deferred tax asset. If based on the weight of all available evidence, it is the Group's belief that taxable profit will not be available sufficient to utilize some portion of these deferred tax assets, then some portion of or all of the deferred tax assets are not recognized. The Group has not recognized deferred tax assets in its some consolidated entities because it is not apparent that taxable profit will be available sufficient to recognize deferred tax assets. If future results of operations exceed the Group's current expectations, the existing unrecognized deferred tax assets may be recognized, resulting in future tax benefits.

Impairment in financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3. INTERESTS IN OTHER ENTITIES

Details of non-wholly owned subsidiaries that have material non-controlling interests:

Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intragroup eliminations.

	31 December 2022		
	Yılport Iberia [1]	OLG	Total
Current assets	34,683,090	3,253,186	37,936,276
Non-current assets	644,722,476	4,072,567	648,795,043
Current liabilities	(76,210,116)	(308,972)	(76,519,088)
Non-current liabilities	(256,990,387)	(4,599,790)	(261,590,177)
Equity attributable to owners of the parent	(345,987,136)	(2,416,429)	(348,403,565)
Non-controlling interests	(217,956)	(562)	(218,518)

	1 January - 31 December 2022		
	Yılport Iberia [1]	OLG	Total
Revenue	141,337,923	3,878,928	145,216,851
Expenses (-)	(129,755,933)	(5,061,923)	(134,817,856)
Profit/(loss) for the year	4,835,006	(1,282,495)	3,552,511
Profit/loss for the period attributable to:			
Owners of the parent	4,834,088	(1,282,196)	3,551,892
Non-controlling interests	918	(299)	619
Profit/(loss) for the year	4,835,006	(1,282,495)	3,552,511

[1] Summarized financial information in respect of Yılport Iberia's subsidiaries that has material non-controlling interests is set out above. Yılport Holding indirectly owns various shares of Yılport Iberia's subsidiaries through Yılport Iberia which is established in Portugal and 100% of its shares owned by Yılport Holding.

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3. INTERESTS IN OTHER ENTITIES (cont'd)

Details of non-wholly owned subsidiaries that have material non-controlling interests (cont'd):

	31 December 2021		
	Yılport Iberia [1]	OLG	Total
Current assets	56,284,432	5,211,640	61,496,072
Non-current assets	716,012,040	7,873,485	723,885,525
Current liabilities	(71,785,167)	(8,116,315)	(79,901,482)
Non-current liabilities	(351,082,215)	(815,731)	(351,897,946)
Equity attributable to owners of the parent	(349,198,789)	(4,152,112)	(353,350,901)
Non-controlling interests	(230,301)	(967)	(231,268)

	1 January - 31 December 2021		
	Yılport Iberia [1]	OLG	Total
Revenue	148,337,788	4,800,726	153,138,514
Expenses (-)	(128,948,757)	(5,166,077)	(134,114,834)
Profit/(loss) for the year	5,335,103	(63,840)	5,271,263
Profit/loss for the period attributable to:			
Owners of the parent	5,813,384	(63,824)	5,749,560
Non-controlling interests	(478,281)	(16)	(478,297)
Profit/(loss) for the year	5,335,103	(63,840)	5,271,263

[1] Summarized financial information in respect of Yılport Iberia's subsidiaries that has material non-controlling interests is set out above. Yılport Holding indirectly owns various shares of Yılport Iberia's subsidiaries through Yılport Iberia which is established in Portugal and 100% of its shares owned by Yılport Holding.

Joint Ventures

The following joint ventures are accounted for using equity method in these financial statements;

Carrying amounts of the Group's interest in joint ventures	31 December 2022	31 December 2021
MFTL Holdings LTD	176,793,664	201,495,965
Terminales Portuarios Euroandarinos Paita S.A.	85,534,394	78,354,029
Yılport Ecuador Terminal Investments AB	6,263,949	5,758,739
Tersado - Terminais Portuários do Sado S.A.	1,729,366	1,548,232
	270,321,373	287,156,965

Share on profit or loss of Group's interest in joint ventures	31 December 2022	31 December 2021
Terminales Portuarios Euroandarinos Paita S.A.	10,094,451	5,059,226
Tersado - Terminais Portuários do Sado S.A.	266,087	326,815
Yılport Ecuador Terminal Investments AB	302,723	669,779
MFTL Holdings LTD	(6,810,839)	(8,764,241)
	3,852,422	(2,708,421)

3. INTERESTS IN OTHER ENTITIES (cont'd)

Joint Ventures (cont'd)

a) MFTL Holding LTD

MFTL Holding Ltd. is accounted for using the equity method in these consolidated financial statements.

The summarized financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS.

	31 December 2022	31 December 2021
MFTL Holding LTD	176,793,664	201,495,965
	176,793,664	201,495,965

	31 December 2022	31 December 2021
Current assets	41,323,749	48,228,091
Non-current assets	631,380,004	687,582,682
Current liabilities	(61,827,883)	(65,845,248)
Non-current liabilities	(257,288,542)	(266,973,596)
Net asset	353,587,328	402,991,929
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	5,927,483	11,077,572
Current financial liabilities (excluding trade and other payables and provisions)	(10,656,468)	(10,490,062)
Non-current financial liabilities (excluding trade and other payables and provisions)	(265,065,248)	(258,324,072)

	1 January-31 December 2022	1 January-31 December 2021
Revenue	144,644,289	145,040,989
(Loss) / profit for the year	7,575,007	18,992,630
Other comprehensive (loss) / income for the year	(11,489,008)	-
Total comprehensive (loss) / income for the year	(3,914,001)	18,992,630
Share on profit or (loss) of Group's interest in joint ventures	3,787,504	9,496,315
The above profit for the year include the following:		
Interest expense (-)	(198,298)	(23,194,814)
Tax expense	(711,048)	(1,361,008)

	31 December 2022	31 December 2021
Net assets of the joint venture	353,587,328	402,991,929
Proportion of the Group's ownership interest in the joint venture	50%	50%
Carrying amount of the Group's interest in the joint venture	176,793,664	201,495,965

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3. INTERESTS IN OTHER ENTITIES (cont'd)

Joint Ventures (cont'd)

a) MFTL Holding LTD (cont'd)

The details of the other comprehensive income of investments in equity accounted investees are as follows:

	1 January-31 December 2022	1 January-31 December 2021
Balance at 1 January	-	-
Hedge reserve	(5,744,504)	-
Balance at 31 December	(5,744,504)	-

Movement on the MFTL is accounted for using equity method is as follows:

	1 January-31 December 2022	1 January-31 December 2021
Balance at beginning of the year	201,495,965	227,677,470
Charged to profit / (loss)	(6,810,839)	(2,708,421)
Charged to other comprehensive income / (loss)	(5,744,503)	-
Foreign currency translation reserve	(12,146,959)	(23,473,084)
Closing balance	176,793,664	201,495,965

Deferred tax asset on investment tax credit

MFTL recognized a deferred tax asset arising on unutilized investment tax credits, which amounted to EUR 108.9 million as at 31 December 2022 (2021: EUR 110.6 million). MFTL's calculation is based the recognition of the deferred tax asset on a business plan covering the period to 2023, and profits projected at a growth rate of 4% beyond that date. Based on the business plan, as adjusted for actual results in 2021, and the budget for 2022, the management estimates that the deferred tax asset will be utilized by around 2035.

The management of MFTL acknowledges that the nature of the asset, and the underlying basis for its recognition, are inherently uncertain due to the degree of estimation involved. If the profits were projected to increase by 4% beyond 2022, then the timeline over which the deferred tax asset would be utilized will extend beyond 2035. MFTL is eligible to investment tax credits which are deductible from the tax due in a particular year, computed at the applicable rate on the taxable income. Such credits are calculated as a percentage of qualifying investment expenditure. Any credits which are not utilized in any particular year are carried forward to future years. During the period ending 31 December 2022, unutilized investment tax credits carried forward were subject to a deflation rate of 0.15% (31 December 2021: deflation rate 0.15%).

Tax rates and regulations that are enacted as at the reporting date were applied in the estimated future recovery of the respective tax credits. MFTL considers that the deferred tax asset is not impaired as at 31 December 2022. The basis for the recognition of this asset will be reviewed by the directors on an annual basis taking cognisance of performance, business developments and tax rates and regulations that may apply in the future. Deferred income taxes are calculated on temporary differences under the liability method using a principal tax rate of 15%. Deferred tax assets which is lifetime deductible are recognized to the extent that realization of the related tax benefit through future taxable profits is probable.

3. INTERESTS IN OTHER ENTITIES (cont'd)

b) Terminales Portuarios Euroandarinos Paita S.A

Terminales Portuarios Euroandarinos Paita S.A. is accounted for using the equity method in these consolidated financial statements.

The summarized financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS.

	31 December 2022	31 December 2021
Terminales Portuarios Euroandarinos Paita S.A.	85,534,394	78,354,029
	85,534,394	78,354,029

	31 December 2022	31 December 2021
Current assets	89,738,241	84,846,355
Non-current assets	206,596,274	204,589,352
Current liabilities	(18,515,975)	(18,443,643)
Non-current liabilities	(106,749,753)	(114,284,006)
Net asset	171,068,787	156,708,058

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	22,818,192	16,775,705
Current financial liabilities (excluding trade and other payables and provisions)	(2,000,000)	(2,262,732)
Non-current financial liabilities (excluding trade and other payables and provisions)	(94,393,330)	(108,740,252)

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3. INTERESTS IN OTHER ENTITIES (cont'd)

b) Terminales Portuarios Euroandarinos Paita S.A (cont'd)

	1 January-31 December 2022	1 January-31 December 2021
Revenue	73,019,557	65,868,062
Profit for the year	20,188,901	10,118,452
Total comprehensive income for the year	20,188,901	10,118,452
Share on profit or (loss) of Group's interest in joint ventures	10,094,451	5,059,226
The above profit for the year include the following:		
Interest expense (-)	(10,105,397)	(10,452,500)
Tax expense	(4,108,707)	(9,782,300)

	31 December 2022	31 December 2021
Net assets of the joint venture	171,068,787	156,708,058
Proportion of the Group's ownership interest in the joint venture	50%	50%
Carrying amount of the Group's interest in the joint venture	85,534,394	78,354,029

Movement on the Terminales Portuarios Euroandarinos Paita S.A. is accounted for using equity method is as follows:

	1 January-31 December 2022	1 January-31 December 2021
Balance at beginning of the year	78,354,029	73,294,804
Charged to profit / (loss)	10,094,451	5,059,225
Dividend	(2,914,086)	-
Closing balance	85,534,394	78,354,029

3. INTERESTS IN OTHER ENTITIES (cont'd)

c) Tersado – Terminais Portuários do Sado S.A

Tersado - Terminais Portuários do Sado S.A. is accounted for using the equity method in these consolidated financial statements.

The summarized financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with IFRS.

	31 December 2022	31 December 2021
Tersado - Terminais Portuários do Sado S.A.	1,729,366	1,548,232
	1,729,366	1,548,232

	31 December 2022	31 December 2021
Current assets	8,640,218	7,526,997
Non-current assets	524,091	782,981
Current liabilities	(2,214,424)	(2,066,625)
Non-current liabilities	(32,423)	(50,425)
Net asset	6,917,462	6,192,928

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	3,773,304	4,004,174
Current financial liabilities (excluding trade and other payables and provisions)	(899,676)	(954,722)

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3. INTERESTS IN OTHER ENTITIES (cont'd)

c) Tersado – Terminais Portuários do Sado S.A (cont'd)

	1 January-31 December 2022	1 January-31 December 2021
Revenue	14,376,447	13,113,008
Profit for the year	1,064,346	1,307,260
Total comprehensive income for the year	1,064,346	1,307,260
Share on profit or loss of Group's interest in joint ventures	266,087	326,815
The above profit for the year include the following:		
Tax expense	(347,652)	(390,688)

	31 December 2022	31 December 2021
Net assets of the joint venture	6,917,462	6,192,928
Proportion of the Group's ownership interest in the joint venture	25%	25%
Carrying amount of the Group's interest in the joint venture	1,729,366	1,548,232

Movement on the Tersado – Terminais Portuários do Sado S.A is accounted for using equity method is as follows:

	1 January-31 December 2022	1 January-31 December 2021
Balance at beginning of the year	1,548,232	1,234,619
Charged to profit / (loss)	266,087	326,815
Foreign currency translation reserve	(84,953)	(13,202)
Closing balance	1,729,366	1,548,232

3. INTERESTS IN OTHER ENTITIES (cont'd)

d) Yılport Ecuador Terminal Investments AB

	31 December 2022	31 December 2021
Yılport Ecuador Terminal Investments AB	6,263,949	5,758,739
	6,263,949	5,758,739

	31 December 2022	31 December 2021
Current assets	29,136,519	19,738,928
Non-current assets	297,320,979	179,256,569
Current liabilities	(202,446,515)	(94,768,585)
Non-current liabilities	(67,065,996)	(51,874,742)
Net asset	56,944,987	52,352,170

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	4,572,216	3,202,959
Current financial liabilities (excluding trade and other payables and provisions)	(8,019,808)	(1,907)
Non-current financial liabilities (excluding trade and other payables and provisions)	(119,923)	(97,262)

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3. INTERESTS IN OTHER ENTITIES (cont'd)

d) Yılport Ecuador Terminal Investments AB (cont'd)

	1 January-31 December 2022	1 January-31 December 2021
Revenue	48,661,231	44,725,306
Profit for the year	2,752,031	6,088,896
Total comprehensive income for the year	2,752,031	6,088,896
Share on profit or (loss) of Group's interest in joint ventures	302,723	669,779
The above profit for the year include the following:		
Interest income	93,885	100,250
Interest expense (-)	(11,265,261)	(9,845,881)

	31 December 2022	31 December 2021
Net assets of the joint venture	56,944,987	52,352,170
Proportion of the Group's ownership interest in the joint venture	11%	11%
Carrying amount of the Group's interest in the joint venture	6,263,949	5,758,739

Movement on the Yılport Ecuador Terminal Investments AB is accounted for using equity method is as follows:

	1 January-31 December 2022	1 January-31 December 2021
Balance at beginning of the year	5,758,739	4,967,037
Addition	5,562	-
Charged to profit / (loss)	302,723	669,779
Foreign currency translation reserve	196,925	121,923
Closing balance	6,263,949	5,758,739

4. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

The details of the Group's trade receivables as of balance sheet date are as follows:

Current Trade Receivables	31 December 2022	31 December 2021
Trade receivables	38,803,501	48,337,336
Notes receivable	69,159	73,541
Due from related parties (Note 5)	7,417,274	7,268,984
Income accruals	2,776,767	289,643
Expected credit loss	1,513,473	2,619,569
Expected credit loss provison (-)	(1,513,473)	(2,619,569)
	49,066,701	55,969,504

As at 31 December 2022, trade receivables of USD 39,023,473 (31 December 2021: USD 44,625,358) were neither past due nor impaired. Average credit period is approximately 30 days (31 December 2021: 30 days). As at 31 December 2022, trade receivables of USD 10,043,228 were past due but not impaired (31 December 2021: USD 11,344,146).

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method.

Aging of receivables that are past due but not impaired is as follows;

	31 December 2022	31 December 2021
Up to 6 months	9,376,916	10,736,332
Over 6 months	666,312	607,814
	10,043,228	11,344,146

No collaterals are received in relation to trade receivables that are past due but not impaired.

As of 31 December 2022, trade receivables of USD 1,513,473 (31 December 2021: USD 2,619,569) were impaired and provided for. The individually impaired receivables mainly relate to customers, which are in unexpectedly difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered.

Expected credit loss are recognized against trade receivables based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty.

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4. TRADE RECEIVABLES AND PAYABLES (cont'd)

a) Trade Receivables (cont'd):

Movement on the Group's expected credit loss provisions are as follows:

Movement of Expected Credit Loss Provision	31 December 2022	31 December 2021
Balance at beginning of the year	(2,619,569)	(3,961,463)
Charge for the year (Note 18)	(78,925)	(57,609)
Provision released (Note 20)	157,958	394,590
Amount written-off during the year (*)	703,953	-
Translation gain	323,110	1,004,913
Closing balance	(1,513,473)	(2,619,569)

(*) As a result of the lawsuit filed due to the unpaid invoice, the debt, allocated for doubtful receivables, was restructured and the amount of doubtful receivable provision was released in the period.

The Group always measures the expected credit loss at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100% against all receivables over 365 days past due because historical experience has indicated that these receivables are generally not recoverable.

Explanations about the nature and level of risks related to trade receivables are provided in Note 25.

Aging of receivables that are past due and impaired is as follows;

	31 December 2022	31 December 2021
Over 6 months	1,513,473	2,619,569
	1,513,473	2,619,569

b) Trade Payables:

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

Short Term Trade Payables	31 December 2022	31 December 2021
Trade payables	21,283,210	23,959,584
Due to related parties (Note 5)	1,255,234	6,386,361
Expense accruals	9,436,295	8,249,238
	31,974,739	38,595,183

The average credit period on purchases of certain goods is 30 days (31 December 2021: 30). No interest is charged on the trade payables.

Explanations about the nature and level of risks related to trade payables are provided in Note 25.

5. RELATED PARTY DISCLOSURES

The immediate parent and ultimate controlling party of Yılport Holding A.Ş. are Yıldırım Holding A.Ş. and Yıldırım Family, respectively.

Transactions between the Company and consolidated entities and its subsidiaries, which are related parties of Yılport Holding A.Ş., have been eliminated on consolidation and are not disclosed in this note.

Amounts owed to and amounts owed by related parties are unsecured and will be settled in cash. No guarantees have been given or received.

Trading portion of the related party balances arise from trading activities. These balances do not have specific maturities and no interest is charged for these balances.

Non-trading receivables from and payables to related parties arise from financing and investing activities. These balances do not have specific maturities and the Group interest charges 19.16% for TL, 6.55% for USD, 6.47% for EUR denominated receivables and payables (31 December 2021: 19.51% for TL, 5.07% for USD, 4.51% for EUR denominated receivables and payables).

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5. RELATED PARTY DISCLOSURES (cont'd)

	31 December 2022					
	Receivables			Payables		
	Current		Non-current	Current		Non-current
Balances with related parties	Trading	Non-trading	Non-trading	Trading	Non-trading	Non-trading
Parent of the Group	-	2,965,789	27,959,457	-	16,528,504	344,278,585
Other Related Parties under Parent Company's Control	7,417,274	146,268,227	-	1,255,234	50,877,337	12,694,963
Joint Ventures	-	12,280,488	-	-	1,240	-
	7,417,274	161,514,504	27,959,457	1,255,234	67,407,081	356,973,548

	31 December 2021					
	Receivables			Payables		
	Current		Non-current	Current		Non-current
Balances with related parties	Trading	Non-trading	Non-trading	Trading	Non-trading	Non-trading
Parent of the Group	244	18,700,895	84,933,188	-	5,899,340	384,784,935
Other Related Parties under Parent Company's Control	7,268,740	51,257,714	669	6,385,178	6,470,967	5,257,814
Joint Ventures	-	12,161,290	-	1,183	766	-
	7,268,984	82,119,899	84,933,857	6,386,361	12,371,073	390,042,749

Public

5. RELATED PARTY DISCLOSURES (cont'd)

	1 January - 31 December 2022						
Transactions with related parties	Sales	Purchases	Other income and foreign exchange gains	Other expenses and foreign exchange losses	Interest and other finance expenses	Interest and other finance income	Income from investing activities
Parent of the Group	1,466	(3,633,738)	81,798,310	(3,972,918)	(61,014,916)	14,250,193	-
Other related parties under parent Company's control	38,727,618	(4,262,902)	536,244	(295,110)	(2,293,846)	1,056,249	-
Joint ventures	1,872,793	-	4,755,073	(4,603)	-	4,281,101	18,884,165
	40,601,877	(7,896,640)	87,089,627	(4,272,631)	(63,308,762)	19,587,543	18,884,165

	1 January - 31 December 2021						
Transactions with related parties	Sales	Purchases	Other income and foreign exchange gains	Other expenses and foreign exchange losses	Interest and other finance expenses	Interest and other finance income	Income from investing activities
Parent of the Group	-	(4,070,169)	707,129	(89,208,726)	(18,504,146)	32,597,952	-
Other related parties under parent Company's control	44,268,917	(3,025,094)	660,411	(3,713,473)	(382,777)	3,042,300	-
Joint ventures	1,002,994	-	-	(878,825)	-	-	21,221,857
	45,271,911	(7,095,263)	1,367,540	(93,801,024)	(18,886,923)	35,640,252	21,221,857

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5. RELATED PARTY DISCLOSURES (cont'd)

Key management personnel consist of members of Board of Directors and Executive Board members. The compensation of key management personnel includes salaries, bonus health insurance, communication and transportation and total amount of compensation is explained below. The remuneration of directors and other members of key management during the year were as follows:

	1 January-31 December 2022	1 January-31 December 2021
Salaries and other benefits	4,072,748	3,810,258
	4,072,748	3,810,258

6. OTHER RECEIVABLES AND PAYABLES

a) Other Receivables

Other Current Receivables	31 December 2022	31 December 2021
Due from related parties (Note 5)	161,514,504	82,119,899
Receivables from tax authorities	613,822	594,713
Receivables from employees	126,578	94,496
Deposits and guarantees given	173,607	248,959
Other	479,048	683,074
	162,907,559	83,741,141

Other Non-Current Receivables	31 December 2022	31 December 2021
Due from related parties (Note 5)	27,959,457	84,933,857
Deposits and guarantees given	10,894	17,844
	27,970,351	84,951,701

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6. OTHER RECEIVABLES AND PAYABLES (cont'd)

b) Other Payables

Other Current Payables	31 December 2022	31 December 2021
Concession fee payable (**)	25,178,206	25,706,128
Non-trade payables to related parties (Note 5)	67,407,081	12,371,073
Taxes and dues payable	4,196,266	4,342,961
Other payables to Infranode AB (*)	2,020,197	2,064,637
Deposits and guarantees received	156,882	336,489
Other payables to third parties	4,800,421	986,507
	103,759,053	45,807,795

Other Non-Current Payables	31 December 2022	31 December 2021
Non-trade payables to related parties (Note 5)	356,973,548	390,042,749
Concession fee payable (**)	147,429,533	170,138,422
Other payables to Infranode AB (*)	37,318,655	41,643,002
Other payables to third parties	115,311	68,127
Deposits and guarantees received	71,046	-
	541,908,093	601,892,300

(*) "Yılport Holding A.Ş." has entered into shareholders' agreement with "Infranode AB", a private equity investment fund controlled by Sweden based private equity firm. The Group has performed IRR calculations to determine the liability component of this investment on consolidated financial statements by using a 13.54% discount rate which is deemed as market rate for the transaction. Based on the calculations performed, SEK 412,384,182 (Equivalent of USD 39,338,852) (31 December 2021: SEK 397,544,074 (Equivalent of USD 43,707,639)) was recorded into "other current and non-current payable" at the date of transaction.

(**) The present value of the fixed rent payments of San Cataldo Container Terminal S.p.a. and Yılport Iberia SA concession agreement during the term of the concession contract recognized as concession right under intangible against other payable in the consolidated financial statements.

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7. INVENTORIES

	31 December 2022	31 December 2021
Trade goods	767,869	322,372
Other inventories	5,402,133	3,987,948
- Machinery spare parts	*5,402,133*	*3,987,948*
Allowance for impairment on inventory (-)	(438,350)	(408,602)
	5,731,652	3,901,718

In the current year, the Group has identified inventory items amounting to USD 438,350 (31 December 2021: USD 408,602) for which the net realizable values are below the cost of the related inventory.

The movement of allowance provision for the impairment on inventory for the years ended 31 December 2022 and 2021 is as follows;

Movement of Allowance for Impairment On Inventory	1 January-31 December 2022	1 January-31 December 2021
Opening balance	(408,602)	(381,838)
Charge for the year	(52,456)	(58,950)
Translation gain	22,708	32,186
Closing balance	(438,350)	(408,602)

8. PREPAID EXPENSES AND DEFERRED INCOME

Current Prepaid Expenses	31 December 2022	31 December 2021
Prepaid expenses to third parties (*)	9,276,010	5,906,981
Advances given to third parties	1,550,634	1,493,807
	10,826,644	7,400,788

Non-current Prepaid Expenses	31 December 2022	31 December 2021
Prepaid expenses to third parties (*)	12,177,365	207
Advances given to third parties	464,136	3,507
	12,641,501	3,714

(*) Prepaid expenses to third parties mainly consist of insurance policies and rent agreements.

Current Deferred Income	31 December 2022	31 December 2021
Advances received from third parties	390,459	343,799
Deferred income from third parties	163,930	132,997
	554,389	476,796

Non-current Deferred Income	31 December 2022	31 December 2021
Deferred income from third parties	509,119	611,287
	509,119	611,287

9. PROPERTY, PLANT AND EQUIPMENT

	Land	Land Improvements	Buildings	Plant, Machinery and Equipment	Motor Vehicles	Furniture and Fixture	Leasehold Improvements	Other Tangible Assets	Construction in Progress (CIP)	Total
Cost Value										
Opening balance as of 1 January 2022	169,959,791	25,062,947	31,290,162	297,891,609	10,456,634	10,421,776	135,041,231	988,429	79,688,859	760,801,438
Inflation adjustment	-	-	-	22,380	6,301,358	28,819	-	-	-	6,352,557
Foreign currency exchange differences	(35,550)	(4,352)	(791,723)	(13,965,432)	(2,589,434)	(247,443)	(2,311,383)	(56,978)	(8,326,951)	(28,329,246)
Additions	-	59,857	153,402	3,414,554	187,021	773,859	2,717,143	890	29,818,561	37,125,287
Disposals	-	(21,211)	(20,076)	(469,957)	(135,533)	(152,078)	(145,777)	(133)	-	(944,765)
Transfers	-	5,952,019	6,610,769	37,305,151	1,704,304	201,461	20,406,093	-	(72,179,797)	-
Transfers from/to intangible assets	-	-	-	13,953	-	(9,139)	-	-	(2,213,903)	(2,209,089)
Closing balance as of 31 December 2022	169,924,241	31,049,260	37,242,534	324,212,258	15,924,350	11,017,255	155,707,307	932,208	26,786,769	772,796,182
Accumulated Depreciation										
Opening balance as of 1 January 2022	-	(11,399,200)	(8,848,942)	(204,894,541)	(7,176,700)	(7,265,609)	(30,832,985)	(883,433)	-	(271,301,410)
Inflation adjustment	-	-	-	(22,050)	(4,476,021)	(18,427)	-	-	-	(4,516,498)
Foreign currency exchange differences	-	4,339	200,887	9,003,566	1,918,205	206,821	410,887	50,343	-	11,795,048
Charge for the year	-	(1,475,688)	(1,182,006)	(19,300,015)	(1,067,002)	(846,777)	(8,699,815)	(35,352)	-	(32,606,655)
Disposals	-	11,652	8,064	451,838	130,792	151,771	139,859	133	-	894,109
Transfers	-	-	(3,975)	(75,221)	4,057	74,973	674	-	-	508
Closing balance as of 31 December 2022	-	(12,858,897)	(9,825,972)	(214,836,423)	(10,666,669)	(7,697,248)	(38,981,380)	(868,309)	-	(295,734,898)
Carrying value as of 31 December 2022	169,924,241	18,190,363	27,416,562	109,375,835	5,257,681	3,320,007	116,725,927	63,899	26,786,769	477,061,284

As of 31 December 2022, there is no mortgage on Group's property, plants and equipments. (31 December 2021: None).

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9. PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Land	Land Improvements	Buildings	Plant, Machinery and Equipment	Motor Vehicles	Furniture and Fixture	Leasehold Improvements	Other Tangible Assets	Construction in Progress (CIP)	Total
Cost Value										
Opening balance as of 1 January 2021	139,992,214	21,757,012	32,135,134	315,439,579	12,527,698	13,371,183	123,235,463	1,124,046	44,533,850	704,116,179
Foreign currency exchange differences	(21,312,389)	(3,386,563)	(3,935,209)	(41,839,788)	(1,637,035)	(1,470,481)	(2,208,641)	(85,722)	(5,571,625)	(81,447,453)
Additions	26,138	16,710	148,311	18,795,825	83,618	933,821	12,749,672	30,584	67,719,033	100,503,712
Revaluation fund	51,253,828	-	-	-	-	-	-	-	-	51,253,828
Disposals	-	-	-	(9,804,585)	(181,850)	(3,440,365)	-	(80,479)	(339,870)	(13,847,149)
Transfers	-	6,675,788	2,941,926	14,856,271	(335,797)	1,027,618	1,264,737	-	(26,430,543)	-
Transfers from/to intangible assets	-	-	-	444,307	-	-	-	-	(221,986)	222,321
Closing balance as of 31 December 2021	169,959,791	25,062,947	31,290,162	297,891,609	10,456,634	10,421,776	135,041,231	988,429	79,688,859	760,801,438
Accumulated Depreciation										
Opening balance as of 1 January 2021	-	(11,786,103)	(9,765,273)	(213,442,290)	(7,980,803)	(10,735,227)	(22,864,957)	(998,960)	-	(277,573,613)
Foreign currency exchange differences	-	1,567,570	1,895,222	26,672,530	1,160,821	1,016,719	613,001	76,393	-	33,002,256
Charge for the year	-	(1,180,667)	(978,891)	(19,003,616)	(858,700)	(938,850)	(8,581,029)	(41,345)	-	(31,583,098)
Disposals	-	-	-	1,236,641	144,176	3,391,749	-	80,479	-	4,853,045
Transfers	-	-	-	(357,806)	357,806		-	-	-	-
Closing balance as of 31 December 2021	-	(11,399,200)	(8,848,942)	(204,894,541)	(7,176,700)	(7,265,609)	(30,832,985)	(883,433)	-	(271,301,410)
Carrying value as of 31 December 2021	169,959,791	13,663,747	22,441,220	92,997,068	3,279,934	3,156,167	104,208,246	104,996	79,688,859	489,500,028

9. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Depreciation expense of USD 32,132,121 (2021: USD 30,990,675) has been charged in 'cost of sales', USD 471,978 (2021: USD 588,808) in 'administrative expenses', USD 2,556 (2021: USD 3,615) in "marketing and sales expenses".

The following useful lives are used in the calculation of depreciation:

	Useful life
Land improvements	5-50 years
Buildings	10-50 years
Plant, machinery and equipment	2-15 years
Motor vehicles	5-18 years
Furniture and fixtures	3-10 years
Leasehold improvements	4-25 years

Fair value measurement of the Group's land

Lands of the Group are presented with revalued amounts calculated as fair values on the valuation date less accumulated provision for impairment. Fair value of the land of the Group as of 31 December 2021 was calculated by an independent appraiser based on valuation report. The respective firm is independent from the Group which is authorized by CMB and provides real estate appraisal services in accordance with capital markets legislation and has enough experience and qualifications for the fair value measurement of the related property, plant and equipment. The Group management believes that there is no significant change in the assumptions taking into consideration for the calculation of fair value of the land as of 31 December 2022.

Fair value of the land determined based on the comparative approach reflecting the current transaction prices for similar real estates.

Details of the Group's land information about the fair value hierarchy as at 31 December 2022 and 2021 is as follows;

		Fair value as reporting date		
	31 December 2022	Level 1 USD	Level 2 USD	Level 3 USD
Land	169,924,241	-	169,924,241	-

		Fair value as reporting date		
	31 December 2021	Level 1 USD	Level 2 USD	Level 3 USD
Land	169,959,790	-	169,959,790	-

If land were stated on the historical cost basis, the amounts would be as follows:

	31 December 2022	31 December 2021
Cost value, Land	53,255,365	53,261,984
Net book value	53,255,365	53,261,984

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10. INTANGIBLE ASSETS

	Computer Software and Rights	Customer Relationships (3)	Port License (1)	Concession Rights (5)	Operating License (4)	Pilotage Rights (2)	Other Intangible Assets	Total
Cost Value								
Opening balance as of 1 January 2022	7,348,662	10,229,092	9,221,674	850,078,786	10,080,082	4,905,773	3,572,119	895,436,188
Inflation adjustment	120,939	-	-	-	-	-	-	120,939
Foreign currency exchange differences	(260,482)	(1,353,758)	-	(49,681,321)	-	-	(226,242)	(51,521,803)
Additions	592,334	-	-	5,322,326	-	-	13,811	5,928,471
Disposals	(11,393)	-	-	(710,205)	-	-	-	(721,598)
Transfers to/from tangible assets	2,243,845	-	-	(34,756)	-	-	-	2,209,089
Modifications on IFRIC 12 concession agreements	-	-	-	(504,569)	-	-	-	(504,569)
Closing balance as of 31 December 2022	10,033,905	8,875,334	9,221,674	804,470,261	10,080,082	4,905,773	3,359,688	850,946,717
Accumulated Amortization								
Opening balance as of 1 January 2022	(6,537,402)	(7,885,650)	(8,299,504)	(273,432,263)	(1,320,076)	(4,905,773)	(3,358,049)	(305,738,717)
Inflation adjustment	(120,939)	-	-	-	-	-	-	(120,939)
Foreign currency exchange differences	239,441	1,070,091	-	15,127,398	-	-	210,956	16,647,886
Charge for the year	(255,407)	(914,651)	(922,170)	(49,050,123)	(252,002)	-	(97,123)	(51,491,476)
Disposals	7,900	-	-	521,600	-	-	-	529,500
Transfers	(508)	-	-	-	-	-	-	(508)
Modifications on IFRIC 12 concession agreements	-	-	-	(177,558)	-	-	-	(177,558)
Closing balance as of 31 December 2022	(6,666,915)	(7,730,210)	(9,221,674)	(307,010,946)	(1,572,078)	(4,905,773)	(3,244,216)	(340,351,812)
Carrying value as of 31 December 2022	3,366,990	1,145,124	-	497,459,315	8,508,004	-	115,472	510,594,905

	Computer Software and Rights	Customer Relationships (3)	Port License (1)	Concession Rights (5)	Operating License (4)	Pilotage Rights (2)	Other Intangible Assets	Total
Cost Value								
Opening balance as of 1 January 2021	9,283,225	11,320,199	9,221,674	784,759,533	17,820,893	4,905,773	3,848,216	841,159,513
Foreign currency exchange differences	(1,401,789)	(1,091,107)	-	(66,790,258)	(7,740,811)	-	(279,430)	(77,303,395)
Additions	846,360	-	-	138,711,841	-	-	31,986	139,590,187
Disposals	(1,051,558)	-	-	(6,707,585)	-	-	(28,653)	(7,787,796)
Transfers to tangible assets	(327,576)	-	-	105,255	-	-	-	(222,321)
Closing balance as of 31 December 2021	7,348,662	10,229,092	9,221,674	850,078,786	10,080,082	4,905,773	3,572,119	895,436,188
Accumulated Amortization								
Opening balance as of 1 January 2021	(8,201,382)	(7,593,947)	(7,377,338)	(250,446,760)	(1,888,283)	(4,905,773)	(3,545,122)	(283,958,605)
Foreign currency exchange differences	1,254,524	785,230	-	21,374,673	937,501	-	268,143	24,620,071
Charge for the year	(642,102)	(1,076,933)	(922,166)	(46,563,707)	(369,294)	-	(109,723)	(49,683,925)
Disposals	1,051,558	-	-	2,203,531	-	-	28,653	3,283,742
Closing balance as of 31 December 2021	(6,537,402)	(7,885,650)	(8,299,504)	(273,432,263)	(1,320,076)	(4,905,773)	(3,358,049)	(305,738,717)
Carrying value as of 31 December 2021	811,260	2,343,442	922,170	576,646,523	8,760,006	-	214,070	589,697,471

Amortization expense of USD 50,742,104 (2021: USD 48,751,974) has been charged in 'cost of sales', USD 745,335 (2021: USD 926,264) in 'administrative expenses' and USD 4,037 (2021: 5,687) has been charged in 'marketing and sales expenses.

10. INTANGIBLE ASSETS (cont'd)

The following useful lives are used in the calculation of depreciation:

	Useful life
Computer Software and rights	3-15 years
Port license	10 years
Pilotage rights	3.5 years
Customer relationships	10 years
Operating license	40 years
Concession rights	3- 49 years
Other tangible assets	5-10 years

Gemport:

(1) All legal entities who contemplates to carry out handling operations in Turkey are obliged to obtain port license as regulated by Ministry of Transport Maritime Affairs and Communications. A Company does not have the right to operate a port in Turkey without this operation license. Therefore, the Port License of Gemport is identified as an intangible asset. Based on this understanding that pilotage services have no contribution to the development of cargo handling at the subject port, the fair value of the port license has been determined on a stand-alone basis. The net present value of the free cash flows to be generated through cargo handling business reflect the fair value of the subject port licenses.

The port license provides Gemport the exclusive right to perform cargo handling operations within the respective waterfronts and the terminal area behind it. The valuation company adopted Greenfield Approach in its fair values estimation of Gemport's port license. After consideration of the level of risk attributable to cargo handling business, for the valuation of licenses, a USD denominated discount rate of 9.8% has been applied.

The fair value of Gemport's port is estimated as USD 218.2 million based on discounting the expected cash flows through the projection period. The enterprise value is adjusted further by the fair value of fixed assets utilized in cargo handling business. Based on the above-mentioned assumptions, the fair value of port license is estimated as USD 30.7 million (equivalent of USD as of transaction date) considering tax benefit.

(2) Gemport's pilotage rights are identified as an intangible asset. Gemport has been granted legal right by Gemlik Municipality to exclusively provide pilotage services to ports located in Gemlik Bay until June 2017. The net present value of the free cash flows to be generated through pilotage business during this period will reflect the fair value of the pilotage rights.

In assessing the value of the pilotage rights, the valuation company has applied the MEEM approach, which is considered under income approach method. The rationale behind MEEM is that the value of an intangible asset equals the present value of the after-tax cash flows attributable to that particular intangible asset. After consideration of the level of risk attributable to pilotage business, for the valuation of the right, a USD denominated discount rate of 9.8% has been applied.

In conclusion the value of Gemport's pilotage right is estimated as USD 4.9 million (equivalent of USD as of transaction date) by discounting the expected cash flows throughout its remaining life and tax amortization benefit.

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10. INTANGIBLE ASSETS (cont'd)

Yılport Gävle Containerterminal (Merged with Gävle):

(3) The necessary market valuations and calculations have been finalized at 13 February 2015. In the preparation of financial statements as of 31 December 2014, the fair value of identifiable assets and liabilities have been recognized and goodwill calculation was revised accordingly.

Customer Relationships of Yılport Gävle Containerterminal are identified as an intangible asset. A material portion of the Yılport Gävle Containerterminal's revenues are generated from existing customers. The Company builds customer relationships and loyalty by focusing on customer service. Yılport Gävle Containerterminal's customer contracts are typically valid for one year, but the company's customer base is stable. The only substantial risk for losing a customer is either bankruptcy or a change in the ownership structure of the customer. In addition, Yılport Gävle Containerterminal does not face any direct competition in the Stockholm region. The only valid option is the Nynäshamn harbor, but the cost of transportation to Stockholm and nearby areas is substantial. Due to its geographical advantage, Gavle's customer relationships are stable and historical customer churn rates are very low.

In assessing the value of the Yılport Gävle Containerterminal's customer relationships, the valuation company has applied the MEEM approach, which is considered under income approach method. The rationale behind MEEM is that the value of an intangible asset equals the present value of the after-tax cash flows attributable to that particular intangible asset. After consideration of the level of risk attributable to customer relationships, for the valuation of these customer relationships, a SEK denominated discount rate of 9.4% has been applied.

In conclusion the existing customer relationships will contribute to future economic benefit for the Yılport Gävle Containerterminal and these customer relationships are to be recognized as assets separate from goodwill. The value of customer relationships is estimated as USD 12.9 million (equivalent of USD as of transaction date) (SEK 93 million) by discounting the expected cash flows throughout the concession period and tax amortization benefit.

Solventaş:

(4) Solventaş's operating license is identified as an intangible asset. Solventaş has been granted legal right by Dilovası Municipality to exclusively provide storage and warehouse services in Dilovası. The total useful life of the operating license is determined as 40 years. The net present value of the free cash flows to be generated through storage business during this period will reflect the fair value of the operating license.

In assessing the value of the operating license, the valuation company has applied the Greenfield approach, which is considered under income approach method. The rationale behind Greenfield is that the approach mirrors the discounted cash flow model (DCF), applying a hypothetical scenario assuming that the asset was not purchased but was constructed on the date of the transaction. In the hypothetical scenario, a revenue base of zero is assumed, with assumption that operations would begin on the valuation date. After consideration of the level of risk attributable to storage business, for the valuation of the right, a USD denominated discount rate of 10.7% has been applied.

In conclusion the fair value of Solventaş's operating license is estimated as USD 10.1 million (equivalent of USD as of transaction date) by discounting the expected cash flows throughout its remaining life and tax benefit.

10. INTANGIBLE ASSETS (cont'd)

Yılport Gävle (Formerly: Baltic Sea Gateway):

(5) Yılport Gävle's concession right is identified as an intangible asset. Yılport Gävle has 30 years (+10 years optional) concession rights that gives the right to operate port in the area. The net present value of the free cash flows to be generated through port business during this period will reflect the fair value of the concession right.

In assessing the value of the concession right, the valuation company has applied the Greenfield approach, which is considered under income approach method. The rationale behind Greenfield is that the approach mirrors the discounted cash flow model (DCF), applying a hypothetical scenario assuming that the asset was not purchased but was constructed on the date of the transaction. In the hypothetical scenario, a revenue base of zero is assumed, with assumption that operations would begin on the valuation date. After consideration of the level of risk attributable to port business, for the valuation of the concession right, a USD denominated discount rate of 7.30% has been applied.

In conclusion the fair value of Yılport Gavle's concession right is estimated as USD 11.1 million (equivalent of USD as of transaction date) (SEK 89.4 Million) by discounting the expected cash flows throughout its remaining life and tax benefit.

Yılport Iberia:

(5) Yılport Iberia concession rights are identified as an intangible asset. Yılport Iberia has several concession rights between 3 to 29 years that gives the right to operate ports in the area. The net present value of the free cash flows to be generated through port business during this period will reflect the fair value of the concession right.

In assessing the value of the operating license, the valuation company has applied the Greenfield approach, which is considered under income approach method. The rationale behind Greenfield is that the approach mirrors the discounted cash flow model (DCF), applying a hypothetical scenario assuming that the asset was not purchased but was constructed on the date of the transaction. In the hypothetical scenario, a revenue base of zero is assumed, with assumption that operations would begin on the valuation date. After consideration of the level of risk attributable to port business, for the valuation of the concession right, a EUR denominated discount rate of 9.40% has been applied.

In conclusion the fair value of Yılport Iberia's concession right is estimated as USD 292.9 million (equivalent of USD as of transaction date) by discounting the expected cash flows throughout its remaining life and tax benefit.

San Cataldo Container Terminal

(5) San Cataldo Container Terminal concession rights are identified as an intangible asset. San Cataldo has concession rights that represent the present value of the fixed payments that must make to the authority during the term of the concession contract.

The present value of the fixed rent payments of the San Cataldo concession agreement during the term of the concession contract recognized as concession right under intangible against the other payable in the consolidated financial statements.

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11. GOODWILL

	31 December 2022	31 December 2021
Yılport Iberia and its subsidiaries	54,952,850	58,315,143
Gemport Gemlik	26,195,405	26,195,405
Yılport Sweden Terminal Investment AB	14,526,695	16,742,819
Solventaş	1,674,432	1,674,432
	97,349,382	102,927,799

As 31 December 2022 and 2021 movements of goodwill are as follows:

Cost	1 January-31 December 2022	1 January-31 December 2021
Opening cost value	102,927,799	110,935,122
Foreign currency exchange differences	(5,578,417)	(8,007,323)
Closing value	97,349,382	102,927,799

12. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions	31 December 2022	31 December 2021
Legal claims (*)	1,427,416	1,509,401
Provision arising from IFRIC 12 Concession (**)	7,515,312	45,286,077
Other	29,594	33,739
	8,972,322	46,829,217

Long-term provisions	31 December 2022	31 December 2021
Provision arising from IFRIC 12 Concession (**)	43,405,842	48,007,542
	43,405,842	48,007,542

(*) As of 31 December 2021, total amount of lawsuit filed against the Group is USD 1,996,019 (31 December 2021: USD 1,509,401) and the management has decided to accrue USD 1,427,416 (31 December 2021: USD 1,509,401) of provision for lawsuits that might have high probability of potential outflow from the Group upon the consultation of legal advisors. Provision is provided for the risk of court cases opened against the Group by former personnel and customers. Information gathered from the Group lawyers related to the amounts and situation of such cases have been examined and provision has been recorded as of the balance sheet date. This provision is the most likely outcome and calculated by using the probability ratio on the potential outflow amount of resources.

(**) Provision is composed of provisions for contractual obligations to maintain and restore the infrastructures. The provision relating to the planned investment reflects the contractual obligation (assumed at the date of the conclusion of the Concession Agreement) of the concessionaire to make investments and over which it has right to use until the end of the Concession.

12. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

Movement of the Group's provision for litigations are as follows:

	1 January-31 December 2022	1 January-31 December 2021
Opening balance	1,509,401	2,010,147
Additional provisions recognized (Note 18)	202,153	98,272
Payments	(158,106)	(11,981)
Reductions arising from other reliefs of future economic benefits (Note 20)	-	(295,145)
Foreign currency exchange differences	(126,032)	(291,892)
Closing balance	1,427,416	1,509,401

Movement of the Group's provision for IFRIC 12 concession agreements are as follows:

	1 January-31 December 2022	1 January-31 December 2021
Opening balance	93,293,619	25,425,005
Additional provisions recognized	-	81,401,352
Provision released (Note 20)	-	(4,906,572)
Payments	(36,403,044)	(3,701,069)
Foreign currency exchange differences	(5,969,421)	(4,925,097)
Closing balance	50,921,154	93,293,619

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13. COMMITMENTS

Contingent liabilities:

31 December 2022	Total USD equivalent	US Dollar	Euro	TL
A. CPMs given for Company's own legal personality				
-Colleteral	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
B. CPMs given on behalf of fully consolidated companies				
-Collateral	*307,715,647*	*218,451,609*	*79,426,454*	*85,727,340*
-Pledge	-	-	-	-
-Mortgage	*110,206,564*	*110,206,564*	-	-
C. CPMs given in the normal course of business activities on behalf of third parties				
-Collateral	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
D. Total amount of other CPMs				
i. Total amount of CPMs given on behalf of the parent				
-Collateral	*69,800,939*	*3,000,000*	*45,100,000*	*350,000,000*
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
ii. Total amount of CPMs given to on behalf of other Group companies which are not in scope of B and C				
-Collateral	*125,865,679*	*81,000,000*	*38,400,000*	*73,411,765*
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
iii. Total amount of CPMs given on behalf of third parties which are not in scope of C				
-Collateral	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
	613,588,829	412,658,173	162,926,454	509,139,105

YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

13. COMMITMENTS (cont'd)

Contingent liabilities (cont'd):

31 December 2021	Total USD equivalent	US Dollar	Euro	TL
A. CPMs given for Company's own legal personality				
-Colleteral	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
B. CPMs given on behalf of fully consolidated companies				
-Collateral	*343,165,952*	*243,446,706*	*76,197,824*	*175,347,203*
-Pledge	-	-	-	-
-Mortgage	*154,289,190*	*154,289,190*	-	-
C. CPMs given in the normal course of business activities on behalf of third parties				
-Collateral	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
D. Total amount of other CPMs				
i. Total amount of CPMs given on behalf of the parent				
-Collateral	*77,372,375*	*40,000,000*	-	*485,000,000*
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
ii. Total amount of CPMs given to on behalf of other Group companies which are not in scope of B and C				
-Collateral	*196,174,522*	*179,000,000*	-	*222,882,353*
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
iii. Total amount of CPMs given on behalf of third parties which are not in scope of C				
-Collateral	-	-	-	-
-Pledge	-	-	-	-
-Mortgage	-	-	-	-
	771,002,039	616,735,896	76,197,824	883,229,556

Yıldırım Family has provided personal guarantees to financial institutions and the Group has pledged its shares of consolidated entities, Yılport Gemlik, Yılport Yarımca, Gemport, Rotaport, Yılport Sweden, Yılport Malta Terminal, Gavle Container Terminal, Yılport Iberia and MFTL in regard to bank loans. In addition, these companies provided mortgages, assignment on receivables to the financial institutions.

Guarantees mainly consist of the guarantees given to banks to secure bank loans and state institutions for port group.

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14. EMPLOYEE BENEFITS

Payables related to employee benefits

	31 December 2022	31 December 2021
Due to personnel	2,394,991	2,056,735
Social security premiums payable	2,490,092	1,899,237
	4,885,083	3,955,972

Long-term provisions for employee benefits

	31 December 2022	31 December 2021
Unused vacation liability	6,785,678	6,386,354
Provision for retirement pay liability	6,770,707	3,994,206
	13,556,385	10,380,560

Movement of the unused vacation provision is as follows:

	1 January-31 December 2022	1 January-31 December 2021
Opening balance	6,386,354	7,085,474
Charge for the year	2,379,844	2,849,887
Payment	(1,371,356)	(2,805,106)
Translation gain/(loss)	(609,164)	(743,901)
Closing balance	6,785,678	6,386,354

Movements of the retirement payment provision are as follows:

	1 January-31 December 2022	1 January-31 December 2021
Opening balance	3,994,206	4,605,159
Inflation adjustment	23,173	-
Service cost	1,432,318	547,420
Interest cost	588,099	776,033
Payment	(663,325)	(448,013)
Actuarial (gain) / loss	2,285,641	559,910
Translation gain	(889,405)	(2,046,303)
Closing balance	6,770,707	3,994,206

Provision for employee termination benefit for Turkish employees located in Turkey:

Under Turkish Labor Law, the Group is required to pay termination benefits to each employee who has completed certain years of service and whose employment is terminated without due cause, is called up for military service, dies or achieves the retirement age (58 for women and 60 for men).

The amount payable consists of one month's salary limited to a maximum of USD 822.07 (Equivalent of TL 15,371.40) for each period of service at 31 December 2022 (31 December 2021: USD 638.38 (Equivalent of TL 8,284.51)).

14. EMPLOYEE BENEFITS (cont'd)

Long-term provisions for employee benefits (cont'd)

Retirement pay liability is not subject to any kind of funding legally. Provision for retirement pay liability is calculated by estimating the present value of probable liability amount arising due to retirement of employees. IAS 19 *Employee Benefits* stipulates the development of company's liabilities by using actuarial valuation methods under defined benefit plans. In this direction, actuarial assumptions used in calculation of total liabilities are described as follows:

The principal assumption is that the maximum liability for each year of service will increase in parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying consolidated financial statements as at 31 December 2022, the provision which amounts to USD 6,770,707 (31 December 2021: USD 3,994,206) has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated assuming an annual inflation rate of 17.78% and an interest rate of 21.44%, resulting in a real discount rate of approximately 3.11% (31 December 2021: 3.92%). Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration ceiling amount of USD 1,068.70 (Equivalent of TL 19,982.83) which is in effect since 1 January 2023 is used in the calculation of Company's provision for retirement pay liability (1 January 2022: USD 835.95 (Equivalent of TL 10,848.59)).

The principal assumptions used in the calculation of retirement pay liability are discount rate and anticipated turnover rate.

- If the discount rate had been 1% lower / (higher), provision for employee termination benefits would increase / (decrease) by USD 763,706 / (USD 562,105).
- If the anticipated turnover rate had been 1% lower / (higher) while all other variables held constant, provision for employee termination benefits would increase / (decrease) by USD 148,206 / (USD 223,388).

15. OTHER ASSETS AND LIABILITIES

Other Current Assets	31 December 2022	31 December 2021
VAT deductible	2,152,095	4,364,608
Other VAT	2,033,495	1,903,397
Deferred VAT	1,698,277	1,663,378
Other current assets	65,733	4,648
	5,949,600	7,936,031

Other Non-Current Assets	31 December 2022	31 December 2021
VAT deductible	12,260,111	2,375,511
Deferred VAT	4,344,050	3,877,778
	16,604,161	6,253,289

Other Current Liabilities	31 December 2022	31 December 2021
VAT payable	155,409	200,452
	155,409	200,452

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16. SHARE CAPITAL AND RESERVES AND OTHER EQUITY ITEMS

As of 31 December 2022, and 2021 the Company's share capital held is as follows:

Shareholders	%	31 December 2022	%	31 December 2021
Yıldırım Holding A.Ş.	100%	2,245,000,000	100%	2,245,000,000
Nominal Capital in TL	100%	2,245,000,000	100%	2,245,000,000
Adjusted capital TL		2,245,000,000		2,245,000,000
Nominal Capital in USD		617,131,760		617,131,760
Adjusted capital		617,131,760		617,131,760

Total number of ordinary shares is 2,245,000,000 (31 December 2021: 2,245,000,000 shares) with per value of TL 1. (31 December 2021: TL 1)

Legal and other capital reserves

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 the Turkish Commercial Code, general legal reserve can be used for the recovery of loss, continuing the operations when the operations are not going well or preventing the unemployment and taking precautions to alleviate the possible results if only the amount does not exceeds half of the capital and the issued capital.

	31 December 2022	31 December 2021
Restricted reserves	32,828,212	31,229,575
Other share capital reserves	21,826,039	21,826,039
	54,654,251	53,055,614

	31 December 2022	31 December 2021
Foreign currency translation reserve, net	(13,328,204)	(44,268,535)
Property revaluation reserve	105,001,988	152,912,705
Share of other comprehensive income of investments in equity accounted investees	(5,744,504)	-
Accumulated gain/(loss) on remeasurement of defined benefit plans	(1,876,133)	(47,620)
	84,053,147	108,596,550

Foreign Currency Translation Reserve

	31 December 2022	31 December 2021
Foreign currency translation reserve that will be reclassified subsequently to profit or loss	322,858,239	291,917,908
Foreign currency translation reserve that will not be reclassified subsequently to profit or loss	(336,186,443)	(336,186,443)
	(13,328,204)	(44,268,535)

16. SHARE CAPITAL AND RESERVES AND OTHER EQUITY ITEMS (cont'd)

Foreign Currency Translation Reserve (cont'd)

	1 January-31 December 2022	1 January-31 December 2021
Balance at 1 January	(336,186,443)	(336,186,443)
Balance at 31 December	(336,186,443)	(336,186,443)

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's functional currency are recognized directly in other comprehensive income. Exchange differences previously accumulated in the foreign currency translation reserve will not reclassified to profit or loss on the disposal of the foreign operation.

	1 January-31 December 2022	1 January-31 December 2021
Balance at 1 January	291,917,908	338,960,816
Exchange differences arising on translating the net assets may be reclassified subsequently to profit or loss	30,940,331	(47,042,908)
Balance at 31 December	322,858,239	291,917,908

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Currency Units) are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations and hedges of foreign operations) are reclassified to profit or loss on the disposal of the foreign operation.

Property Revaluation Reserve:

	1 January-31 December 2022	1 January-31 December 2021
Balance at 1 January	152,912,705	106,784,260
Currency translation effect	(47,910,717)	-
Gain on revaluation of property, plant and equipment	-	46,128,445
Balance at 31 December	105,001,988	152,912,705

The properties revaluation reserve arises on the revaluation of land. When revalued land is sold, the portion of the properties revaluation reserve that relates to that asset is transferred directly to retained earnings.

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17. REVENUE AND COST OF SALES

The Group derives its revenue from the transfer of goods and services at a point in time in the following major goods and service lines.

a) Sales	1 January-31 December 2022	1 January-31 December 2021
Sales	465,180,979	456,161,788
Port service sales	*418,234,077*	*415,974,410*
Logistics services	*6,399,141*	*7,034,139*
Liquid storage service	*30,565,792*	*27,136,348*
Other sales	*9,981,969*	*6,016,891*
Other income	237,086	393,922
Sales returns (-)	(778,047)	(496,411)
Sales discounts (-)	(17,613,535)	(16,624,774)
	447,026,483	439,434,525

b) Cost of Sales	1 January-31 December 2022	1 January-31 December 2021
Depreciation and amortization expenses (Note 9, 10, 26)	(98,076,487)	(94,047,015)
Personnel expenses	(73,643,506)	(67,842,657)
Port service expenses	(32,839,754)	(33,074,459)
Rent expense	(29,128,090)	(32,279,419)
Maintenance and repair expenses	(17,116,456)	(15,904,003)
Electricity, heating and water expenses	(16,937,410)	(11,447,902)
Petroleum expenses	(11,447,327)	(6,505,967)
Transportation expenses	(9,397,794)	(8,365,206)
Outsourcing expenses	(3,772,890)	(4,163,891)
Insurance expenses	(3,613,643)	(4,112,864)
Fuel expenses	(1,395,915)	(973,028)
Consultancy expenses	(1,231,258)	(1,575,855)
Material expenses	(947,931)	(830,799)
Taxes, duties and fees	(377,147)	(443,059)
Other expenses	(5,663,354)	(6,634,760)
	(305,588,962)	(288,200,884)

18. ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

	1 January-31 December 2022	1 January-31 December 2021
Administrative expenses (-)	(41,404,037)	(38,893,896)
Marketing expenses (-)	(1,460,664)	(1,260,292)
	(42,864,701)	(40,154,188)

a) Details of Administrative Expenses	1 January-31 December 2022	1 January-31 December 2021
Personnel expenses	(25,128,243)	(22,678,856)
Consultancy expenses	(4,222,196)	(4,299,195)
Contribution margin expenses	(2,454,264)	(2,459,773)
Maintenance and repairment expenses	(1,555,608)	(1,326,090)
Depreciation and amortization expenses (Note 9, 10, 26)	(1,440,614)	(1,786,847)
Office expenses	(957,412)	(1,108,706)
Travelling and accommodation expenses	(874,954)	(434,975)
Rent expense	(672,104)	(873,568)
Electricity, heating and water expenses	(439,608)	(350,879)
Communication expenses	(334,876)	(792,795)
Taxes, duties and fees	(250,881)	(364,865)
Provision for litigation (Note 12)	(202,153)	(98,272)
Subscription expenses	(172,458)	(232,253)
Transportation expenses	(149,486)	(112,095)
Outsourcing expenses	(94,679)	(237,426)
Expected credit loss provisions (Note 4)	(78,925)	(57,609)
Other expenses	(2,375,576)	(1,679,692)
	(41,404,037)	(38,893,896)

b) Details of Marketing Expenses	1 January-31 December 2022	1 January-31 December 2021
Personnel expenses	(1,119,495)	(1,048,637)
Marketing expenses	(157,640)	(44,254)
Travel and accommodation expenses	(71,625)	(31,774)
Depreciation and amortization expenses (Note 9, 10, 26)	(7,803)	(10,971)
Other expenses	(104,101)	(124,656)
	(1,460,664)	(1,260,292)

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19. EXPENSES BY NATURE

The details of expenses by nature for the years ended 31 December 2022 and 2021 are as follows:

Expenses by Nature	1 January-31 December 2022	1 January-31 December 2021
Personnel expenses	(99,891,244)	(91,570,150)
Depreciation and amortization expenses	(99,524,904)	(95,844,833)
Port service expenses	(32,839,754)	(33,074,459)
Rent expense (*)	(29,800,194)	(33,152,987)
Maintenance and repair expenses	(18,672,064)	(17,230,093)
Electricity, heating and water expenses	(17,377,018)	(11,798,781)
Petroleum expenses	(11,447,327)	(6,505,967)
Transportation expenses	(9,547,280)	(8,477,301)
Consultancy expenses	(5,453,454)	(5,875,050)
Outsourcing expenses	(3,867,569)	(4,401,317)
Fuel expenses	(1,395,915)	(973,028)
Office expenses	(957,412)	(1,108,706)
Taxes, duties and fees	(628,028)	(807,924)
Other	(17,051,500)	(17,534,476)
	(348,453,663)	(328,355,072)

(*) Rent expenses are short term rent expenses that are exempt from IFRS 16 consideration.

20. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES

The details of other income from operating activities for the years ended 31 December 2022 and 2021 are as follows:

Income from Other Operations	1 January-31 December 2022	1 January-31 December 2021
Foreign exchange gains from operating activities	7,871,530	11,184,379
Reflection income	2,610,662	3,242,610
Income from indemnity, insurance and damage	936,562	443,130
Rent income	485,243	432,908
Income from ports and other services	397,235	724,942
Gain on scrap sales	235,584	80,566
Income from purchase returns	180,913	174,754
Reversal of expected credit loss provision (Note 4)	157,958	394,590
Income from taxes, duties and fees	10,040	209,364
Reversal of other provisions (Note 12)	-	4,906,572
Reversal of litigation provision (Note 12)	-	295,145
Other	3,101,772	7,021,136
	15,987,499	29,110,096

20. OTHER INCOME AND EXPENSES FROM OPERATING ACTIVITIES (cont'd)

The details of other expenses from operating activities for the years ended 31 December 2022 and 2021 are as follows:

Expenses from Other Operations	1 January-31 December 2022	1 January-31 December 2021
Foreign exchange losses from operating activities	(29,212,019)	(30,392,846)
Reflection expenses	(7,150,270)	(6,905,928)
Taxes, duties and fees	(293,522)	(523,767)
Donation expenses	(22,720)	(64,685)
Other	(1,805,702)	(4,981,636)
	(38,484,233)	(42,868,862)

21. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

The details of other income from investing activities for the periods ended 31 December 2022 and 2021 are as follows:

Income from Investing Activities	1 January-31 December 2022	1 January-31 December 2021
Investment income from MFTL (Note 5)	18,884,165	21,221,857
Interest income	959,970	244,541
Gain on sale of fixed assets	860,024	2,791,189
Other	1,181	27,924
	20,705,340	24,285,511

The details of other expenses from investing activities for the years ended 31 December 2022 and 2021 are as follows:

Expenses from Investing Activities	1 January-31 December 2022	1 January-31 December 2021
Loss on sale of fixed assets	(65,496)	(2,057,072)
Other	-	(337)
	(65,496)	(2,057,409)

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22. FINANCE INCOME AND EXPENSES

The details of finance income for the years ended 31 December 2022 and 2021 are as follows:

Finance Income	1 January-31 December 2022	1 January-31 December 2021
Foreign exchange gains from financing activities	123,054,198	23,494,098
Interest income from related parties (Note 5)	19,433,145	35,082,961
Unrealized gain on derivative instruments	14,761,680	3,869,038
Realized gain on derivative instruments	5,153,366	2,849,828
Guarantor income	154,398	557,291
	162,556,787	65,853,216

The details of finance expense for the years ended 31 December 2022 and 2021 are as follows:

Finance Expenses	1 January-31 December 2022	1 January-31 December 2021
Interest expenses from related parties (Note 5)	(61,861,779)	(18,192,536)
Foreign exchange losses from financing activities	(45,172,308)	(132,365,068)
Interest on bank overdrafts and loans	(42,865,020)	(46,661,683)
Interest expenses arising from concession payable	(12,209,541)	(5,140,957)
Realized losses on derivative instruments	(9,673,184)	(8,228,568)
Interest expense on obligations under IFRS 16 (Note 25)	(9,575,583)	(11,528,735)
Interest expenses arising from other payable	(5,263,748)	(7,497,700)
Commision expenses	(4,945,879)	(7,176,486)
Guarantor expenses	(1,446,983)	(694,387)
Unrealized losses on derivative instruments	(73,500)	(11,790,456)
Other finance costs	(656,204)	(4,701,058)
	(193,743,729)	(253,977,634)

23. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)

	31 December 2022	31 December 2021
Assets related to current tax		
Prepaid corporate tax	1,634,336	2,631,750
	1,634,336	2,631,750

	31 December 2022	31 December 2021
Current tax liability		
Current corporate tax provision	10,486,575	10,082,629
Less: prepaid taxes and funds	(8,603,325)	(6,521,607)
	1,883,250	3,561,022

Income tax recognized in profit or loss

Tax expense comprises:	1 January-31 December 2022	1 January-31 December 2021
Current tax expense	(11,747,450)	(11,297,907)
Deferred tax charge / (benefit)	15,237,053	28,100,348
Total tax expense / (income)	3,489,603	16,802,441

Corporate Tax

The Group entities based in Turkey is subject to Turkish corporate taxes. Provision is made in the accompanying financial statements for the estimated charge based on the Group's results for the years and periods. Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, and by deducting dividends received from resident companies, other exempt income and investment incentives utilized.

In Turkey the effective tax rate in 2022 is 23% (2021: 25%). In Turkey, advance tax returns are filed on a quarterly basis. Advance corporate income tax rate applied in 2022 is 23% (2021: 25%). Losses can be carried forward for offset against future taxable income for up to 5 years. However, losses cannot be carried back for offset against profits from previous periods.

Furthermore, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns between 1-25 April following the close of the accounting year to which they relate. Tax authorities may, however, examine such returns and the underlying accounting records and may revise assessments within five years.

The Law numbered 7061 on Amendment of Certain Taxes and Laws and Other Acts was published on the Official Gazette dated December 5, 2017 and numbered 30261. Article 5 entitled "Exceptions" of the Corporate Tax Law has been amended in Article 89 of the Law. In accordance with (a) clause in the first paragraph of the Article, the exemption of 75% applied to gains from the sales of lands and buildings held by the entities for two full years has been reduced to rate of 50%. This regulation has been effective from 5 December 2017.

Losses are allowed to be carried 5 years maximum to be deducted from the taxable profit of the following years. Tax carry back is not allowed.

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23. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Income Withholding Tax

In addition to corporate taxes, companies should also calculate income withholding taxes on any dividends distributed, except for companies receiving dividends who are Turkish residents and Turkish branches of foreign companies. Income withholding tax applied in between 24 April 2003 – 22 July 2006 is 10% and commencing from 23 July 2006, this rate has been changed to 15% upon the Council of Minister's' Resolution No: 2006/10731. Undistributed dividends incorporated in share capital are not subject to income withholding tax.

Withholding tax at the rate of 19.8% is still applied to investment allowances relating to investment incentive certificates obtained prior to 24 April 2003. Subsequent to this date, the investments without investment incentive certificates do not qualify for tax allowance.

Taxation of Foreign Subsidiaries and Operations

Entities and operations consolidated in the accompanying financial statements are subject to corporate tax and withholding tax regimes effective in the relevant country. Effective tax rates in those countries in which the Group operates are summarized below:

Countries	Corporate Tax Rate%	Withholding Tax Rate %
Malta	35%	0%
Netherlands	20%-25%	0%
Sweden	20.6%	0%-32%
Norway	22%	15%
Portugal	21%	25%-35%
Italy	24%	26%
Guatemala	25%	15%

Deferred Tax

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes and they are given below.

With the adjustment on Corporate Income Tax Law, which became effective after its promulgation in Official Gazette no. 31462 dated 22 April 2021, Corporate income tax rate in Turkey is 23% as of 31 December 2022 (2021: 25%). Accordingly, in the calculation of deferred tax assets and liabilities of the subsidiaries resident in Turkey for the Group's consolidated financial statements dated 31 December 2022, the tax rate was applied as 23% for the portion of the relevant temporary differences actualising as of 2022, and 20% for the portions actualising as of 2023.

In Turkey, the companies cannot declare a consolidated tax return, therefore subsidiaries that have deferred tax assets position were not netted off against subsidiaries that have deferred tax liabilities position and disclosed separately.

23. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred tax (assets)/liabilities

	31 December 2022	31 December 2021
Depreciation / amortization differences of property, plant and equipment and other intangible assets	56,490,784	54,491,632
Carry forward tax losses	(11,573,041)	(7,964,360)
Loan interest accrual	(702,904)	413,229
Revaluation on land	11,666,888	13,835,177
Provision for employment termination benefits	(942,074)	(510,449)
Expected credit loss provisions	(54,548)	(53,239)
Provision for unused vacation	(208,585)	(69,729)
Legal case provisions	(285,580)	(340,350)
Tax advantage from investment incentive certificate (*)	(54,484,266)	(52,257,744)
Financial leasing interest accrual	(1,475,290)	(1,315,452)
Derivative financial instruments	(1,733,840)	(4,315,388)
Other	1,396,244	(2,365,507)
Net deferred tax liability	(1,906,212)	(452,180)
Deferred tax assets	(57,491,725)	(61,930,332)
Deferred tax liabilities	55,585,513	61,478,152
	(1,906,212)	(452,180)

(*) The details of the Group's investment incentive certificates are as follows;

Gemport:

On 8 September 2016, the investment incentive certificate of TL 357,541,239 (USD equivalent 94,790,752), which the Company has applied in the framework of the Decree on State Aids in Investments dated 29 November 2010 and numbered H/99218, was signed by T.C. Ministry of Economy approved by General Directorate of Incentive Implementation and Foreign Capital. The Company has a tax reduction rate of 50% and an investment contribution rate of 30% in return for the relevant incentive certificate. As of 31 December 2022, a total investment of TL 465,234,435 has been made for the Investment in Transportation, Communication and Storage Services of the Company, which was initiated by the Company in 2010. The Group recognized TL 626,275,772 (USD equivalent 33,493,728) (31 December 2021: TL 153,413,975 (USD equivalent 11,821,535)) deferred tax assets which is the remaining deductible tax amount as of reporting date that had been earned as a result of investments made until reporting date and had not been deducted yet. The investment has been completed.

On 3 July 2013, the investment incentive certificate of TL 246,044,378 (USD equivalent 65,230,886), which the Company has applied in the framework of the Decree on State Aids in Investments dated 8 May 2013 and numbered D/110944, was signed by T.C. Ministry of Economy approved by General Directorate of Incentive Implementation and Foreign Capital. The Company has a tax reduction rate of 50% and an investment contribution rate of 15% in return for the relevant incentive certificate. As of 31 December 2022, a total investment of TL 109,162,405 has been made for the Investment in Transportation, Communication and Storage Services of the Company, which was initiated by the Company in 2013. Since indefinite maturity of investment incentive certificate, the Group recognized TL 38,263,724 (equivalent of USD 2,046,374) (31 December 2021: TL 10,444,214 (equivalent of USD 804,794)) deferred tax assets which is the remaining deductible tax amount as of reporting date that had been earned as a result of investments made until reporting date and had not been deducted yet. The investment has been completed.

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23. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred tax (assets)/liabilities (cont'd)

Gemport:

On 13 September 2019, the investment incentive certificate of TL 488,176,571 (USD equivalent 82,181,841), which the Company has applied in the framework of the Decree on State Aids in Investments dated 13 September 2019 and numbered 506227, was signed by T.C. Ministry of Economy approved by General Directorate of Incentive Implementation and Foreign Capital. The Company has a tax reduction rate of 50% and an investment contribution rate of 15% in return for the relevant incentive certificate. As of 31 December 2022, a total investment of TL 442,519,402 has been made for the Investment in Transportation, Communication and Storage Services of the Company, which was initiated by the Company in 2010. The Group recognized TL 52,960,429 (USD equivalent 2,832,366) (31 December 2021: TL 424,322,581 (USD equivalent 32,696,789)) deferred tax assets which is the remaining deductible tax amount as of reporting date that had been earned as a result of investments made until reporting date and had not been deducted yet.

Yılport Konteyner:

On 6 May 2016, the investment incentive certificate of TL 301,166,719 (USD equivalent 85,578,177), which the Company has applied in the framework of the Decree on State Aids in Investments dated 23 November 2010 and numbered F/99217, was signed by T.C. Ministry of Economy approved by General Directorate of Incentive Implementation and Foreign Capital. The Company has a tax reduction rate of 50% and an investment contribution rate of 30% in return for the relevant incentive certificate. As of 31 December 2022, a total investment of TL 330,045,667 has been made for the Investment in Transportation, Communication and Storage Services of the Company, which was initiated by the Company in 2010. The Company recognized TL 282,111,810 (TL equivalent of USD 15,087,565) (31 December 2021: TL 89,899,120 (TL equivalent of USD 6,927,306)) deferred tax assets which is the remaining deductible tax amount as of reporting date that had been earned as a result of investments made until reporting date and had not been deducted yet.

On 7 February 2021, the investment incentive certificate of TL 566,800,074 (USD equivalent 80,068,948), which the Company has applied in the framework of the Decree on State Aids in Investments and numbered 520236, was signed by T.C. Ministry of Economy approved by General Directorate of Incentive Implementation and Foreign Capital. The Company has a tax reduction rate of 55% and an investment contribution rate of 20% in return for the relevant incentive certificate. As of 31 December 2022, a total investment of TL 113,360,015 has been made for the Investment in Transportation, Communication and Storage Services of the Company, which was initiated by the Company in 2010. The Group recognized TL 18,861,416 (USD equivalent 1,008,724) (31 December 2021: TL 95,000 (USD equivalent 7,320)) deferred tax assets which is the remaining deductible tax amount as of reporting date that had been earned as a result of investments made until reporting date and had not been deducted yet.

Rotaport:

The investment incentive certificate of TL 47,170,000 (USD equivalent 2,522,690), which the Company has applied in the framework of the Decree on State Aids in Investments and numbered B/123088, was signed by T.C. Ministry of Economy approved by General Directorate of Incentive Implementation and Foreign Capital. The Company has a tax reduction rate of 50% and an investment contribution rate of 15% in return for the relevant incentive certificate. As of 31 December 2022, a total investment of TL 10,480,855 has been made. The Group recognized TL 290,002 (USD equivalent 15,509) deferred tax assets which is the remaining deductible tax amount as of reporting date that had been earned as a result of investments made until reporting date and had not been deducted yet.

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23. INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES) (cont'd)

Deferred tax (assets)/liabilities (cont'd)

Expiration schedule of unused carry forward tax losses is as follows:

	31 December 2022	31 December 2021
Expiring in 2022	-	6,165,294
Expiring in 2023	17,328,099	31,408,681
Expiring in 2024	18,379,729	32,140,699
Expiring in 2025	20,645,743	42,369,770
Expiring in 2026	100,964,166	219,325,957
Expiring in 2027	105,469,404	-
	262,787,141	331,410,401

At the balance sheet date, the Group has unused tax losses of USD 262,787,141 (2021: USD 331,410,401) available for offset against future profits. A deferred tax asset has been recognized in respect of USD 11,573,041 (2021: USD 7,964,360) of such losses. No deferred tax asset has been recognized in respect of the remaining USD 40,984,387 (2021: USD 58,317,720) due to the unpredictability of future profit streams.

Movement of deferred tax (assets) / liabilities for the years ended 31 December 2022 and 2021 are as follows:

Movement of deferred tax liabilities / (assets):	1 January-31 December 2022	1 January-31 December 2021
Opening balance	(452,180)	6,749,541
Inflation adjustment	(4,635)	-
Effect of tax rate change	(17,846)	(3,811)
Charged to profit or loss	(15,237,053)	(28,100,348)
Charged to equity	(457,128)	5,013,401
Foreign currency exchange differences	14,262,630	15,889,037
Closing balance	(1,906,212)	(452,180)

	1 January-31 December 2022	1 January-31 December 2021
Profit/(loss) before tax	71,309,344	(71,284,050)
Profit/(loss) from operations before tax	71,309,344	(71,284,050)
Tax at domestic income tax rate (*)	23%	25%
Tax effects of:	(16,401,149)	17,821,013
- exemptions that are deductible even in loss and non taxable income	2,300,872	3,589,355
- expenses that are not deductible in determining taxable profit	(10,499,980)	(21,188,836)
- unused tax losses and tax offsets not recognized	(24,181,915)	(75,946,453)
- share of profit in equity accounted investees exempt from deferred tax calculation	1,152,010	(183,578)
- foreign currency exchange differences	46,862,820	87,852,330
- different tax rates of subsidiaries operating in other jurisdictions	(403,240)	(1,193,497)
- adjustments not recognized as deferred tax assets or liabilities	(1,551,887)	(8,449,541)
- effect of investment incentive recognized	17,393,213	21,523,379
- other	(11,181,141)	(7,021,731)
Income tax expense recognised in profit or loss	3,489,603	16,802,441

(*) Different rates are applied for different countries where the foreign companies and joint ventures are located.

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24. FINANCIAL INSTRUMENTS

Financial Investments

Current financial assets

Other Current Financial Assets	31 December 2022	31 December 2021
Investments	6,575	6,575
Time deposits with maturity after 3 months	-	6,498,725
	6,575	6,505,300

Currency type	Interest rate (%)	Maturity date	Currency amount	31 December 2021
EUR	0.40%	July 2022	5,744,141	6,498,725
				6,498,725

Non-current financial assets

Other Non-Current Financial Assets	31 December 2022	31 December 2021
Restricted cash and cash equivalents (*)	15,655,113	9,399,781
Time deposits with maturity after 3 months	173,657	184,282
Investments	178,522	173,371
	16,007,292	9,757,434

(*) The restricted deposits are commitments arising from the bank loan draw down by Yılport Iberia and Yılport Holding.

Currency type	Interest rate (%)	Maturity date	Currency amount	31 December 2022
EUR	0.01%	January 2024	162,885	173,657
				173,657

Currency type	Interest rate (%)	Maturity date	Currency amount	31 December 2021
EUR	0.01%	January 2023	162,885	184,282
				184,282

USD 185,097 (31 December 2021: USD 179,946) of the above unlisted investments which are measured at its historical costs as fair values could not be determined reliably. However, Management believes that unlisted investments' book value approximates its fair value. The Company does not have significant influence over these entities.

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24. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities

	31 December 2022	31 December 2021
Financial liabilities		
a) Bank loans	608,029,525	685,348,688
b) Lease liabilities	203,470,451	233,756,430
	811,499,976	919,105,118

a) Bank loans

Currency	Weighted Average Effective Interest Rate	31 December 2022 Current	31 December 2022 Non-Current
USD	6.40%	102,613,471	275,334,678
EUR	4.51%	43,035,485	141,247,324
TL	21.05%	1,231,392	4,279,041
JPY	2.89%	4,609,501	2,209,220
SEK	2.75%	-	33,469,413
		151,489,849	456,539,676

Currency	Weighted Average Effective Interest Rate	31 December 2021 Current	31 December 2021 Non-Current
USD	6.58%	88,874,980	281,605,276
EUR	4.11%	45,336,691	186,574,660
TL	18.00%	14,143,574	6,613,082
JPY	2.87%	5,430,269	7,597,815
SEK	2.75%	4,061,344	45,106,454
GTQ	0.01%	4,543	-
		157,851,401	527,497,287

The bank loans are repayable as follows:

	31 December 2022	31 December 2021
To be paid within 1 year	151,489,849	157,851,401
To be paid between 1-2 years	146,273,665	135,588,038
To be paid between 2-3 years	90,151,693	131,795,989
To be paid between 3-4 years	50,188,276	78,382,476
To be paid between 4-5 years	47,025,039	45,545,741
To be paid between 5+ years	122,901,003	136,185,043
	608,029,525	685,348,688

Yıldırım Family has provided personal guarantees to financial institutions and the Group has pledged its shares of Yılport Yarımca, Solventaş, Gemport, Yılport Iberia Group and MFTL regarding bank loans.

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24. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

b) Lease liabilities

	31 December 2022	31 December 2021
Lease liabilities		
Short-term lease liabilities under IFRS 16	20,311,265	21,117,406
Long-term lease liabilities under IFRS 16	181,463,723	209,116,691
Obligations under finance lease (*)	1,695,463	3,522,333
	203,470,451	233,756,430

(*) Finance lease obligation amounts are related to Yılport Iberia and not classified into lease liabilities because the assets obtained through these leases are booked under IFRIC-12.

Lease liabilities under IFRS 16

	2022	2021
Balance at 1 January	230,234,097	195,779,625
Additions	2,666,555	67,886,192
Repayments (-)	(23,039,142)	(23,958,983)
Interest expense (Note 22)	9,575,583	11,528,735
Disposal	-	(2,801,898)
Impact of lease modifications	7,786,338	2,879,954
Foreign exchange gain/loss	(2,742,457)	(7,697,423)
Currency translation differences	(22,705,986)	(13,382,105)
Balance at 31 December	201,774,988	230,234,097

Currency Type	Effective Interest Rate	31 December 2022 Lease Liability
TRY	12.00% - 22.50%	10,412,320
SEK	1.31% - 3.00%	113,536,213
EUR	1.92% - 2.25%	2,054,304
NOK	0.90% - 4.40%	43,644,246
USD	5.79%-7.20%	32,127,905

Currency Type	Effective Interest Rate	31 December 2021 Lease Liability
TRY	17.50% - 22.50%	11,437,398
SEK	2.42% - 3.81%	134,673,314
EUR	1.60%-5.00%	445,462
NOK	3.59%	48,084,486
USD	5.79%-7.20%	35,593,437

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24. FINANCIAL INSTRUMENTS (cont'd)

Financial Liabilities (cont'd)

b) Lease liabilities

Obligation under finance lease

	Minimum lease payments		Present value of minimum lease payments	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Within one year	1,766,984	1,854,803	1,695,463	1,726,068
In the second to fifth years inclusive	-	1,854,073	-	1,796,265
	1,766,984	3,708,876	1,695,463	3,522,333
Less : Future finance charges	(71,521)	(186,543)	-	-
Present value of finance lease obligations	1,695,463	3,522,333	1,695,463	3,522,333
Less: Amounts due to settlement within twelve months (shown under current liabilities)			1,695,463	1,726,068
Amounts due for settlement after 12 months			-	1,796,265

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non–cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

			Non-cash changes		
	1 January 2022	Financing cash flows	Interest accrual difference	Foreign exchange (gain) / losses changes	31 December 2022
Bank loans	685,348,688	(57,424,661)	5,823,137	(25,717,639)	608,029,525
Obligations under finance leases	3,522,333	(1,712,891)	115,022	(229,001)	1,695,463
Non-trade payables to related parties	402,413,822	122,664,096	16,585,354	(117,282,643)	424,380,629
	1,091,284,843	63,526,544	22,523,513	(143,229,283)	1,034,105,617

			Non-cash changes		
	1 January 2021	Financing cash flows	Interest accrual difference	Foreign exchange (gain) / losses changes	31 December 2021
Bank loans	774,675,356	(55,105,029)	5,310,569	(39,532,208)	685,348,688
Obligations under finance leases	5,624,504	(1,969,664)	236,500	(369,007)	3,522,333
Non-trade payables to related parties	337,674,977	74,389,615	5,104,764	(14,755,534)	402,413,822
	1,117,974,837	17,314,922	10,651,833	(54,656,749)	1,091,284,843

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24. FINANCIAL INSTRUMENTS (cont'd)

Derivative Financial Instruments

	31 December 2022		31 December 2021	
Financial liabilities carried at FVTPL	Assets	Liabilities	Assets	Liabilities
Held for trading derivatives not designed in hedge accounting relationships				
Cross currency swaps	-	(16,370,489)	145,426	(16,472,260)
Interest rate swaps	6,331,003	-	-	(863,138)
Interest rate swaps with CAP option	1,375,454	(510,703)	-	(4,346,889)
	7,706,457	(16,881,192)	145,426	(21,682,287)
Analysed as:				
Non-current	7,706,457	(16,881,192)	145,426	(21,682,287)
	7,706,457	(16,881,192)	145,426	(21,682,287)

At the end of the reporting period, the total notional amount of outstanding cross currency, interest rate swap and interest rate swaps with Cap option contracts to which the Group is committed are as follows:

	31 December 2022	31 December 2021
Cross currency swaps	23,528,593	29,064,530
Interest rate swaps	86,818,905	109,410,439
Interest rate swaps with CAP option	115,523,438	120,599,481
	225,870,936	259,074,450

At 31 December 2022, the fair value of the Group's currency derivatives is estimated to be approximately USD (9,174,735) (31 December 2021: USD (21,536,861)). These amounts are based on future cash flows estimated by using term interest rate (yield curve observable at the end of the reporting period resulting from interest rate) and contractual interest rates, are discounted by using rate that reflects the credit risk of various parties. The fair value of non-hedging interest rate derivatives amounting to USD 14,688,180 have been charged to profit or loss as unrealized net gain or loss in the current year (31 December 2021: USD (7,921,418)).

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25. NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

The Group's primary financial instruments include bank loans, cash, short-term bank deposits, derivative instruments. The main purpose of these financial instruments is to finance the operations of the Group. The Group also has other financial instruments related to its operations like trade payables and trade receivables.

a) Capital risk management

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

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 24, cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

In addition and consistent with others in the industry, the group monitors capital on the basis of the gearing ratio. This ratio is calculated as bank loans divided by total capital. Net debt is calculated as total bank loans less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position plus net debt.

	31 December 2022	31 December 2021
Total bank loans	608,029,525	685,348,688
Less: cash and cash equivalents	(98,911,385)	(119,149,828)
Net debt	509,118,140	566,198,860
Total equity	403,360,082	353,973,739
Total capital	912,478,222	920,172,599
Gearing ratio	56%	62%

The Group's overall strategy remains unchanged from 2021.

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

b) Financial risk factors

b.1) Credit risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the board of directors. Group treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

	Receivables					
	Trade Receivables		Other Receivables			
31 December 2022	Related Parties	Third Party	Related Parties	Third Party	Deposits at Banks	Derivative Instruments
Maximum credit risk exposed as of balance sheet date (*)	7,417,274	41,649,427	189,473,961	1,403,949	98,883,559	7,706,457
- Secured portion of the maximum credit risk by guarantees (**)	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	7,417,274	31,606,199	189,473,961	1,403,949	98,883,559	7,706,457
B. Net book value of financial assets that are past due but not impaired	-	10,043,228	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-
- Past due (gross amount)	-	1,513,473	-	-	-	-
- Impairment (-)	-	(1,513,473)	-	-	-	-

	Receivables					
	Trade Receivables		Other Receivables			
31 December 2021	Related Parties	Third Party	Related Parties	Third Party	Deposits at Banks	Derivative Instruments
Maximum credit risk exposed as of balance sheet date (*)	7,268,984	48,700,520	167,053,756	1,639,086	119,121,646	145,426
- Secured portion of the maximum credit risk by guarantees (**)	-	-	-	-	-	-
A. Net book value of financial assets that are neither past due nor impaired	7,268,984	37,356,374	167,053,756	1,639,086	119,121,646	145,426
B. Net book value of financial assets that are past due but not impaired	-	11,344,146	-	-	-	-
C. Net book value of the impaired assets	-	-	-	-	-	-
- Past due (gross amount)	-	2,619,569	-	-	-	-
- Impairment (-)	-	(2,619,569)	-	-	-	-

(*) The factors that increase the credit reliability, such as guarantees received are not considered in the determination of the balance.

(**) Guarantees consist of guarantee letters, guarantee notes and mortgages obtained from the customers.

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

b) Financial risk factors

b.1) Credit risk management

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group monitors the credibility of the parties with whom they perform transactions and also takes into account the credit rating of the related instruments when making the investment preference. The credit rating information is supplied by independent rating agencies where available and, if not available, the Group uses other publicly available financial information and its own trading records to rate its major customers. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Carrying value of the financial assets after deduction of necessary impairment reserves, presented in the accompanying financial statements represents the Group's maximum credit risk exposure.

Category	Description	Basis for recognizing expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Doubtful	Amount is >180 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – not credit – impaired
In default	Amount is >365 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit – impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

b.2) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Included in Note 26 is a listing of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

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

b) Financial risk factors (cont'd)

b.2) Liquidity risk management (cont'd)

31 December 2022	Carrying value	Cash outflow according to agreements	Less than 3 months	3 months to 1 year	1 - 5 years	5+ years
Bank loans	608,029,525	733,119,057	39,424,049	125,386,734	386,232,592	182,075,682
Finance lease under IFRS 16	201,774,988	294,037,773	6,697,380	15,055,073	82,919,229	189,366,091
Trade payables (including related parties)	31,974,739	33,950,952	33,716,473	234,479	-	-
Obligations under finance leases	1,695,463	1,766,984	424,912	1,342,072	-	-
Other payables (including related parties)	645,667,146	954,921,512	33,203,412	111,929,689	554,620,204	255,168,207
	1,489,141,861	2,017,796,278	113,466,226	253,948,047	1,023,772,025	626,609,980

31 December 2021	Carrying value	Cash outflow according to agreements	Less than 3 months	3 months to 1 year	1 - 5 years	5+ years
Bank loans	685,348,688	790,513,080	41,119,490	120,862,675	440,305,136	188,225,779
Finance lease under IFRS 16	230,234,097	323,374,221	6,894,219	15,914,644	85,789,298	214,776,060
Trade payables (including related parties)	38,595,183	40,467,074	40,121,406	345,668	-	-
Obligations under finance leases	3,522,333	3,708,876	466,658	1,388,145	1,854,073	-
Other payables (including related parties)	647,700,095	1,121,185,006	24,075,520	78,591,046	705,739,906	312,778,534
	1,605,400,396	2,279,248,257	112,677,293	217,102,178	1,233,688,413	715,780,373

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

b) Financial risk factors (cont'd)

b.2) Liquidity risk management (cont'd)

The following table details the Group's liquidity analysis for its derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows/ (outflows) on the derivative instrument that settle on a net basis and the undiscounted gross inflows and (outflows) on those derivatives that require gross settlement. When the amount payable or receivable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the reporting date.

2022	Less than 3 months	3 months to 1 year	1 - 5 years	5+ years	Total
Net settled:					
Cross currency swaps	(305,799)	(2,858,240)	(12,225,549)	(3,073,879)	(18,463,467)
Interest rate swaps	316,048	11,149,413	46,821,183	19,089,633	77,376,277
Interest rate swaps with CAP option	239,651	1,192,341	665,227	(198,120)	1,899,099
	249,900	9,483,514	35,260,861	15,817,634	60,811,909

2021	Less than 3 months	3 months to 1 year	1 - 5 years	5+ years	Total
Net settled:					
Cross currency swaps	-	(692,196)	(10,333,984)	(5,932,404)	(16,958,584)
Interest rate swaps	101,297	7,267,634	46,884,532	30,993,007	85,246,470
Interest rate swaps with CAP option	(888,363)	(1,442,396)	(2,028,779)	-	(4,359,538)
	(787,066)	5,133,042	34,521,769	25,060,603	63,928,348

b.3) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into a derivative financial instruments to manage its exposure to interest rate and foreign currency risk, including interest rate swaps to mitigate the risk of rising interest rates.

Market risk exposures are supplemented by sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

b.3.1) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies. The Group is exposed to currency risk (in the form of transaction risk) from receivables, liabilities, cash and cash equivalents and pending transactions other than functional currency of the Group companies concerned in each case.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

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

b) Financial risk factors (cont'd)

b.3) Market risk

b.3.1) Foreign currency risk management

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting year are as follows;

	31 December 2022							
	USD	USD Equivalent of EUR	USD Equivalent of JPY	USD Equivalent of SEK	USD Equivalent of NOK	USD Equivalent of TL	USD Equivalent of Other	USD Equivalent of Total
Cash and cash equivalents	186,209	24,935,896	-	186,433	3,391,162	4,687,516	151	33,387,367
Financial investment	-	1,589,114	-	-	-	-	-	1,589,114
Trade receivables	96,417	51,510	-	-	-	5,572,510	-	5,720,437
Other receivables (including related parties)	-	4,022,491	-	576	-	29,874,455	-	33,897,522
Financial liabilities	-	(37,494,790)	(6,818,721)	-	-	(15,996,943)	-	(60,310,454)
Trade payables	(500)	(1,514,837)	-	-	-	(4,278,902)	(18,074)	(5,812,313)
Other payables (including related parties)	(1,753,000)	(25,106,013)	-	-	-	(326,463,981)	-	(353,322,994)
Net foreign currency position	(1,470,874)	(33,516,629)	(6,818,721)	187,009	3,391,162	(306,605,345)	(17,923)	(344,851,321)
Off balance sheet derivative instruments net position	-	-	8,303,905	-	-	15,224,688	-	23,528,593
Net Position	(1,470,874)	(33,516,629)	1,485,184	187,009	3,391,162	(291,380,657)	(17,923)	(321,322,728)

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

b) Financial risk factors (cont'd)

b.3) Market risk (cont'd)

b.3.1) Foreign currency risk management (cont'd)

	31 December 2021							
	USD	USD Equivalent of EUR	USD Equivalent of JPY	USD Equivalent of SEK	USD Equivalent of NOK	USD Equivalent of TL	USD Equivalent of Other	USD Equivalent of Total
Cash and cash equivalents	830,253	28,913,498	1,226	199,601	103,482	64,886	198	30,113,144
Financial investment	-	1,694,596	-	-	-	-	-	1,694,596
Trade receivables	1,218,827	69,955	-	176,888	-	2,036,121	-	3,501,791
Other receivables (including related parties)	406,226	7,722,906	-	-	-	104,453,496	-	112,582,628
Financial liabilities	(12,910,942)	(41,416,693)	(13,028,084)	-	-	(26,462,645)	-	(93,818,364)
Trade payables	(1,597,856)	(484,996)	(3,783)	(64,453)	-	(3,908,143)	(4,278)	(6,063,509)
Other payables (including related parties)	(801,923)	(88,778,275)	-	-	-	(17,541,403)	-	(107,121,601)
Net foreign currency position	(12,855,415)	(92,279,009)	(13,030,641)	312,036	103,482	58,642,312	(4,080)	(59,111,315)
Off balance sheet derivative instruments net position	(15,224,688)	-	13,839,842	-	-	-	-	(1,384,846)
Net Position	(28,080,103)	(92,279,009)	809,201	312,036	103,482	58,642,312	(4,080)	(60,496,161)

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

b) Financial risk factors (cont'd)

b.3) Market risk (cont'd)

b.3.1) Foreign currency risk management (cont'd)

Foreign currency sensitivity

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, EUR, JPY, SEK, NOK, TL and other currencies.

The following table details the Group's sensitivity to a 20% decrease and increase in the functional currency of Group companies against the relevant foreign currencies. 20% 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 year end for a 20% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

	USD impact (i)		EUR impact (ii)	
	2022	2021	2022	2021
Profit and loss	(294,175)	(5,616,021)	(6,703,326)	(18,455,802)

	JPY impact (iii)		SEK impact (iv)	
	2022	2021	2022	2021
Profit and loss	297,037	161,840	37,402	62,407

	NOK impact (v)		TL impact (iv)	
	2022	2021	2022	2021
Profit and loss	678,232	20,696	(58,276,131)	11,728,462

	Other impact (vii)	
	2022	2021
Profit and loss	(3,585)	(816)

i) This is mainly attributable to the exposure outstanding trade and other receivables and payables, bank loans, advances received dominated in USD at year end in the Group.

(ii) This is mainly attributable to the exposure outstanding trade and other receivables and payables, bank loans dominated in EUR at year end in the Group.

(iii) This is mainly attributable to the exposure outstanding bank loans and trade payables dominated in JPY at year end in the Group.

(iv) This is mainly attributable to the exposure outstanding trade and other receivables and payables, dominated in SEK at year end in the Group.

(v) This is mainly attributable to the exposure outstanding trade and other receivables and payables, dominated in NOK at year end in the Group.

(vi) This is mainly attributable to the exposure outstanding trade and other receivables and payables, dominated in TL at year end in the Group.

(vii) This is mainly attributable to the exposure outstanding other receivables and payables dominated in other currencies at year end in the Group.

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

b) Financial risk factors (cont'd)

b.3) Market risk (cont'd)

b.3.2) Interest rate risk management

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and floating interest rates. The Group enters into interest rate swap contracts in order to avoid the effects of fluctuations in interest rates in international markets. Such risks are managed inherently by netting off the interest-bearing assets and liabilities. Interest rates of the financial assets and liabilities are disclosed in the related notes.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the balance sheet date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the balance sheet date was outstanding for the whole year. 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's:

- Profit before tax for the year ended 31 December 2022 would decrease/increase by USD 3,040,148 (2021: decrease/increase by USD 3,426,743). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings;

Interest rate swap contracts

Under interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate, interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at reporting date and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the start of the financial year.

The following tables detail the notional principal amounts and remaining terms of cross currency swap and interest rate swap contracts outstanding as at reporting date:

1) Cross currency swaps

The cross currency swaps settle on a semi-annual basis. The floating rate on the interest rate swaps is the local interbank rate of London. The Group will settle the difference between the fixed and floating interest rate on a net basis.

Outstanding receive fixed for floating contracts

	Average contracted floating interest rate		Notional principal amount		Fair value	
Outstanding receive fixed for floating contracts	2022 USD	2021 USD	2022 USD	2021 USD	2022 USD	2021 USD
Less than 1 year	6M Libor+2,87%	6M Libor+2,87%	5,167,289	5,167,288	(1,154,981)	(451,433)
1 to 2 years	6M Libor+2,87%	6M Libor+2,87%	2,583,644	5,167,288	(360,040)	(377,087)
2 to 5 years	6M Libor+2,87%	6M Libor+2,87%	-	2,583,644	-	(121,516)
			7,750,933	12,918,220	(1,515,021)	(950,036)

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

b) Financial risk factors (cont'd)

b.3) Market risk (cont'd)

b.3.2) Interest rate risk management (cont'd)

1) Cross currency swaps (cont'd)

Outstanding receive fixed for fixed contracts

	Average contracted floating interest rate		Notional principal amount		Fair value	
Outstanding receive fixed for fixed contracts	2022 USD	2021 USD	2022 USD	2021 USD	2022 USD	2021 USD
Less than 1 year	6.67%	6.67%	1,950,434	368,649	(1,932,970)	(239,594)
1 to 2 years	7.06%	6.67%	1,766,110	1,950,435	(1,932,776)	(1,774,938)
2 to 5 years	7.55%	7.44%	8,897,544	7,697,806	(8,467,701)	(7,798,487)
5 years +	7.55%	7.55%	3,163,572	6,129,420	(2,522,021)	(5,563,779)
			15,777,660	16,146,310	(14,855,468)	(15,376,798)

2) Interest rate swaps

The interest rate swaps settle on a semi-annual basis. The Group will settle the difference between the fixed and floating interest rate on a net basis.

	Average contracted fixed interest rate		Notional principal amount		Fair value	
Outstanding receive floating for fixed contracts	2022 USD	2021 USD	2022 USD	2021 USD	2022 USD	2021 USD
Less than 1 year	1.94%	2.19%	18,723,560	15,827,951	2,144,013	(661,802)
1 to 2 years	1.57%	1.87%	14,082,909	19,919,509	1,280,027	(89,158)
2 to 5 years	0.64%	0.93%	41,841,649	46,114,043	2,651,245	(174,725)
5 years +	0.72%	0.68%	12,170,787	27,548,936	255,718	62,547
			86,818,905	109,410,439	6,331,003	(863,138)

3) Interest rate swaps with cap option

The interest rate swaps with cap option settle on a semi-annual basis. The Group will settle the difference between the fixed and floating interest rate on a net basis.

	Average contracted fixed interest rate		Notional principal amount		Fair value	
Outstanding receive floating for fixed contracts	2022 USD	2021 USD	2022 USD	2021 USD	2022 USD	2021 USD
Less than 1 year	1.83%	2.82%	38,076,039	35,076,040	980,107	(2,327,539)
1 to 2 years	1.83%	3.33%	38,076,042	35,076,040	594,077	(1,473,680)
2 to 5 years	2.45%	3.37%	24,371,357	50,447,401	(434,573)	(545,670)
5 years +	3.75%		15,000,000	-	(274,860)	-
			115,523,438	120,599,481	864,751	(4,346,889)

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

Categories of financial instruments and fair values

31 December 2022	Financial asset at amortized cost	FVTPL	Financial liabilities at amortized cost	Carrying value (*)	Fair value	Notes
Financial assets						
Cash and cash equivalents	98,911,385	-	-	98,911,385	98,911,385	28
Trade receivables (including related parties)	49,066,701	-	-	49,066,701	49,066,701	4, 5
Other receivables (including related parties)	190,877,910	-	-	190,877,910	190,877,910	5, 6
Derivative financial instruments	-	7,706,457	-	7,706,457	7,706,457	24
Other financial assets	15,828,770	185,097	-	16,013,867	16,013,867	24
Financial liabilities						
Trade payables (including related parties)	-	-	31,974,739	31,974,739	31,974,739	4, 5
Financial borrowings	-	-	608,029,525	608,029,525	608,029,525	24
Lease liabilities	-	-	203,470,451	203,470,451	203,470,451	24
Derivative financial instruments	-	16,881,192	-	16,881,192	16,881,192	24
Other payables (including related parties)	-	-	645,667,146	645,667,146	645,667,146	5,6

31 December 2021	Financial asset at amortized cost	FVTPL	Financial liabilities at amortized cost	Carrying value (*)	Fair value	Notes
Financial assets						
Cash and cash equivalents	119,149,828	-	-	119,149,828	119,149,828	28
Trade receivables (including related parties)	55,969,504	-	-	55,969,504	55,969,504	4, 5
Other receivables (including related parties)	168,692,842	-	-	168,692,842	168,692,842	5, 6
Derivative financial instruments	-	145,426	-	145,426	145,426	24
Other financial assets	16,082,788	179,946	-	-	-	24
Financial liabilities						
Trade payables (including related parties)	-	-	38,595,183	38,595,183	38,595,183	4, 5
Financial borrowings	-	-	685,348,688	685,348,688	685,348,688	24
Lease liabilities	-	-	233,756,430	233,756,430	233,756,430	24
Derivative financial instruments	-	21,682,287	-	21,682,287	21,682,287	24
Other payables (including related parties)	-	-	647,700,095	647,700,095	647,700,095	5,6

(*) Management think that the carrying values of the financial assets and liabilities approximate their fair values.

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

Fair value of financial instruments

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 (excluding derivative instruments) 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 where there is no observable market data. The fair value of derivative instruments is calculated using quoted prices. Where such prices are not available, estimate is made based on discounted cash flow analysis using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.

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

Some of the Group'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.

Financial assets/financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 December 2022	31 December 2021				
Cross currency swaps	(16,370,489)	(16,326,834)	Level II	Future cash flows estimated by using term interest rate (yield curve observable at the end of the reporting period resulting from interest rate) and contractual interest rates, are discounted by using rate that reflects the credit risk of various parties.	-	-
Interest rate swaps	6,331,003	(863,138)	Level II	Future cash flows estimated by using term interest rate (yield curve observable at the end of the reporting period resulting from interest rate) and contractual interest rates, are discounted by using rate that reflects the credit risk of various parties.	-	-
Interest rate swaps with CAP option	864,751	(4,346,889)	Level II	Future cash flows estimated by using term interest rate (yield curve observable at the end of the reporting period resulting from interest rate) and contractual interest rates, are discounted by using rate that reflects the credit risk of various parties.	-	-
Financial assets held at fair value through other comprehensive income statement (Note 24)	16,013,867	16,262,734	Level II	Fair values are determined using quoted market prices, dealer price quotations or using models and other valuation techniques, the key inputs for which include current market and contractual prices for the underlying instrument, time to expiry, yield curves, volatility of the underlying instrument and counterparty risk.	-	-
Total	**6,839,132**	**(5,274,127)**				

26. RIGHT OF USE ASSETS

The Group has adopted the IFRS 16 "Leases" as at 1 January 2019 for the first time. Right of use assets are measured at an amount equal to lease liability adjusted by the amount of any prepaid or accrued lease payments for lease liabilities which had previously been classified as "operating leases" under the principles of IAS 17 in the consolidated financial statements.

For the period ended 31 December 2022 and 2021, movement on right use of asset is as follows:

	1 January 2022	Additions	Impact of lease modifications	Depreciation	Disposals, net	Currency translation differences, net	Net Book Value 31 December 2022
Land	157,362,054	144,248	7,369,701	(8,350,744)	-	(16,646,793)	139,878,466
Building	34,560,434	-	260,908	(1,487,917)	-	(4,460,825)	28,872,600
Machinery and equipment	44,496,636	2,105,343	157,388	(5,359,624)	-	(762,031)	40,637,712
Vehicles	578,079	416,964	(1,659)	(228,488)	-	(46,110)	718,786
Total	236,997,203	2,666,555	7,786,338	(15,426,773)	-	(21,915,759)	210,107,564

	1 January 2021	Additions	Impact of lease modifications	Depreciation	Disposals, net	Currency translation differences, net	Net Book Value 31 December 2021
Land	145,372,026	24,800,718	3,993,987	(8,827,862)	(1,011,681)	(6,965,134)	157,362,054
Building	36,460,354	2,198,392	1,011,663	(1,596,441)	(10,347)	(3,503,187)	34,560,434
Machinery and equipment	11,851,199	40,344,182	(2,306,735)	(3,648,840)	(730,495)	(1,012,675)	44,496,636
Vehicles	1,472,323	542,900	181,039	(504,667)	(1,025,827)	(87,689)	578,079
Total	195,155,902	67,886,192	2,879,954	(14,577,810)	(2,778,350)	(11,568,685)	236,997,203

Amortization expense of USD 15,202,262 (2021: 14,304,366) has been charged in 'cost of sales', USD 223,301 (2021: USD 271,775) in 'administrative expenses' and USD 1,210 (2021: 1,669) has been charged in 'marketing and sales expenses".

YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

27. OPERATING SEGMENTS

The Holding key management reviews results and operations on a company basis in order to monitor performance of each Company. The Group's management presented this information for certain financial statement readers to utilize this data during their analyses.

a) Segmental results:

	1 January-31 December 2022													
	Port Service							Liquid Storage Service	Logistics Service			Holding Companies		
	Turkey	Turkey	Turkey	Portugal	Sweden	Norway	Italy	Turkey	Turkey	Turkey	Turkey			
	Yilport Konteyner	Gemport	Rota	Yilport Iberia S.A	Yilport Sweden	Yilport Oslo	San Cataldo	Solventas	Eti Lojistik	Nemtrans	Etipet	Holding Companies [2]	Eliminations & Consolidation Adjustments	Total
Revenue	83,816,806	81,094,415	10,442,892	141,337,923	48,252,968	28,822,416	3,730,147	30,538,037	11,860,117	4,392,757	7,948,378	18,385,302	(23,595,675)	447,026,483
	83,816,806	81,094,415	10,442,892	141,337,923	48,252,968	28,822,416	3,730,147	30,538,037	11,860,117	4,392,757	7,948,378	18,385,302	(23,595,675)	447,026,483
Cost Of Sales (-)	(26,230,860)	(35,518,366)	(5,383,668)	(129,755,933)	(45,812,346)	(21,531,775)	(15,403,670)	(7,284,732)	(11,966,888)	(4,203,870)	(7,409,877)	(5,061,923)	9,974,946	(305,588,962)
	(26,230,860)	(35,518,366)	(5,383,668)	(129,755,933)	(45,812,346)	(21,531,775)	(15,403,670)	(7,284,732)	(11,966,888)	(4,203,870)	(7,409,877)	(5,061,923)	9,974,946	(305,588,962)
Gross profit	**57,585,946**	**45,576,049**	**5,059,224**	**11,581,990**	**2,440,622**	**7,290,641**	**(11,673,523)**	**23,253,305**	**(106,771)**	**188,887**	**538,501**	**13,323,379**	**(13,620,729)**	**141,437,521**
Administrative Expenses (-)	(10,635,976)	(9,828,300)	(1,295,965)	(7,066,743)	(6,506,880)	(1,796,112)	(1,858,290)	(2,232,954)	(458,254)	(93,346)	(269,258)	(14,453,095)	15,091,136	(41,404,037)
Marketing Expenses (-)	(31,661)	(26,500)	(1,800)	(369,930)	-	-	(66,831)	(65,851)	-	-	(87,738)	(903,197)	92,844	(1,460,664)
Other Income From Operating Activities	6,077,328	6,759,658	588,189	1,625,231	226,374	215,629	564,980	1,043,108	176,399	251,070	27,660	6,607,128	(8,175,255)	15,987,499
Other Expenses From Operating Activities (-)	(8,023,253)	(21,064,463)	(636,188)	(838,934)	(333,248)	(221,863)	(114,727)	(3,483,105)	(124,745)	(194,976)	(3,024)	(6,847,161)	3,401,454	(38,484,233)
Income From Investing Activities	11,445,014	1,225,201	2,932	3,909	27,874	38,746	3,306	119,690	4,531	-	-	40,858,099	(33,023,962)	20,705,340
Expenses From Investing Activities (-)	(4,267)	(41,048)	(14,733)	-	-	-	-	(5,448)	-	-	-	-	-	(65,496)
Share of Profit of Investments In Equity Accounted Investees	-	-	-	10,360,536	-	-	-	-	-	-	-	(6,810,838)	302,724	3,852,422
Finance Income	18,302,841	9,032,983	3,121,979	3,513,012	3,257,896	-	851,867	5,318,887	148,051	14	523	177,813,590	(58,804,856)	162,556,787
Finance Expenses (-)	(39,432,958)	(18,303,657)	(3,432,424)	(14,002,022)	(9,724,644)	(1,611,533)	(5,301,447)	(6,377,552)	(1,763)	(62,122)	(50,811)	(154,178,856)	58,736,060	(193,743,729)
Gain on Net Monetary Position	-	-	-	-	-	-	-	-	1,927,934	-	-	-	-	1,927,934
Profit/(loss) before tax	**35,283,014**	**13,329,923**	**3,391,214**	**4,807,049**	**(10,612,006)**	**3,915,508**	**(17,594,665)**	**17,570,080**	**1,565,382**	**89,527**	**155,853**	**55,409,049**	**(36,000,584)**	**71,309,344**
Current Tax Expense	(336,938)	(767,980)	(679,364)	(4,884,610)	-	(964,574)	-	(3,839,558)	(85,000)	(20,896)	(32,434)	(136,096)	-	(11,747,450)
Deferred Tax Income / (Expense)	2,284,288	3,484,166	(413,453)	4,912,567	(218,477)	112,737	4,090,156	72,336	(150,829)	2,539	1,929	493,517	565,577	15,237,053
Net profit/(loss) for the period	**37,230,364**	**16,046,109**	**2,298,397**	**4,835,006**	**(10,830,483)**	**3,063,671**	**(13,504,509)**	**13,802,858**	**1,329,553**	**71,170**	**125,348**	**55,766,470**	**(35,435,007)**	**74,798,947**
EBITDA CALCULATION														
Profit/(loss) before tax	**35,283,014**	**13,329,923**	**3,391,214**	**4,807,049**	**(10,612,006)**	**3,915,508**	**(17,594,665)**	**17,570,080**	**1,565,382**	**89,527**	**155,853**	**55,409,049**	**(36,000,584)**	**71,309,344**
Add back : finance costs	21,130,117	9,270,674	310,445	10,489,010	6,466,748	1,611,533	4,449,580	1,058,665	(146,288)	62,108	50,288	(23,634,734)	68,796	31,186,942
Add back : foreign currency loss from investment incentives	2,121,670	13,866,742	-	-	-	-	-	-	-	-	-	-	-	15,988,412
Deduct : income/expense from investing activities	(11,440,747)	(1,184,153)	11,801	(3,909)	(27,874)	(38,746)	(3,306)	(114,242)	(4,531)	-	-	(40,858,099)	33,023,962	(20,639,844)
Deduct : share of profit of investments in equity accouted investees	-	-	-	(10,360,536)	-	-	-	-	-	-	-	6,810,838	(302,724)	(3,852,422)
Deduct : effect of IAS29 indexation	-	-	-	-	-	-	-	-	(1,927,934)	-	-	-	-	(1,927,934)
Add back : depreciation and amortization	7,197,429	11,021,697	250,575	50,590,326	12,457,686	4,195,296	5,196,965	1,409,870	500,540	1,666	37,050	3,094,260	3,571,544	99,524,904
Add back : exceptional items [1]	2,673	4,485	-	19,965	-	-	12,799	82	-	-	-	2,463	-	42,467
Earnings before interest, taxation, depreciation and amortization	**54,294,156**	**46,309,368**	**3,964,035**	**55,541,905**	**8,284,554**	**9,683,591**	**(7,938,627)**	**19,924,455**	**(12,831)**	**153,301**	**243,191**	**823,777**	**360,994**	**191,631,869**

(1) The amounts consist of donations.

(2) Details of "Holding companies" are provided in Note 1.

27. OPERATING SEGMENTS (cont'd)

a) Segmental results (cont'd):

	1 January-31 December 2021													
	Port Service							Liquid Storage Service	Logistics Service			Holding Companies		
	Turkey	Turkey	Turkey	Portugal	Sweden	Norway	Italy	Turkey	Turkey	Turkey	Turkey			
	Yilport Konteyner	Gemport	Rota	Yilport Iberia S.A	Yilport Sweden	Yilport Oslo	San Cataldo	Solventaş	Eti Lojistik	Nemtrans	Etipet	Holding Companies [2]	Eliminations & Consolidation Adjustments	Total
Revenue	77,413,948	75,986,519	10,286,990	148,337,788	52,490,158	27,215,834	3,955,031	27,082,546	11,731,470	2,536,688	4,715,293	16,506,578	(18,824,318)	439,434,525
	77,413,948	75,986,519	10,286,990	148,337,788	52,490,158	27,215,834	3,955,031	27,082,546	11,731,470	2,536,688	4,715,293	16,506,578	(18,824,318)	439,434,525
Cost Of Sales (-)	(23,246,737)	(29,513,624)	(4,950,006)	(128,948,757)	(42,341,885)	(20,715,669)	(15,340,697)	(7,438,650)	(9,961,089)	(2,430,220)	(4,320,933)	(5,166,077)	6,173,460	(288,200,884)
	(23,246,737)	(29,513,624)	(4,950,006)	(128,948,757)	(42,341,885)	(20,715,669)	(15,340,697)	(7,438,650)	(9,961,089)	(2,430,220)	(4,320,933)	(5,166,077)	6,173,460	(288,200,884)
Gross profit	**54,167,211**	**46,472,895**	**5,336,984**	**19,389,031**	**10,148,273**	**6,500,165**	**(11,385,666)**	**19,643,896**	**1,770,381**	**106,468**	**394,360**	**11,340,501**	**(12,650,858)**	**151,233,641**
Administrative Expenses (-)	(8,530,200)	(8,124,290)	(1,098,118)	(7,417,000)	(6,544,435)	(1,641,454)	(1,128,661)	(2,370,129)	(376,155)	(100,135)	(271,839)	(12,216,496)	10,925,016	(38,893,896)
Marketing Expenses (-)	(107,076)	(99,250)	(2,428)	(445,986)	-	-	(17,513)	(62,751)	-	-	(59,842)	(536,097)	70,651	(1,260,292)
Other Income From Operating Activities	29,381,252	16,919,778	736,640	6,697,086	823,891	22,988	302,092	994,347	242,979	173,633	6,472	10,579,334	(37,770,396)	29,110,096
Other Expenses From Operating Activities (-)	(19,415,594)	(45,729,713)	(344,080)	(3,756,492)	(716,838)	(53,599)	-	(376,533)	(122,638)	(135,891)	(6,299)	(8,288,163)	36,076,978	(42,868,862)
Income From Investing Activities	22,398,027	2,635,209	1,053	27,546	665	1,099	19	97,851	-	-	4	68,250,050	(69,126,012)	24,285,511
Expenses From Investing Activities (-)	(40,695)	(1,940,513)	(75,864)	-	-	-	-	-	-	-	-	(337)	-	(2,057,409)
Share of Loss of Investments In Equity Accounted Investees	-	-	-	5,386,041	-	-	-	-	-	-	-	(8,764,240)	669,778	(2,708,421)
Finance Income	36,815,702	15,772,892	604,799	714,427	530,442	-	1,661,519	6,795,219	317,038	7,182	395	442,120,561	(439,486,960)	65,853,216
Finance Expenses (-)	(95,669,866)	(29,650,200)	(207,292)	(13,731,469)	(10,318,641)	(1,724,289)	(7,514,840)	(1,421,576)	(81,570)	(8,907)	(56,980)	(523,331,277)	429,739,273	(253,977,634)
Profit/(loss) before tax	**18,998,761**	**(3,743,192)**	**4,951,694**	**6,863,184**	**(6,076,643)**	**3,104,910**	**(18,083,050)**	**23,300,324**	**1,750,035**	**42,350**	**6,271**	**(20,846,164)**	**(81,552,530)**	**(71,284,050)**
Current Tax Expense	(600,498)	(1,092,766)	(953,294)	(4,452,673)	(356,590)	-	-	(3,524,910)	(301,412)	(8,547)	(7,217)	-	-	(11,297,907)
Deferred Tax Income / (Expense)	2,233,258	20,145,320	(81,353)	2,924,592	(625,910)	(673,821)	3,875,149	(290,932)	(31,742)	1,678	7,787	899,835	(283,513)	28,100,348
Net profit/(loss) for the period	**20,631,521**	**15,309,362**	**3,917,047**	**5,335,103**	**(7,059,143)**	**2,431,089**	**(14,207,901)**	**19,484,482**	**1,416,881**	**35,481**	**6,841**	**(19,946,329)**	**(81,836,043)**	**(54,481,609)**
EBITDA CALCULATION														
Profit/(loss) before tax	**18,998,761**	**(3,743,192)**	**4,951,694**	**6,863,184**	**(6,076,643)**	**3,104,910**	**(18,083,050)**	**23,300,324**	**1,750,035**	**42,350**	**6,271**	**(20,846,164)**	**(81,552,530)**	**(71,284,050)**
Add back : finance costs	58,854,164	13,877,308	(397,507)	13,017,042	9,788,199	1,724,289	5,853,321	(5,373,643)	(235,468)	1,725	56,585	81,210,716	9,747,687	188,124,418
Add back : foreign currency loss from investment incentives	5,319,695	15,645,881	-	-	-	-	-	-	-	-	-	-	-	20,965,576
Deduct : income/expense from investing activities	(22,357,332)	(694,696)	74,811	(27,546)	(665)	(1,099)	(19)	(97,851)	-	-	(4)	(68,249,713)	69,126,012	(22,228,102)
Deduct : share of loss of investments in equity accouted investees	-	-	-	(5,386,041)	-	-	-	-	-	-	-	8,764,240	(669,778)	2,708,421
Add back : depreciation and amortization	6,490,907	9,103,434	290,791	48,598,431	11,670,575	3,995,501	5,219,722	1,781,455	279,287	1,874	46,538	3,440,400	4,925,918	95,844,833
Add back : exceptional items [1]	29,871	15,164	-	34,814	-	-	4,916	-	280	-	-	685	-	85,730
Earnings before interest, taxation, depreciation and amortization	**67,336,066**	**34,203,899**	**4,919,789**	**63,099,884**	**15,381,466**	**8,823,601**	**(7,005,110)**	**19,610,285**	**1,794,134**	**45,949**	**109,390**	**4,320,164**	**1,577,309**	**214,216,826**

(1) The amounts consist of donations.

(2) Details of "Holding companies" are provided in Note 1.

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

27. OPERATING SEGMENTS (cont'd)

b) As at 31 December 2022 and 2021 segmental assets and liabilities are as follows:

	31 December 2022													
	Port Service							Liquid Storage Service	Logistics Service			Holding Companies		
	Turkey	Turkey	Turkey	Portugal & Spain	Sweden	Norway	Italy	Turkey	Turkey	Turkey	Turkey			
	Yilport Konteyner	Gemport	Rota	Yilport Iberia	Yilport Sweden	Yilport Oslo	San Cataldo	Solventaş	Eti Lojistik	Nemtrans	Etipet	Holding Companies [1]	Eliminations & Consolidation Adjustments	Total
Balance Sheet														
Cash and Cash Equivalents	25,096,152	24,617,117	4,723	10,053,186	13,428,551	5,916,000	6,026,475	1,883,385	4,762	3,646	12,980	11,864,408	-	98,911,385
Current Assets	35,827,587	36,523,077	2,022,438	34,683,090	24,841,636	11,456,248	16,043,010	18,246,070	2,270,710	329,222	340,957	275,679,618	(123,229,211)	335,034,452
Non-Current Assets	286,792,954	250,825,119	20,610,588	644,722,476	221,494,105	44,884,797	57,770,902	60,377,673	1,197,283	584,721	79,916	1,589,686,773	(1,475,171,312)	1,703,855,995
Short Term Financial Liabilities	(31,780,948)	(25,044,945)	(53,552)	(21,392,710)	(8,480,391)	(4,432,461)	(1,121,494)	(154,853)	-	-	(45,408)	(80,989,815)	-	(173,496,577)
Current Liabilities	(52,661,517)	(36,262,803)	(1,865,742)	(76,210,116)	(17,907,831)	(10,808,816)	(7,335,074)	(2,264,684)	(830,483)	(196,779)	(116,934)	(159,014,710)	39,794,667	(325,680,822)
Long Term Financial Liabilities	(140,412,456)	(55,846,907)	(235,034)	(60,307,279)	(138,529,638)	(39,211,227)	(51,153,503)	(669,729)	-	-	(19,467)	(151,618,159)	-	(638,003,399)
Long Term Liabilities	(154,842,729)	(57,770,985)	(2,522,845)	(256,990,387)	(168,949,095)	(39,972,087)	(88,732,904)	(6,952,826)	(538,682)	(47,690)	(48,578)	(607,430,004)	74,949,269	(1,309,849,543)

	31 December 2021													
	Port Service							Liquid Storage Service	Logistics Service			Holding Companies		
	Turkey	Turkey	Turkey	Portugal & Spain	Sweden	Norway	Italy	Turkey	Turkey	Turkey	Turkey			
	Yilport Konteyner	Gemport	Rota	Yilport Iberia	Yilport Sweden	Yilport Oslo	San Cataldo	Solventaş	Eti Lojistik	Nemtrans	Etipet	Holding Companies [1]	Eliminations & Consolidation Adjustments	Total
Balance Sheet														
Cash and Cash Equivalents	30,059,766	10,032,500	2,661	27,744,826	28,897,917	5,865,158	10,154,824	289,925	6,368	9,733	3,832	6,082,318	-	119,149,828
Current Assets	40,447,198	23,865,151	3,309,724	56,284,432	41,042,483	11,378,011	32,070,065	15,468,105	1,975,861	383,125	295,884	330,582,828	(269,866,807)	287,236,060
Non-Current Assets	336,061,023	263,498,819	18,438,723	716,012,040	247,754,188	50,464,307	59,529,782	60,783,956	532,714	811,664	39,795	1,491,441,169	(1,376,046,818)	1,869,321,362
Short Term Financial Liabilities	(30,824,489)	(24,253,670)	(54,108)	(18,319,889)	(13,693,124)	(4,575,809)	(1,199,098)	(175,861)	-	-	(20,968)	(87,577,859)	-	(180,694,875)
Current Liabilities	(49,982,517)	(33,282,309)	(1,268,852)	(71,785,167)	(27,722,459)	(9,012,368)	(10,093,900)	(2,638,028)	(750,472)	(209,987)	(88,482)	(124,036,448)	10,749,677	(320,121,312)
Long Term Financial Liabilities	(160,770,550)	(74,710,621)	(238,031)	(84,756,252)	(170,153,054)	(43,507,491)	(54,883,381)	(764,463)	-	-	-	(148,626,400)	-	(738,410,243)
Long Term Liabilities	(165,983,532)	(76,202,348)	(2,078,091)	(351,082,215)	(203,490,159)	(44,276,641)	(95,083,900)	(6,872,888)	(262,881)	(17,503)	(29,722)	(783,704,300)	246,621,809	(1,482,462,371)

(1) Details of "Holding companies" are provided in Note 1.

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27. OPERATING SEGMENTS (cont'd)

c) Segmental information related to tangible and intangible assets for the periods ended 31 December 2022 and 2021 are as follows:

	1 January-31 December 2022													
	Port Service							Liquid Storage Service	Logistics Service			Holding		
	Turkey	Turkey	Turkey	Portugal & Spain	Sweden	Norway	Italy	Turkey	Turkey	Turkey	Turkey			
	Yilport Konteyner	Gemport	Rota	Yilport Iberia	Yilport Sweden	Yilport Oslo	San Cataldo	Solventaş	Eti Lojistik	Nemtrans	Etipet	Holding Companies	Consolidation Adjustments	Total
Capital expenditure	8,179,145	5,913,987	2,361,892	6,795,098	14,909,755	180,543	3,435,675	730,173	2,983	18,448	-	526,059	-	43,053,758
Depreciation and amortization	(7,197,429)	(11,021,697)	(250,575)	(50,590,326)	(12,457,686)	(4,195,296)	(5,196,965)	(1,409,870)	(500,540)	(1,666)	(37,050)	(3,094,260)	(3,571,544)	(99,524,904)

	1 January-31 December 2021													
	Port Service							Liquid Storage Service	Logistics Service			Holding		
	Turkey	Turkey	Turkey	Portugal & Spain	Sweden	Norway	Italy	Turkey	Turkey	Turkey	Turkey			
	Yilport Konteyner	Gemport	Rota	Yilport Iberia	Yilport Sweden	Yilport Oslo	San Cataldo	Solventaş	Eti Lojistik	Nemtrans	Etipet	Holding Companies	Consolidation Adjustments	Total
Capital expenditure	5,534,558	3,986,608	384,712	148,593,633	63,049,494	2,584,583	14,219,862	1,300,010	6,285	917	1,781	431,456	-	240,093,899
Depreciation and amortization	(6,490,907)	(9,103,434)	(290,791)	(48,598,431)	(11,670,575)	(3,995,501)	(5,219,722)	(1,781,455)	(279,287)	(1,874)	(46,538)	(3,440,400)	(4,925,918)	(95,844,833)

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YILPORT HOLDİNG A.Ş. AND ITS SUBSIDIARIES AND ITS JOINT VENTURES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2022

(Amounts expressed in US Dollars unless otherwise stated.)

27. OPERATING SEGMENTS (cont'd)

d) Segmental information related to geographic area for the periods ended 31 December 2022 and 2021 are as follows:

	1 January-31 December 2022							
	Turkey	Sweden	Norway	Portugal & Spain	Italy	Holding Companies	Eliminations & Consolidation Adjustments	Total
Revenue (1 January-31 December 2022)	230,093,402	48,252,968	28,822,416	141,337,923	3,730,147	18,385,302	(23,595,675)	447,026,483
Total Assets (31 December 2022)	716,028,315	246,335,741	56,341,045	679,405,566	73,813,912	1,865,366,391	(1,598,400,522)	2,038,890,448
Capital Expenditure (1 January-31 December 2022)	17,206,628	14,909,755	180,543	6,795,098	3,435,675	526,059	-	43,053,758

	1 January-31 December 2021							
	Turkey	Sweden	Norway	Portugal & Spain	Italy	Holding Companies	Eliminations & Consolidation Adjustments	Total
Revenue (1 January-31 December 2022)	209,753,454	52,490,158	27,215,834	148,337,788	3,955,031	16,506,578	(18,824,318)	439,434,525
Total Assets (31 December 2022)	765,911,742	288,796,671	61,842,318	772,296,472	91,599,847	1,822,023,997	(1,645,913,625)	2,156,557,422
Capital Expenditure (1 January-31 December 2022)	11,214,871	63,049,494	2,584,583	148,593,633	14,219,862	431,456	-	240,093,899

28. NOTES ON STATEMENT OF CASH FLOWS

	31 December 2022	31 December 2021
Cash on hand	27,493	27,720
Cash at banks	98,883,559	119,121,646
Demand deposits	*69,757,070*	*116,208,568*
Time deposits	*29,126,489*	*2,913,078*
Other cash equivalents	333	462
	98,911,385	119,149,828

As of 31 December 2022 and 31 December 2021, the details of the time deposits are as follows:

Currency type	Interest rate (%)	Maturity date	Currency amount	31 December 2022
TRY	8.50% - 20.00%	January 2023	85,515,086	4,573,415
EUR	3.00%	January 2023	23,030,000	24,553,074
				29,126,489

Currency type	Interest rate (%)	Maturity date	Currency amount	31 December 2021
USD	5.00%	January-February 2022	1,200,010	1,200,010
EUR	0.04%	January-February 2022	500,000	565,683
GTQ	0.01%	January-February 2022	8,854,462	1,147,385
				2,913,078

29. EVENTS AFTER THE REPORTING PERIOD

The regulation dismantling the retirement age requirement for employees who started their working life before 8 September 1999 was published in the Official Gazette on 3 March 2023. Accordingly, the employees who have completed the number of premium days and social insurance period are entitled to retirement. The regulation is expected to have an impact on the timing and probability of settlement of severance payments. Efforts to measure the impact of the regulation on the Group's financial position and financial performance continue.

An earthquake occurred in the south-eastern part of Turkey that affected many of our cities. Considering the region in which the Group operates, no direct impact is expected on Group operations.

With the amendment made by the Law No. 7440 on the "Restructuring of Certain Receivables and Amending Some Laws" published in Official Gazette on 12 March 2023, a one-time additional tax will be collected from corporate taxpayers over the amounts of exemptions and deductions provided by<0 Corporate Tax Law No. 5520 and by other laws as well as tax bases subject to reduced corporate tax according to Law No. 5520 by submitting the tax in corporate tax return for 2022. Some exceptions and deductions listed in the Law No. 7440 are excluded from the scope of the additional tax. In addition, corporate taxpayers in the provinces and districts affected by the Kahramanmaraş earthquake are exempt from the additional tax. Efforts to determine the additional tax amount to be accrued continue. The tax amount will be recognized as expense in the financial statements for 2023.

The share capital of Yılport Holding A.Ş was increased by TL 4,430,000,000 from TL 2,245,000,000 to TL 6,675,000,000 with the General Assembly decision dated 14 March 2023.

Güney Bağımsız Denetim ve SMMM A.Ş.
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Independent auditor's report

To the Shareholders of Yılport Holding A.Ş:

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Yılport Holding A.Ş. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Turkey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

Management is responsible for other additional information, which comprise results of business by services and the EBITDA calculation presented in Note 27. The information presented in this Note does not form the part of the consolidated financial statements. Our audit opinion on the consolidated financial statements does not cover the other additional information in Note 27 and we do not express any form of assurance thereon.

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

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of 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.

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

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

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

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

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

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

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Erdem Tecer, SMMM
Partner

15 June 2023
Istanbul, Turkey