

**BIOTREND ÇEVRE VE ENERJİ
YATIRIMLARI ANONİM ŞİRKETİ
FOR THE FINAL ACCOUNTING PERIOD OF
DECEMBER 31ST, 2022
CONSOLIDATED FINANCIAL
TABLES, FOOTNOTES AND
INDEPENDENT AUDITOR'S REPORT**

INDEPENDENT AUDITOR'S REPORT**To the General Assembly of Biotrend Çevre ve Enerji Yatırımları A.Ş.****A) Independent Audit of Consolidated Financial Statements****1) Opinion**

We have audited the consolidated financial statements of profit or loss, other comprehensive incomes, changes in equity, cash flows, and the footnotes of the consolidated financial statements including a summary of significant accounting policies of Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi ("Company") and its subsidiary (collectively referred as the "Group"); for the accounting period ending on the same date as the consolidated statement of financial position dated as of December 31st, 2022.

In our opinion, the accompanying consolidated financial statements reflect the consolidated financial position of the Group as of December 31st, 2022. Its consolidated financial performance and cash flows ending on the same date in accordance with Turkish Financial Reporting Standards ("TFRS") presents its aspects in a realistic way.

2) Basis for Opinion

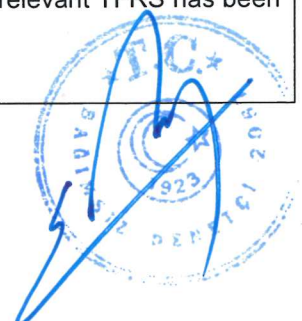
Our independent audit was carried out in accordance with the independent auditing standards published by the Board of Capital Markets and the Independent Auditing Standards (IAS), which are a part of the Turkish Auditing Standards published by the Public Oversight, Accounting and Auditing Standards Authority (KGK). Our responsibilities under these Standards are explained in detail in the Independent Auditor's Responsibilities for the Independent Audit of the Consolidated Financial Statements section of our report. We declare that we are independent from the Group in accordance with the Code of Ethics for Independent Auditors (Ethical Rules) published by KGK and the ethical provisions in the legislation on independent auditing of consolidated financial statements. Other ethical responsibilities within the scope of the Code of Ethics and legislation have also been fulfilled by us. We believe that the audit evidence we have obtained during the independent audit provides a sufficient and appropriate basis for our opinion.

3) Key Audit Matters

In our professional judgement, key audit matters are crucial in an independent audit of the current period's financial statements. Key audit matters have been addressed in the context of auditing the financial statements as a whole and in forming our opinion on the financial statements, on which we do not express a separate opinion.



Key Audit Matters	How the key audit matter was addressed in the audit
<p>Revenue Recognition</p> <p>The Group's main revenue comes from electricity generation services. This area has been identified as a key audit matter due to the accurate determination of revenues in order to record the revenue of the services and the examination of the periods in which the service deliveries occurred. Revenue accounting principles in the financial statements are explained in detail in Note 2.</p>	<p>While designing audit procedures to address this key audit matter, whether the accounting policies applied by the Group management regarding revenue recognition are in compliance with TAS and relevant legislation have been taken into consideration. In our risk assessment studies, the effectiveness of the internal control procedures designed by the Group regarding revenue were evaluated, the electricity generation services carried out by the Group at the end of the year have been tested by comparing the relevant supporting documents and delivery time slots to verify that the revenue amount related to the revenue on a transaction basis is properly accounted for, on a sample selected from the transactions carried out during the accounting period. As a result of our studies, it has been found that the recognition of revenue is reasonable.</p>
<p>Recognition of Property, Plant and Equipment</p> <p>The Group has property, plant and equipment amounting to TL 1.700.630.383 in the consolidated statement of financial statement as of December 31, 2022. The accounting policies and details of the Group's property, plant and equipment are disclosed in Note 2 to the consolidated financial statements.</p> <p>In the consolidated financial statements, the Group recognizes its property, plant and equipment over the acquisition costs, Property, plant and equipment other than machinery and equipment are carried at cost less accumulated depreciation and impairment losses, if any, in accordance with TAS 16 "Property, plant and equipment" standard ("TAS 16"). Property, plant and equipment are capitalized from the moment they are brought to the required condition and place in order to operate in line with the management's objectives and begin to be depreciated with their useful lives determined in line with the Group management's projections.</p> <p>Since the total amount of property, plant and equipment has a significant share in the assets of the Group and the useful lives used in the depreciation calculations are based on the estimation of the Group management, the accounting of property, plant and equipment has been considered as a key audit matter.</p>	<ul style="list-style-type: none"> - It has been assessed whether the accounting policies regarding the accounting of property, plant and equipment applied comply with TFRS. - The completeness and accuracy of the detailed lists of the property, plant and equipment have been checked matching with the Group's records using the sampling method. - Invoices for purchases of property, plant and equipment were tested using the sample method. - The appropriateness of the estimated useful lives of property, plant and equipment was evaluated on a sample basis, considering the expected economic benefits associated with each asset, and the current year depreciation expenses were tested with the sampling method. - Acquisition costs of property, plant and equipment have been evaluated in consideration of the recognition criteria within the scope of TAS 16. -The appropriateness and adequacy of the explanations included in the notes to the consolidated financial statements regarding property, plant and equipment according to the relevant TFRS has been evaluated.



4) The Board Level's Liabilities Related to Financial Statements

Group management; It is responsible for the internal control that it deems necessary for the preparation of the consolidated financial statements in accordance with TFRS, their fair presentation and preparation without material misstatement due to error or fraud.

Management in preparing the consolidated financial statements; It is responsible for assessing the Group's ability to continue as a going concern, explaining going concern matters when necessary, and using the going concern basis of business unless there is an intention or obligation to liquidate the Group or cease its business.

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

5) Independent Auditor's Responsibilities Regarding the Independent Audit of Financial Statements

In an independent audit, we, the independent auditors, have the following responsibilities:

Our aim is to obtain reasonable assurance for the consolidated financial statements as a whole. To find out whether they are free from material misstatement due to error or fraud and to issue an independent auditor's report containing our opinion. Reasonable assurance as a result of an audit conducted in accordance with ISAs; This is a high level of assurance but does not guarantee that a material misstatement will always be detected. Inaccuracies may be caused by error or cheating. Misstatements are considered material if, individually or collectively, they are reasonably expected to affect the economic decisions made by users of the financial statements on the basis of these consolidated statements.

As a requirement of the independent audit conducted in accordance with the BDS, we use our professional judgment and maintain our professional skepticism throughout the independent audit. We also identify and evaluate:

- The risks of material misstatement due to error or fraud in the consolidated financial statements. Audit procedures respond to these risks. They are designed sufficiently appropriate that the audit evidence is obtained to form a basis for our opinion. (Since fraud may include acts of collusion, fraud, willful negligence, misrepresentation or violation of internal control, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error.)
- Internal control related to the audit is evaluated in order to design audit procedures appropriate to the situation, not to express an opinion on the effectiveness of the group's internal control.
- The appropriateness of accounting policies used by management and the reasonableness of accounting estimates and related disclosures are evaluated.



- Conclude on the appropriateness of management's use of the ongoing 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 ongoing concern. If we conclude that a material uncertainty exists, we are required to draw attention to the relevant disclosures in the consolidated financial statements in our report or, if such disclosures are insufficient, to express an unqualified opinion. Our conclusions are based on the audit evidence obtained up to the date of the independent auditor's report. However, future events or conditions may terminate the Group as an ongoing concern.

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

- Sufficient and appropriate audit evidence is obtained on the financial information regarding the businesses or operating segments within the group in order to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and conduct of the group audit. We are also solely responsible for the audit opinion we give.

Among other matters, we report the planned scope and timing of the independent audit and significant audit findings, including significant internal control deficiencies that we have identified during the audit, to those charged with governance.

We have notified those responsible for senior management that we comply with the ethical provisions regarding independence. In addition, we have conveyed all relations and other issues that may be thought to have an impact on independence, and the relevant measures, if any, to those responsible for senior management.

Among the matters communicated to those charged with governance, we identify the most important matters, namely key audit matters, in the independent audit of the current period's consolidated financial statements. In cases where the legislation does not allow the disclosure of the matter to the public, or in exceptional cases where the negative consequences of public disclosure are reasonably expected to exceed the public interest arising from the disclosure, we may decide not to disclose the relevant matter in our independent auditor's report.

B) Other Obligations Arising from the Legislation

1) The Auditor's Report on the Early Detection of Risk System and Committee, prepared in accordance with the fourth paragraph of Article 398 of the Turkish Commercial Code No. 6102 ("TCC"), was submitted to the Board of Directors of the Company on March 13th, 2023.

2) Pursuant to the fourth paragraph of Article 402 of the TCC, there has been no significant issue that indicates that the bookkeeping order of the Company, the financial statements, the law and the provisions of the Company's articles of association regarding financial reporting in the accounting period of 1 January - 31 December 2022.



3) Pursuant to the fourth paragraph of Article 402 of the TCC, the Board of Directors has given us the required explanations and the required documents within the scope of the audit.

The engagement partner who conducted and concluded this independent audit is Eray Yanbol.

RSM Turkey Arkan Ergin Uluslararası Bağımsız Denetim A.Ş.
Member of RSM International

Eray Yanbol, SMMM
Partner
İstanbul, 13 March 2023



BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2022

TABLE OF CONTENTS	Pages
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	1-3
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	4-5
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	6
CONSOLIDATED STATEMENT OF CASH FLOW.....	7
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	8-74

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2022

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

ASSETS	Note	Audited 31.12.2022	Revised 31.12.2021	Audited 31.12.2020
CURRENT ASSETS				
Cash and Cash Equivalents	4	27.639.780	170.866.301	101.809.923
Trade Receivables		336.418.942	104.369.768	30.201.571
From Non-Related Parties	7	336.418.942	104.369.768	30.201.571
Other Receivables		9.452.214	22.933.570	8.372.331
From Related Parties	5,8	3.029.891	16.610.581	7.157.310
From Non-Related Parties	8	6.422.323	6.322.989	1.215.021
Inventories	9	116.680.237	63.659.533	4.416.684
Prepaid Expenses		547.732.847	242.689.444	63.881.558
To Non-Related Parties	10	547.732.847	242.689.444	63.881.558
Current period tax assets	27	7.805.771	2.366.103	76.427
Other current assets	18	122.102.686	76.041.490	28.088.933
SUBTOTAL		1.167.832.477	682.926.209	236.847.427
Fixed Assets Available for Sale	11	--	--	
TOTAL CURRENT ASSETS		1.167.832.477	682.926.209	236.847.427
NON-CURRENT ASSETS				
Investment Properties	12	17.790.000	9.256.000	3.291.856
Investments Accounted for Using Equity Method	31	85.377.149	51.044.936	25.302.630
Tangible Assets	13	1.700.630.383	894.311.146	436.083.099
Right of Use Assets	26	34.367.980	73.882.229	37.442.918
Intangible Assets		52.048.064	61.126.543	64.908.793
Goodwill	15	6.532.000	6.532.000	6.532.000
Other Intangible Assets	14	45.516.064	54.594.543	58.376.793
Deferred Tax Asset	27	149.672.468	--	--
Other Non-Current Assets	18	--	59.500.988	10.873.509
TOTAL NON-CURRENTS ASSETS		2.039.886.044	1.149.121.842	577.902.805
TOTAL ASSETS		3.207.718.521	1.832.048.051	814.750.232

The accompanying accounting policies and notes are an integral part of the consolidated financial statements

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2022

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

LIABILITIES	Note	Audited 31.12.2022	Revised 31.12.2021	Audited 31.12.2020
CURRENT LIABILITIES				
Short Term Borrowings	6	--	66.178	105.756
Short Term Portion of Long Term Borrowings		444.851.785	191.402.452	85.744.700
Bank Loans	6	441.709.102	189.146.497	84.700.942
Lease Payables	26	3.142.683	2.255.955	1.043.758
Trade Payables		685.040.733	217.675.441	88.427.858
To Non- Related Parties	7	685.040.733	217.675.441	88.427.858
Liabilities due to Employee Benefits	17	14.371.340	3.950.585	2.725.157
Other Payables		49.036.389	44.104.344	27.085.824
To Related Parties	5,8	36.451.083	37.815.183	16.792.445
To Non-Related Parties	8	12.585.306	6.289.161	10.293.379
Deferred Income	10	8.123.011	2.732.268	7.662.158
Current Tax Liabilities	27	1.014.448	3.271.570	5.032.308
Short Term Provisions		16.100.115	10.579.929	4.693.291
Short Term Provisions For Employee Benefits	16	2.472.180	1.109.054	439.184
Other Short Term Liabilities	16	13.627.935	9.470.875	4.254.107
SUBTOTAL		1.218.537.821	473.782.767	221.477.052
Liabilities Regarding Asset Groups for Sale	11	--	--	
TOTAL CURRENT LIABILITIES		1.218.537.821	473.782.767	221.477.052
NON CURRENT LIABILITIES				
Long Term Borrowings		1.276.051.215	778.336.078	368.405.893
Bank Loans	6	1.241.901.520	705.384.525	331.985.322
Lease Payables	26	34.149.695	72.951.553	36.420.571
Deferred Income	8	--	--	2.484.132
Other Payables	8	--	2.651.429	5.302.867
Long Term Provisions		5.395.943	1.742.951	764.132
Long Term Provisions For Employee Benefits	17	5.395.943	1.742.951	764.132
Deferred Tax Liabilities	27	--	16.864.916	16.330.801
TOTAL NON CURRENT LIABILITIES		1.281.447.158	799.595.374	393.287.825
TOTAL LIABILITIES		2.499.984.979	1.273.378.141	614.764.877

The accompanying accounting policies and notes are an integral part of these consolidated financial statements

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2022

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

		Audited	Revised	Audited
	Note	31.12.2022	31.12.2021	31.12.2020
EQUITY				
Equity attributable to the main partners of the equity holders				
Paid in capital	19	702.037.086	561.390.429	200.158.964
Premiums Related to Interest (Discounts)	19	500.000.000	500.000.000	128.000.000
Effect of Mergers Including Enterprises or Businesses Under Common Control	19	26.541.373	26.541.373	--
Comprehensive income and expenses of Profit and Loss	3	(47.531.048)	(21.579.143)	(21.579.143)
Revaluation Reserves of Tangible and Intangible Assets	19	71.577.875	72.659.400	37.501.817
Defined Benefit Plans Remeasurement Gains (Losses)	19	73.067.800	73.067.800	37.786.461
Comprehensive Income or Expenses to be Reclassified to Profit or Loss		(1.489.925)	(408.400)	(284.644)
Hedging Gains (Losses)		(206.258.118)	(62.903.286)	--
Retained Profits	19	(206.258.118)	(62.903.286)	--
Net Profit of the Period	19	46.972.001	40.130.076	5.761.975
Net Profit of the Period	28	310.735.003	6.542.009	50.474.315
Non-Controlling Interests	19	5.696.456	(2.720.519)	(173.609)
TOTAL EQUITY		707.733.542	558.669.910	199.985.355
TOTAL LIABILITIES AND EQUITY		3.207.718.521	1.832.048.051	814.750.232

The accompanying accounting policies and notes are an integral part of these consolidated financial statements.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME AS OF 31 DECEMBER 2022

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

		Audited	Revised
	Note	01.01- 31.12.2022	01.01- 31.12.2021
Revenue	20	1.230.870.619	427.703.847
Cost of Sales	20	(804.995.236)	(304.367.466)
GROSS PROFIT		425.875.383	123.336.381
General Administrative Expenses	21	(78.327.603)	(39.910.212)
Marketing Expenses	21	(3.383.228)	(2.558.394)
Other Operating Income	23	91.198.923	22.232.397
Other Operating Expenses	23	(64.009.115)	(52.216.850)
OPERATING PROFIT		371.354.360	50.883.322
Income from Investments Activities	24	9.918.131	6.403.943
Expense from Investments Activities	24	--	--
Share of Investments' Profit Valued by Using The Equity Method	31	34.332.213	25.742.306
OPERATING PROFIT BEFORE FINANCIAL INCOME (EXPENSE)		415.604.704	83.029.571
Financial Income	25	106.714.598	53.446.346
Financial Expense	25	(325.163.393)	(113.053.730)
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX		197.155.909	23.422.187
Tax income/(expense), continuing operations		114.138.536	(19.427.088)
Taxes on income (expenses)	27	(16.268.458)	(11.392.504)
Deferred tax income (expenses)	27	130.406.994	(8.034.584)
PROFIT FROM CONTINUING OPERATIONS		311.294.445	3.995.099
PROFIT FROM DISCONTINUED OPERATIONS)	11	--	--
NET PROFIT FOR THE PERIOD		311.294.445	3.995.099
Distribution of the period's profit/loss			
Non-Controlling interest		559.442	(2.546.910)
Main partnership interest		310.735.003	6.542.009
Earnings Per Share	28	0,621	0,037

The accompanying accounting policies and notes are an integral part of these consolidated financial statements.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE PERIOD OF 01 JANUARY 2022 – 31 DECEMBER 2022
(Amounts are expressed in Turkish Lira (“TL”) unless otherwise stated.)

		Audited	Revised
	Note	01.01- 31.12.2022	01.01- 31.12.2021
Profit for the Period		311.294.445	3.995.099
Other Comprehensive Income			
Not to be reclassified subsequently to profit or loss		(1.081.525)	35.157.583
-Increase (Decrease) in Revaluation Reserve of Tangible/Intangible Assets	29	--	44.101.674
-Increase (Decrease) in Revaluation Reserve of Intangible Assets	29	--	(8.820.335)
- Actuarial Gain (Loss) of Defined Benefit Plans	29	(1.351.906)	(154.695)
-Tax Effect of Actuarial Gain (Loss) of Defined Benefit Plans	29	270.381	30.939
Be Reclassified Subsequently to Profit or Loss		(143.354.832)	(62.903.286)
-Hedging Gain (Loss)		(179.193.540)	(79.483.350)
-Hedging Gain (Loss) deferred tax		35.838.708	16.580.064
TOTAL COMPREHENSIVE INCOME		166.858.088	(23.750.604)
The Distribution of Total Comprehensive Income			
Non-controlling interest		559.442	(2.546.910)
Equity Holders of the Parent		166.298.646	(21.203.694)

The accompanying accounting policies and notes are an integral part of these consolidated financial statements.

BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS OF 31 DECEMBER 2022

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

			Other accumulated comprehensive income or expenses that will not be reclassified to profit or loss			Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss					
	Paid in capital	Share Issue Premiums / Discounts	Effect of Mergers Involving Enterprises or Businesses Under Common Control	Increases (Decreases) in Revaluation of Tangible and Intangible Fixed Assets	Defined Benefit Plans Remeasurement Gains (Losses)	Hedging Gain(Loss)	Profits/Losses of previous years	Net Profit/Loss for the current term	Equity belonging to the main partners	Non controlling interests	Paid in capital
Balances as of 01.01.2021	128.000.000	--	(21.579.143)	37.786.461	(284.644)	--	5.761.975	50.474.315	200.158.964	(173.609)	199.985.355
Transfers	350.000.000	(331.281.627)	--	--	--	--	31.755.942	(50.474.315)	--	--	--
Total Comprehensive Income (Expense)	--	--	--	35.281.339	(123.756)	(62.903.286)	--	6.542.009	(21.203.694)	(2.546.910)	(23.750.604)
Investment Property Valuation Increase	--	--	--	--	--	--	2.612.159	--	2.612.159	--	2.612.159
Capital Increase	22.000.000	357.823.000	--	--	--	--	--	--	379.823.000	--	379.823.000
Balances as of 31.12.2021	500.000.000	26.541.373	(21.579.143)	73.067.800	(408.400)	(62.903.286)	40.130.076	6.542.009	561.390.429	(2.720.519)	558.669.910
Balances as of 01.01.2022	500.000.000	26.541.373	(21.579.143)	73.067.800	(408.400)	(62.903.286)	40.130.076	6.542.009	561.390.429	(2.720.519)	558.669.910
Transfers	--	--	--	--	--	--	6.542.009	(6.542.009)	--	--	--
Total Comprehensive Income (Expense) Total Comprehensive Income (Expense)	--	--	--	--	(1.081.525)	(143.354.832)	--	310.735.003	166.298.646	559.442	166.858.088
Increase (decrease) through changes in ownership interests in subsidiaries that do not result in loss of control	--	--	--	--	--	--	299.916	--	299.916	5.137.014	5.436.930
Effects of Business Combinations Under Common Control	--	--	(25.951.905)	--	--	--	--	--	(25.951.905)	2.720.519	(23.231.386)
Balances as of 31.12.2022	500.000.000	26.541.373	(47.531.048)	73.067.800	(1.489.925)	(206.258.118)	46.972.001	310.735.003	702.037.086	5.696.456	707.733.542

The accompanying accounting policies and notes are an integral part of these consolidated financial statements.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CASH FLOW
AS OF 31 DECEMBER 2022

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

		Audited	Revised
	Note	01.01- 31.12.2022	01.01- 31.12.2021
CASH FLOWS FROM BUSINESS ACTIVITIES		48.211.555	(326.179.021)
Profit/Loss for the period	28	311.294.445	3.995.099
Adjustments related to Reconciliation of Profit/Loss for the Period		(76.539.243)	37.183.738
Adjustments for Depreciation and Amortization Expenses	22	102.681.446	32.966.943
Adjustments Regarding Provisions (Cancellation) for Employee Benefits	16,17	3.664.212	1.493.994
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	16	4.157.060	5.216.768
Adjustments Regarding Interest (Income) and Expenses	25	66.818.088	23.727.781
Adjustments for Unrealized Currency Conversion Differences	18	76.288.371	62.919.018
Adjustments Regarding Retained Earnings of Investments Valued by Equity Method	31	(34.332.213)	(25.742.306)
Adjustments Regarding Tax (Income) Expense	27	(114.138.536)	19.427.088
Adjustments for Hedging gains/losses		(179.193.540)	(79.483.350)
Adjustments for Losses (Gains) on Disposal of Fixed Assets	24	(2.484.131)	(3.342.198)
Changes in Working Capital		(168.018.067)	(354.204.616)
Adjustments for Decrease (Increase) in Trade Receivables	7	(232.049.174)	(74.168.197)
Adjustments for Decrease (Increase) in Other Operating Receivables	8	13.481.356	(14.561.239)
Adjustments for Decrease (Increase) in Inventories	9	(53.020.704)	(59.242.849)
Decrease (Increase) in Prepaid Expenses	10	(305.043.403)	(178.807.886)
Adjustments for Increase (Decrease) in Trade Payables	7	467.365.292	129.247.583
Increase (Decrease) in Debts within the Scope of Employee Benefits	17	10.420.755	1.225.428
Adjustments Regarding the Increase (Decrease) in Other Operating Payables	8	2.280.616	14.367.082
Adjustments Increase (Decrease) in Deferred Income	10	5.390.743	(7.414.022)
Adjustments for Other Increase (Decrease) in Working Capital		(76.843.548)	(164.850.516)
Cash Flows from Operations		66.737.135	(313.025.779)
Tax Payments/Refunds	27	(18.525.580)	(13.153.242)
CASH FLOWS FROM INVESTING ACTIVITIES		(915.232.529)	(439.968.868)
Subsidiary Acquisition or Disposal		(17.794.456)	--
Cash Inflows from Sales of Tangible and Intangible Assets		--	1.104.159
Cash Outflows from the Purchase of Tangible and Intangible Assets	13,14	(897.438.073)	(441.073.027)
CASH FLOWS FROM FINANCING ACTIVITIES		723.794.453	835.204.267
Capital increase		--	379.823.000
Cash Inflows from Borrowing	6,26	790.612.541	479.109.048
Interest Paid/Received	25	(66.818.088)	(23.727.781)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(143.226.521)	69.056.378
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4	170.866.301	101.809.923
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4	27.639.780	170.866.301

The accompanying accounting policies and notes form an integral part of the consolidated financial statements.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY

Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi (“Company” or “Biotrend”) was established on May 5th, 2017 and its main activity is based on biomass resources; production of energy using fermentation, gasification, incineration technologies and operation of solid waste storage areas, mechanical separation plant in these areas, ATY (waste derived fuel) preparation plant, leachate treatment plant, biological treatment (compost, biomethanization) plant, LFG (Landfill Gas), performing the installation and operation of power generation plants, as well as providing engineering, contracting and consulting services in these areas.

Biotrend has an investment in biogas and biomass power plants for waste-to-energy activities, mechanical separation plants, wastewater and leachate treatment plants, ATY and composting plants, anaerobic fermentation units, landfills for integrated waste management, and fuel preparation and supply facilities for biomass plants throughout Turkey. Biotrend has a total of 19 facilities, including 11 integrated waste management and BES (biomass power plant), 6 BES, 1 solid fuel preparation and 1 greenhouse, with ongoing investments.

The Company and its subsidiaries will be collectively referred to as the “Group”. Group companies are registered in Turkey. The main shareholders of Biotrend are Doğanlar Yatırım Holding A.Ş. and Maven Energy Electricity Generation Inc. The head office of the Group is located in Kavacık Mah. Ertürk Sk. No: 3/1 Kapı No: 1 Beykoz/İstanbul.

The Company is registered with the Capital Markets Board (“CMB”) and its shares are traded on Borsa İstanbul A.Ş. (“BİST”) (formerly “İstanbul Stock Exchange”) under the name BIOEN since 28.04.2021. As of 31 December 2022, the Company's free float rate is 37.76% (31 December 2021: 21,25%).

As of 31 December 2022, 90 employees work in Biotrend (31 December 2021: 50) and there is a total of 583 workers in the Group. (31 December 2021: 428).

Its Subsidiaries:

The details of the Company’s subsidiaries are given below:

Doğu Star Elektrik Üretim A.Ş. (Doğu Star):

Doğu Star was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has 2 production facilities in Malatya and 1 production facility in Bursa İnegöl.

Nov Enerji Elektrik Üretim A.Ş. (Nov Enerji):

Nov Enerji was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul, It has a production facility in Sivas.

Novtek Enerji Elektrik Üretim A.Ş. (Novtek Enerji):

Novtek Enerji was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has production facilities in Bursa İnegöl and Hatay İskenderun.

Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş. (Mersin):

Mersin was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located in Çanakkale Ezine.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Yılbatu Elektrik Üretim A.Ş. (Yılbatu):

Yılbatu was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. The production facility is under construction is located in İzmir Menderes.

İlda Elektrik Üretim A.Ş. (İlda):

İlda was acquired on 16.10.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 iç kapı No: 1 Beykoz/İstanbul. It does not have a production facility and owns 50% of Landfill (Balıkesir).

Ulubey Elektrik Üretim Ve Enerji Yatırımları A.Ş. (Ulubey):

Ulubey was acquired on 15.05.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Its production facility is located in Aydın Çine

İzmir Novtek Enerji Elektrik Üretim A.Ş. (İzmir Novtek):

İzmir Novtek was founded on 30.05.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has a production facility in İzmir- Harmandalı.

Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. (Uşak):

Uşak was founded on 06.07.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Uşak has a production facility in Ovacık.

Biyomek Elektrik Enerjisi Üretim San. Ve Tic. A.Ş. (Biyomek):

Biyomek was acquired on 16.04.2019 Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. It has a production facility in Aydın Çine

MD Biyokütle Enerji Üretim A.Ş. (MD Biyokütle):

MD Biyokütle was founded on 27.09.2019 Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located in Aksaray.

İzmir Doğu Star Elektrik Üretim A.Ş. (İzmir Doğu Star):

İzmir Doğu Star was founded on 18.09.2019. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has a production facility in İzmir-Bergama.

10
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Karya Yenilenebilir Kaynaklar Elektrik Üret.San.Tic. Ltd. Şti. (Karya):

Karya was acquired on 01.07.2020. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It doesn’t own any production facility.

Serenti Enerji A.Ş. (Serenti):

Serenti was founded on 13.08.2020. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located in Giresun.

Maven Tarım Seracılık ve Hayvancılık San. Ve Tic. A.Ş. (Maven Tarım):

Maven Tarım was acquired on 16.01.2019. Its main field of activity is vegetable seedlings, fruit seedlings, etc. for planting and upbringing. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Although the production facility is not active yet, its location is in Sivas.

Biotrend Ayvacık Yenilenebilir Kaynaklar Elektrik Üret.San.Tic. Ltd. Şti. (Biotrend Ayvacık):

Biotrend Ayvacık was founded on 29.04.2021. Its main field of activity is electrical energy production. Its head office is located in adresi Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located Çanakkale.

Ulutek Elektrik Üretim ve Enerji Yatırımları A.Ş. (Ulutek):

Ulutek was founded on 19.03.2014 Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The Company shares were transferred to Biotrend Çevre ve Enerji Yatırımları A.Ş on 17.05.2022.

Biotrend Enerji Uluslararası Yatırım A.Ş. (Biotrend Uluslararası):

Biotrend Uluslararası was founded on 30.06.2022. Its main field of activity is invest to electrical power generation plant in abroad. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul.

Doğankent Elektrik Enerjisi Toptan Satış A.Ş. (Doğankent):

Doğankent Elektrik was bought on 16.11.2022. Its main activity is to trade electricity for users excluding brokers and agents. Its head office located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul.

Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri San. A.Ş. (Biotrend İleri Dönüşüm):

Biotrend İleri Dönüşüm was founded on 09.12.2022. Its main activity is recycling plastic wastes with upcycling technologies of plastic wastes and installation of renewable power plants for domestic consumption.

11
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

The number of employees is given below:

Firms	Information on employees		
	31 December 2022	31 December 2021	31 December 2020
Doğu Star	91	77	51
Nov Enerji	15	13	12
Novtek	18	19	23
Mersin	42	14	1
Yılbatu	4	2	4
İlda	--	--	--
Ulubey	42	14	--
İzmir Novtek	65	67	57
Uşak	42	36	15
Biyomek	48	39	13
Maven Tarım	1	--	--
MD Biyokütle	13	7	1
İzmir Doğu Star.	64	51	19
Karya	--	--	--
Serenti	19	14	--
Landfill	27	23	21
Biotrend Merkez Ofis	90	50	24
Biotrend Ayvacık	2	2	--
Ulutek	--	--	--
Biotrend Uluslararası	--	--	--
Biotrend İleri Dönüşüm	--	--	--
Doğankent	--	--	--
Total	583	428	241

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Its subsidiaries	Main activity	Date of purchase	License Power	Installed Power	Total Installed Power	Facility
Doğu Star Elektrik Üretim A.Ş. (*)	Electrical Energy Production	17.10.2017	-	2,464 MWm / 2,400 Mwe	15,089 MWm / 14,698 MWe	Malatya Unlicensed
	Electrical Energy Production		2,464 MWm / 2,400 MWe	2,464 MWm / 2,400 Mwe		Malatya-1 (Licensed)
	Electrical Energy Production		4,359 MWm / 4,242 MWe	2,906 MWm / 2,828 Mwe		Malatya-2 (Licensed)
	Electrical Energy Production		14,51 MWm / 14,14 MWe	7,255 MWm / 7,070 Mwe		İnegöl-2 Biogas
Nov Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	17.10.2017	2,902 MWm / 2,826 MWe	2,902 MWm / 2,826 MWe	2,902 MWm / 2,826 MWe	Sivas Landfill Gas
Novtek Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	17.10.2017	4,353 MWm / 4,239 MWe	4,353 MWm / 4,239 MWe	6,817 MWm / 6,639 MWe	İskenderun Landfill Gas
	Electrical Energy Production		2,464 MWm / 2,400 MWe	2,464 MWm / 2,400 MWe		İnegöl Landfill Gas
Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş.(*)	Electrical Energy Production	17.10.2017	31,058 MWm / 30,00 MWe	1,030 MWm / 1,00 MWe	1,030 MWm / 1,00 Mwe	Ezine Biomass
Yılbato Elektrik Üretim A.Ş.(*)	Electrical Energy Production	17.10.2017	24,667 MWm/ 24,038 MWe	-	-	Menderes Biogas
İlda Elektrik Üretim A.Ş. (*)	Electrical Energy Production	16.10.2018	-	-	-	Landfill % 50 Partner
Ulubey Elektrik Üretim Ve Enerji Yatırımları A.Ş. (*)	Electrical Energy Production	15.05.2018	-	-	-	Çine Gasoline Preparation
İzmir Novtek Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	30.05.2018	40,716 MWm / 39,690 MWe	33,176 MWm / 32,340 MWe	33,176 MWm / 32,340 Mwe	İzmir Harmandalı Landfill Gas
Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. (*)	Electrical Energy Production	6.07.2018	5,655 MWm / 5,498 MWe	4,200 MWm / 4,084 Mwe	4,200 MWm / 4,084 MWe	Uşak Landfill Gas
Biyomek Elektrik Enerjisi Üretimi San. Ve Tic. A.Ş. (*)	Electrical Energy Production	16.04.2019	14,20 MWm / 13,60 MWe	14,20 MWm / 13,60 MWe	14,20 MWm / 13,60 MWe	Çine Biyokütle Power Plant.
Maven Tarım Seracılı ve Hayvancılık San. Ve Tic. A.Ş. (*)	Agriculture, Greenhouse and Livestock	16.01.2019	-	-	-	Sivas Greenhouse Constitue-Business
MD Biyokütle Enerji Üretim A.Ş. (*)	Electrical Energy Production	27.09.2019	5,804 MWm/5,656 Mwe	1,451 MWm / 1,414 MWe	1,451 MWm / 1,414 Mwe	Aksaray Landfill Gas
İzmir Doğu Star Elektrik Üretim A.Ş. (*)	Electrical Energy Production	18.09.2019	10,157 MWm / 9,898 MWe	8,706 MWm / 8,484 MWe	8,706 MWm / 8,484 MWe	İzmir Bergama Lanfill Gas
Karya Yenilenebilir Kaynaklar Elektrik Üret.San.Tic.Ltd.Sti. (*)	Electrical Energy Production	1.07.2020	-	-	-	Ankara
Serenti Enerji A.Ş. (*)	Electrical Energy Production	13.08.2020	4,353 MWm / 4,242 MWe	1,451 MWm / 1,414 MWe	1,451 MWm / 1,414 MWe	Giresun Lanfill Gas
Biotrend Ayvacı Yenilenebilir Enerji Elektrik Üretim A.Ş.(*)	Electrical Energy Production	29.04.2021	31,058 MWm / 30,00 Mwe	1,030 MWm / 1,00MWe	-	Çanakkale Lanfill Gas
Ulutek Elektrik Üretim ve Enerji Yatırımları A.Ş.(*)	Electrical Energy Production	17.05.2022	-	-	-	-
Biotrend Enerji Uluslararası Yatırım A.Ş. (*)	Invest to Electrical Energy power generation plant in abroad	30.06.2022	-	-	-	-

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Its subsidiaries	Main activity	Date of purchase	License Power	Installed Power	Total Installed Power	Facility
Doğan Kent Elektrik Enerjisi Toptan Satış Anonim Şirketi (*)	Electricity Trade	16.11.2022	-	-	-	-
Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi Anonim Şirketi (*)	Recycling of plastic wastes with upcycling technologies and installation of renewable energy plants for domestic consumption	09.12.2022	-		-	-

(*) There are consolidated using the full consolidation method

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Financial Investments Valued by Equity Method

Financial Investments Valued by Equity Method	Main Activity	Date of Acquisition	License Power	Installed Power	Total Installed Power	Facility
Landfill Enerji A.Ş.	Electrical Energy Production	16.10.2018	14,51 MWm / 14,14 MWe	11,608 MWm / 11,312 Mwe	11,608 MWm / 11,312 Mwe	Balıkesir Landfill Gas

Landfill Enerji A.Ş. (Landfill):

The company was acquired on 16.10.2018. Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. Its production facility is located in Balıkesir.

Approval of Consolidated Financial Statements

Consolidated financial statements for the accounting period 1 January - 31 December 2022 were approved at the Board of Directors meeting dated 13 March 2022. Consolidated financial statements will be finalized after their approval at the General Assembly.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Basis of Presentation

The accompanying financial statements are in accordance with the provisions of the Capital Markets Board (“CMB”), Serial II, No. 14.1 “Principles of Financial Reporting in the Capital Markets” (“Communiqué”) published in the Official Gazette dated June 13th, 2013 and numbered 28676. It has been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS), which was put into effect by the Accounting and Auditing Standards Authority (“POA”), and their annexes and comments.

Functional and Presentation Currency

The Group keeps its accounting records in TL in accordance with the commercial legislation, financial legislation and the Uniform Chart of Accounts published by the Ministry of Finance. The financial statements are based on legal records and expressed in TL, and have been prepared by subjecting to some adjustments and classification changes in order to adequately present the status of the Group in accordance with the Turkish Accounting Standards published by POA.

The functional and reporting currency of the Company and its subsidiaries is Turkish Lira (“TL”), and all financial information is presented in TL unless otherwise stated.

15
BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Adjustment of Financial Statements in Inflation Periods

The Group keeps and prepares its legal books and statutory financial statements in accordance with the accounting principles set forth in the Turkish Commercial Code ("TCC") and tax legislation. The accompanying financial statements are in accordance with the provisions of the Capital Markets Board (“CMB”), Serial II, No. 14.1 “Principles of Financial Reporting in the Capital Markets” (“Communiqué”) published in the Official Gazette dated June 13th, 2013 and numbered 28676. It has been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS), which was put into effect by the Accounting and Auditing Standards Authority (“POA”), and their annexes and comments. TAS; Turkish Accounting Standards consist of Turkish Financial Reporting Standards and their annexes and interpretations. According to TAS 29 Standard for Financial Reporting in High-Inflation Economies, entities whose functional currency is the currency of a high-inflation economy report their financial statements according to the purchasing power of the money at the end of the reporting period. TAS 29 defines characteristics that can indicate that an economy is a high-inflation economy. At the same time, according to TAS 29, all entities reporting in the currency of a high-inflation economy are required to apply this Standard from the same date. Therefore, as stated in TAS 29, in order to ensure consistency in practice throughout the country, it is expected that all enterprises will start to implement TAS 29 at the same time with the announcement to be made by the Public Oversight Accounting and Auditing Standards Authority (POA). On the other hand, the POA did not make a statement as to whether any adjustment will be made under TAS 29 in the financial statements for the accounting period ended December 31, 2022. Therefore, TAS 29 was not applied in the financial statements dated 31 December 2022 and inflation adjustment was not made.

Consolidation Principles

Consolidated financial statements include the Company, its subsidiaries and associates accounted for using the equity method. Control is achieved by having control over an entity's financial and operational policies in order to derive benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement after the date of acquisition or up to the date of disposal.

If necessary, accounting policies have been adjusted in the financial statements of its subsidiaries in order to match the accounting policies followed by the Group. All intra-Group transactions, balances, income and expenses have been adjusted in the records during consolidation.

The Company accounts for its investments in its subsidiaries, in which it directly or indirectly owns more than 20% of its shares and has significant influence, according to the equity method. These investments are shown in the consolidated balance sheet by adding or subtracting the post-acquisition changes to the Company's share of the net assets of the subsidiary on top of the acquisition cost and deducting the provision for impairment, if any. The consolidated statement of comprehensive income reflects the Company's share in the results of the activities of the Company's subsidiaries. Changes in the equity of the associate by the amounts that have not yet been reflected in the profit or loss of the associate may also require an adjustment in the book value of the associate in proportion to the Company's share in the associate. The Company's share of these changes is directly accounted for in the Company's own equity.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Subsidiaries are consolidated using the full consolidation method.

Subsidiaries	Group's shareholding in subsidiary (%)			
	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Doğu Star	100%	100%	100%	100%
Nov Enerji	100%	100%	100%	100%
Novtek	100%	100%	100%	100%
Mersin	100%	100%	100%	100%
Yılbatu	100%	100%	100%	100%
İlida	100%	100%	100%	100%
Ulubey	100%	100%	100%	100%
İzmir Novtek	100%	100%	100%	100%
Uşak	100%	100%	100%	100%
Biyomek (*)	100%	85%	85%	85%
Maven Tarım (**)	50%	100%	100%	100%
MD Biyokütle	100%	100%	100%	100%
İzmir Doğu Star.	100%	100%	100%	100%
Karya	100%	100%	100%	100%
Serenti	100%	100%	100%	100%
Biotrend Ayvacık	100%	100%	100%	--
Ulutek (***)	100%	--	--	--
Biotrend Uluslararası (***)	100%	--	--	--
Biotrend İleri Dönüşüm	100%	--	--	--
Doğankent (***)	100%	--	--	--

(*) The Group has increased its 85% share to 100% in 2022.

(**) Group's share decreased from 100% to 50% in 2022.

(***) Included in the consolidation in 2022.

Financial Investments Valued by Equity Method	Share Rate of the Group on Equity (%)			
	31 December 2022	31 December 2021	31 December 2020	31 December 2019
Landfill	50%	50%	50%	35%

Continuity of the Business

The Group has prepared its financial statements in accordance with the going concern principle

17
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Comparative information and adjusting to previous period dated of financial statements.

The accompanying financial statements are prepared in comparison with the previous period in order to determine the financial position, performance and cash flow trends of the Group. When the presentation or classification of the items of the financial statements changes, in order to ensure comparability, the financial statements of the previous period are reclassified accordingly and explanations are made regarding these issues.

The accounting policies used in the preparation of the consolidated financial statements are the same as the accounting policies used in the most recent annual financial statements.

Changes in Turkish Financial Reporting Standards

New and revised standards and interpretations

The new standards in force as of 31 December 2022 and the changes and interpretations brought to the existing previous standards:

IFRS 16 'Leases' - Amendments to the extension of the COVID 19 lease concession facilitation application (effective 1 April 2021)

Due to the COVID-19 pandemic, some concessions have been provided to tenants in rent payments. In May 2020, the IASB published an amendment to the IFRS 16 Leases standard, which introduced a voluntary facilitation for tenants not to assess whether the concessions granted due to COVID-19 in their rent payments were a change in the lease. On 31 March 2021, the IASB issued an additional amendment to extend the date of facilitative implementation from 30 June 2021 to 30 June 2022. Tenants may elect to recognize such lease privileges in accordance with the provisions that apply in the absence of a change to the lease. This ease of application often results in the lease concession being recognized as variable rent payment during periods when the event or condition that triggers a decrease in rent payments arises.

Narrow amendments to IFRS 3, TAS 16, TAS 37 and some annual improvements to IFRS 1, IFRS 9, TAS 41 and IFRS 16;

Effective for annual reporting periods beginning on or after January 1, 2022.

- Amendments to IFRS 3 'Business Mergers'; this amendment updates a reference to the Conceptual Framework for Financial Reporting in IFRS 3 without changing the recognition provisions for business combinations.
- Amendments to TAS 16 'Tangible Assets'; It prohibits a company from deducting income from the sale of manufactured products from the amount of tangible assets until the asset is ready for use. Instead, the company will reflect such sales proceeds and the associated cost on the profit or loss.
- Amendments to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets'; this amendment specifies what costs the company will include when deciding whether to make a loss from a contract.

18
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The annual improvements make minor changes to the explanatory examples of IFRS 1 'First Implementation of Turkish Financial Reporting Standards', IFRS 9 'Financial Instruments', IAS 41 'Agricultural Activities' and IFRS 16.

Standards, amendments and interpretations published as of 31 December 2022 but not yet in force:

- Narrow changes to IAS 1, Implementation Statement 2 and IAS 8; Valid for annual reporting periods beginning on or after January 1, 2023. These changes are intended to improve accounting policy disclosures and help users of financial statements distinguish between changes in accounting estimates and changes in accounting policies.
- - TAS 12, amendment to the deferred tax on assets and liabilities arising from a single transaction; Valid for annual reporting periods beginning on or after January 1, 2023. These changes require deferred tax recognition on transactions that result in taxable and deductible temporary differences in equal amounts when first entered into the financial statements by corporations.
- - IFRS 16, Sale and leaseback transactions; Effective for annual reporting periods beginning on or after January 1, 2024. These changes include the sale and leaseback provisions in IFRS 16 that describe how the entity recognizes a sale and leaseback transaction after the transaction date. Sale and leaseback transactions, which consist of variable rent payments that are some or all of the rent payments that are not tied to an index or rate, are likely to be affected.
- -TAS 1, amendment to long-term obligations that are the terms of the contract; Effective for annual reporting periods beginning on or after January 1, 2024. These changes clarify how the conditions that the entity must comply with within twelve months of the reporting period affect the classification of an obligation.

IFRS 17, 'Insurance Contracts', as amended in December 2021; Valid for annual reporting periods beginning on or after January 1, 2023. This standard replaces IFRS 4, which already allows for a wide range of applications. IFRS 17 will fundamentally change the accounting of all entities that issue insurance contracts and investment contracts with discretionary participation capability.

Netting/Offsetting

Financial assets and liabilities are shown with their net values in the balance sheet if there is a legal right to set off, they can be paid or collected on a net basis, or the acquisition of the asset and the fulfillment of the obligation can occur simultaneously.

19
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Changes and Errors in Accounting Policies/Forecasts

Significant changes in accounting policies and significant accounting errors are applied retrospectively and prior period financial statements are restated. Changes in accounting estimates are applied prospectively in the current period when the change is made, if the change is related to future periods, both in the period in which the change is made and in the future period. If the rearrangement of the information causes an excessive cost, the comparative information for the previous periods is not rearranged, and the retained earnings account of the next period is rearranged with the cumulative effect of the error before the said period starts.

The effects of the adjustments and reclassifications as of 31 December 2021 are as follows:

	Previously reported	Classification and Adjustments	Revised
ASSETS	31.12.2021	31.12.2021	31.12.2021
CURRENT ASSETS			
Cash and Cash Equivalents	170.866.301	--	170.866.301
Trade Receivables	104.369.768	--	104.369.768
From Non-Related Parties	104.369.768	--	104.369.768
Other Receivables	22.933.570	--	22.933.570
From Related Parties	16.610.581	--	16.610.581
From Non-Related Parties	6.322.989	--	6.322.989
Inventories	63.659.533	--	63.659.533
Prepaid Expenses	242.689.444	--	242.689.444
From Non-Related Parties	242.689.444	--	242.689.444
Current period tax assets	2.366.103	--	2.366.103
Other current assets	76.041.490	--	76.041.490
SUBTOTAL	682.926.209	--	682.926.209
TOTAL CURRENT ASSETS	682.926.209	--	682.926.209
NON-CURRENT ASSETS			
Investment Properties	3.291.856	5.964.144	9.256.000
Investments Valued by Equity Method	51.044.936	--	51.044.936
Tangible Assets	894.311.146	--	894.311.146
Right of Use Assets	73.882.229	--	73.882.229
Intangible Assets	61.126.543	--	61.126.543
Goodwill	6.532.000	--	6.532.000
Other Intangible Assets	54.594.543	--	54.594.543
Other Non-Current Assets	59.500.988	--	59.500.988
TOTAL NON-CURRENT ASSETS	1.143.157.698	5.964.144	1.149.121.842
TOTAL ASSETS	1.826.083.907	5.964.144	1.832.048.051

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

	Previously reported	Classification and Adjustments	Revised
	31.12.2021	31.12.2021	31.12.2021
LIABILITIES			
CURRENT LIABILITIES			
Short Term Borrowings	66.178	--	66.178
Short Term Portion of Long Term Borrowings	191.402.452	--	191.402.452
Bank Loans	189.146.497	--	189.146.497
Lease Payables	2.255.955	--	2.255.955
Trade Payables	217.675.441	--	217.675.441
From Non-Related Parties	217.675.441	--	217.675.441
Liabilities due to Employee Benefits	3.950.585	--	3.950.585
Other Payables	44.104.344	--	44.104.344
Due to Related Parties	37.815.183	--	37.815.183
To Non-Related Parties	6.289.161	--	6.289.161
Deferred Income	2.732.268	--	2.732.268
Non-Related Parties	2.732.268	--	2.732.268
Liabilities for Period Income Tax	3.271.570		3.271.570
Short Term Provisions	10.579.929		10.579.929
...Short Term Provisions For Employee Benefits	1.109.054	--	1.109.054
Other Short Term Provisions	9.470.875	--	9.470.875
SUBTOTAL	473.782.767	--	473.782.767
TOTAL CURRENT LIABILITIES	473.782.767	--	473.782.767
NON CURRENT LIABILITIES			
Long Term Borrowings	778.336.078	--	778.336.078
Bank credits	705.384.525	--	705.384.525
Lease Payables	72.951.553	--	72.951.553
Other Payables	2.651.429	--	2.651.429
Long Term Provisions	1.742.951	--	1.742.951
Long Term Provisions For Employee Benefits	1.742.951	--	1.742.951
Deferred Tax Liabilities	16.268.502	596.414	16.864.916
TOTAL NON-CURRENT LIABILITIES	798.998.960	596.414	799.595.374
TOTAL LIABILITIES	1.272.781.727	596.414	1.273.378.141

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

	Previously reported	Classification and Adjustments	Revised
	31.12.2021	31.12.2021	31.12.2021
EQUITY			
Equity Attributable to Equity Holders of the Parent			
Share Capital	556.022.699	5.367.730	561.390.429
Share Issue Premium (Discounts)	500.000.000	--	500.000.000
The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control	26.541.373	--	26.541.373
Other Accumulated Comprehensive Income or Expenses that will not be Reclassified to Profit or Loss	(21.579.143)	--	(21.579.143)
- Revaluation Reserve of Tangible Assets and Intangible Assets	72.659.400	--	72.659.400
- Defined Benefit Plans Remeasurement Gains (Losses)	73.067.800	--	73.067.800
Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss	(408.400)	--	(408.400)
- Hedging Gain (Loss)	(62.903.286)	--	(62.903.286)
Retained Earnings	(62.903.286)	--	(62.903.286)
Net Profit for the Period	37.517.917	2.612.159	40.130.076
Non-Controlling Interests	3.786.438	2.755.571	6.542.009
TOTAL EQUITY	(2.720.519)	--	(2.720.519)
TOTAL LIABILITIES AND EQUITY	553.302.180	5.367.730	558.669.910
	1.826.083.907	5.964.144	1.832.048.051

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

	Previously reported	Classification and Adjustments	Revised
	01.01- 31.12.2021	01.01- 31.12.2021	01.01- 31.12.2021
Revenue	427.703.847	--	427.703.847
Cost of Sales	(304.367.466)	--	(304.367.466)
GROSS PROFIT	123.336.381	--	123.336.381
General Administrative Expenses	(39.910.212)	--	(39.910.212)
Marketing Expenses	(2.558.394)	--	(2.558.394)
Other Income from Operating Activities	22.232.397	--	22.232.397
Other Expenses from Operating Activities	(52.216.850)	--	(52.216.850)
OPERATING PROFIT	50.883.322	--	50.883.322
Revenues from Investment Activities	3.342.198	3.061.745	6.403.943
Share of Profit/Loss of Investments Accounted for Using the Equity Method	25.742.306	--	25.742.306
OPERATING PROFIT BEFORE FINANCE INCOME (EXPENSES))	79.967.826	3.061.745	83.029.571
Financial Income	53.446.346	--	53.446.346
Financial Expenses	(113.053.730)	--	(113.053.730)
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX	20.360.442	--	23.422.187
Tax income/(expense), continuing operations	(19.120.914)	(306.174)	(19.427.088)
Taxes on income (expenses)	(11.392.504)	--	(11.392.504)
Deferred tax income (expenses)	(7.728.410)	(306.174)	(8.034.584)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	1.239.528	2.755.571	3.995.099
PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	--	--	--
NET PROFIT FOR THE PERIOD	1.239.528	2.755.571	3.995.099
Distribution of the Period Profit (Loss)			
Non-controlling interest	(2.546.910)	--	(2.546.910)
Equity holders of the parent	3.786.438	2.755.571	6.542.009
Income (Loss) for the Period	1.239.528	2.755.571	3.995.099

The fair value of the Group's investment properties is determined by an independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. (“LAL”). According to the valuation reports dated 05.05.2022 and 13.05.2022, the fair value of the relevant real estate has been calculated as 9.256,000 TL. The valuation difference resulting from the revaluation of the real estate has been reflected in the income statement from the previous period in the consolidated financial statements, and the financial statements dated 31.12.2021 have been restated.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Summary of Significant Accounting Policies

Significant accounting policies applied during the preparation of the accompanying financial statements are as follows

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and investments with a definite amount, easily convertible into cash, short-term and highly liquid, with an insignificant risk of change in value and with a maturity of less than three months.

Commercial debts

Trade receivables are recorded with their invoiced amounts and are carried with their net value discounted using the effective interest rate method and after deducting the doubtful receivable provision, if any.

Promissory notes and post-dated checks classified under trade receivables are rediscounted using the effective interest rate method and carried with their discounted values.

Provision for doubtful receivables is recorded as expense. If there is a concrete indication that the overdue receivables cannot be collected, provision for doubtful receivables is set by taking into account the guarantees received from the customer. The Company uses the simplified approach in TFRS 9 to calculate the expected credit losses of these financial assets. This method requires the recognition of lifetime expected credit losses for all trade receivables.

Trade payables

Trade payables are recorded at a reduced cost, which represents their fair value, and are carried with. The financial income included in the debts is calculated by considering the maturity of the related debt and the interest rate for the government domestic debt securities in the stock exchanges or other organized markets, and the amounts founded are shown in financial income in the financial statements.

Inventories

Inventories are valued at the lower of cost or net realizable value. Inventory costs are determined using the “first-in, first-out cost method”. Cost of inventories; It includes all acquisition costs, conversion costs, and other costs incurred to bring inventories to their current state and location. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs required to make the sale.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Investment properties

Instead of being used in the production or supply of goods and services or for administrative purposes or being sold in the normal course of business, land or building or building is held (by the owner or by the lessee under a finance lease) for the purpose of earning rental income or for capital appreciation or both. some or both are classified as investment properties.

An investment property is accounted for as an asset if it is probable that future economic benefits associated with the property will flow to the business and the cost of the investment property can be measured reliably

The fair value of the Group's investment properties is determined by an independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. (“LAL”). According to the valuation reports dated 14.02.2023, the fair value of the relevant real estate has been calculated as 17,790,000 TL. The valuation difference resulting from the revaluation of the real estate has been reflected in the income statement from the previous period in the consolidated financial statements, and the financial statements dated 31.12.2021 have been restated.

Tangible fixed assets

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided on restated amounts of property, plant and equipment using the straight-line method based on the estimated useful lives of the assets, except for land due to their indefinite useful life.

The cost value of the property, plant and equipment; The purchase price consists of import duties and non-refundable fixed assets and expenses incurred to prepare the property, plant and equipment for use.

Cost amounts of tangible fixed assets, excluding investments in progress and land, are depreciated over their expected useful lives using the straight-line method. The expected useful life, residual value and depreciation method are reviewed annually for the possible effects of changes in estimates, and if there is a change in estimates, they are accounted for prospectively.

Depreciation is calculated on a pro-rata basis according to the straight-line depreciation method, taking into account the economic lives of tangible fixed assets. The amortization periods are as follows:

Buildings	10-50 years
Machinery, plants and devices	10 years
Vehicles	4-5 years
Fixtures	3-10 years
Leasehold improvements	5 years

Usual maintenance and repair expenses incurred on a tangible fixed assets are recognized as expenses. Investment expenditures that increase the capacity of the tangible fixed asset and increase the future benefit from it are added to the cost of the tangible fixed asset and depreciated over the remaining estimated useful life of the tangible fixed asset.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The profit or loss resulting from the disposal of tangible fixed assets is determined by comparing the net balance sheet value with the collected amounts and is shown under the “income/expenses from investment activities” account in the current period.

Revaluation model

Machinery, plant and equipment are presented at fair value less accumulated depreciation. The difference between the cost value and the fair value, net of deferred tax, is followed under the “revaluation funds” account under shareholders' equity. As long as the revalued asset is used, the difference between the depreciation calculated over the revalued amount and the depreciation calculated over the initial cost value is deducted from the revaluation fund after deducting the deferred tax effect and followed by crediting the retained earnings account.

The frequency of revaluation depends on the fluctuation in the fair value of the tangible asset subject to revaluation. If the fair value of the revalued asset differs significantly from its carrying value, the asset is revalued. When tangible asset is revalued, the accumulated depreciation amount on the revaluation date is increased in proportion to the change in the gross carrying value of the asset, so that the carrying value of the asset after revaluation equals its revalued amount.

The Group has valued machinery, facilities and devices based on the report dated 01.03.2021 prepared by Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş.

Intangible assets

Intangible assets consist of EMRA license rights and software rights. Intangible assets are recorded at their acquisition cost. EMRA licenses are amortized on a pro-rata basis using the straight-line depreciation method between 12-49 years and software rights between 3-15 years.

The carrying values of intangible assets are reviewed and the necessary provision is made in case changes in conditions and events give rise to an indication that the carrying value may decrease.

Impairment of assets

For each asset other than deferred tax assets, the Group evaluates at each balance sheet date whether there is any indication that the asset is impaired. If such an indicator exists, the recoverable amount of that asset is estimated. For intangible assets that are not suitable for use, the recoverable amount is estimated at each balance sheet date. If the carrying value of the asset or any cash generating unit of that asset is higher than the amount to be recovered through use or sale, an impairment has occurred. Impairment losses are recognized in the income statement.

An impairment loss on an asset is reversed up to a level that does not exceed the carrying amount of the asset if the subsequent increase in its recoverable amount can be attributed to an event that occurred in the periods following the recognition of the impairment.

26
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Obtained credits and borrowing costs

Bank loans are recorded with their values after the transaction costs are deducted from the amount of loan on the date they are received. Bank loans are shown over the cost value, which is discounted using the effective interest method in the following periods. The difference between the amount remaining after deducting the transaction costs and the discounted cost value is reflected in the income statement as the financing cost during the loan period. Financing costs arising from loans, if they are associated with the acquisition or construction of qualifying assets, are included in the cost of qualifying assets. Qualified assets are assets that take a long time to be ready for use or sale as intended. Other loan costs are recorded in the income statement in the period in which they occur.

Investments held as fixed assets

Investments held as fixed assets is realized when the carrying amount is recovered in a sale transaction and the sale is likely to occur. Assets are classified as investments held as fixed assets when the carrying amount is considered to be recovered through a sale transaction rather than making use of this transaction.

Assets can be a business unit, sales group, or a separate tangible asset. The sale of investments held as fixed assets is expected to occur within 12 months after the balance sheet date. Various events or circumstances may extend the completion period by more than one year. There is insufficient evidence to support that the delay was beyond the control of the entity and the sale of the assets (or group of assets) proceeds on the plan of sale; The delay does not preclude the classification of assets (or disposal groups) as investments held a fixed assets.

Investments held as fixed assets are valued at the lower of book value and fair value. The impairment loss is recognized as an expense in the consolidated income statement for the period, on the date in which its carrying amount is less than its fair value. There is no amortization for these assets.

Financial tools

IFRS 9 regulates the provisions regarding the recognition and measurement of financial assets and financial liabilities. This standard replaces TAS 39 Financial Instruments: Recognition and Measurement.

The applications related to the recognition, classification, measurement and derecognition of financial instruments in TAS 39 are now carried over to IFRS 9. The latest version of IFRS 9 includes applications published in previous versions of IFRS 9, which were released in phases, including a new expected credit loss model for calculating impairment of financial assets, as well as updated applications for new general hedge accounting requirements. IFRS 9 is valid for annual accounting periods beginning on or after January 1st, 2018.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Classification of financial assets and liabilities

TFRS 9 largely retains the existing provisions in TAS 39 for the classification and measurement of financial liabilities. However, the previous TAS 39 classification categories have been removed for financial assets held to maturity, loans and receivables, and financial assets available for sale.

The implementation of TFRS 9 did not have a significant impact on the Company's accounting policies regarding its financial liabilities and derivative financial instruments. The impact of TFRS 9 on the classification and measurement of financial assets is given below.

According to TFRS 9, when a financial asset is recognized for the first time; measured at amortized cost; fair value (“VAR”) measured at fair value through other comprehensive income – debt instruments; FPV difference measured through other comprehensive income – equity instruments or the FPV difference measured through profit or loss is classified as. Classification of financial assets within the scope of TFRS 9 is generally based on the business model the entity uses to manage financial assets and the characteristics of the financial asset's contractual cash flows. Within the scope of the standard, the obligation to separate the embedded derivatives from the financial asset has been eliminated, and it should be evaluated how a hybrid contract will be classified as a whole.

A financial asset is measured if both of the following conditions are met and the fair value difference is measured in profit or loss :

- Holding the financial asset under a business model aimed at collecting contractual cash flows; and
- The contractual terms of the financial asset arise to cash flows on certain dates that include only payments of principal and interest on the principal balance.

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met and it is not classified as at fair value through profit or loss:

- Holding the financial asset under a business model aimed at collecting contractual cash flows and selling financial assets, and
- The contractual terms of the financial asset give rise to cash flows on certain dates that include only payments of principal and interest on the principal balance.

In the initial recognition of investments in equity instruments that are not held for trading, an irrevocable choice may present subsequent changes in fair value in other comprehensive income. The choice of this preference can be made on the basis of each investment. All financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. These include all derivative financial assets. At initial recognition of financial assets, a financial asset is irrevocably recognized at fair value through profit or loss, provided that it eliminates or significantly reduces an accounting mismatch that would result from different measurement of financial assets and related gains or losses. can be defined as measured by reflection.

In the initial measurement of financial assets other than those at fair value through profit or loss (except for trade receivables, which are measured at transaction price at initial recognition and do not have a significant financing component), the transaction costs directly attributable to their acquisition or issuance are added to the fair value.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Impairment of financial assets

With the implementation of TFRS 9, the "Expected Credit Loss" (EXP) model has replaced the "Actual Loss" model in TAS 39. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt instruments measured at fair value through other comprehensive income, but not for investments in equity instruments. In accordance with TFRS 9, credit losses are recognized earlier than TAS 39. Financial assets measured at amortized cost consist of trade receivables, cash and cash equivalents and private sector debt instruments.

Under TFRS 9, loss allowances are measured on any of the following bases:

- 12 month ECLs: the portion that represents expected credit losses arising from possible default events on the financial instrument within 12 months of the reporting date; and
- Lifetime ECLs: expected credit losses arising from all possible default events over the expected life of the financial instrument.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition and in estimating its ECAs, the Company considers reasonable and supportable information available without undue cost or effort regarding the estimation of expected credit losses, including the effects of expected prepayments. This information includes quantitative and qualitative information and analyzes based on the Company's past credit loss experiences and forward-looking information.

Financial liabilities

A financial liability is measured at fair value at initial recognition. During the initial recognition of financial liabilities whose fair value difference is not recognized in profit or loss, the transaction costs directly attributable to the underwriting of the related financial liability are added to the said fair value. Financial liabilities are accounted for at amortized cost using the effective interest method, together with the interest expense calculated over the effective interest rate in the following periods.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are recognized at fair value and revalued at their fair value at the reporting date in each reporting period. The change in their fair value is recognized in the income statement. The net gain or loss recognized in the profit or loss statement also includes the interest paid on the financial liability.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Other financial liabilities

Other financial liabilities, including financial liabilities, are initially recognized at fair value net of transaction costs. They are subsequently accounted for at amortized cost using the effective interest method, together with the interest expense calculated over the effective interest rate.

The effective interest method is the method of calculating the amortized costs of the financial liability and allocating the related interest expense to the related period. Effective interest rate is the rate that exactly discounts estimated future cash payments over the expected value of the financial instrument or a shorter period of time, to the net present value of the financial liability.

Recording Revenues

When the Group fulfills a performance obligation by transferring a promised good or service to its customer, it records the revenue in its financial statements. An asset is transferred when the control of an asset is transferred to the customer.

Grup aşağıda yer alan temel prensipler doğrultusunda hasılatı finansal tablolarına kaydetmektedir:

- (a) Determining contracts with customers
- (b) Determining performance obligations in the contract
- (c) Determining the transaction price in the contract
- (d) Allocating the transaction price to the performance obligations in the contract
- (e) Recognition of revenue when each performance obligation is satisfied

Sales revenues are recognized on an accrual basis over the fair value of the consideration received or when the product is delivered or the service is rendered, the significant risks and rewards associated with the product have been transferred to the buyer, the amount of revenue can be measured reliably and it is highly probable that the Group will derive economic benefits associated with the transaction. Net sales represent the invoiced value of the product sold or completed service, excluding sales tax, less any discounts and discounts.

Interest income from other incomes obtained by the Group is calculated over the effective interest income method and income is recorded on an accrual basis.

30
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Currency transactions

Transactions in foreign currencies during the period are converted at the exchange rates prevailing on the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are converted using the exchange rates prevailing at the balance sheet date. Exchange rate difference income and expenses arising from the conversion of monetary assets and liabilities based on foreign currency are reflected in the income statement.

As of 31 December 2022 and 31 December 2021, the buying rates determined by the Central Bank of the Republic of Turkey are as follows

	31 December 2022	31 December 2021
USD/TL	18,6983	13,3290
EURO/TL	19,9349	15,0867

Earning per share

Earnings per share stated in the consolidated income statement is determined by dividing the consolidated net profit of the main company by the weighted average number of shares available during the relevant period.

Companies in Turkey can increase their capital by distributing shares to existing shareholders from retained earnings and equity inflation adjustment differences in proportion to their shares (“bonus shares”). When calculating earnings per share, this bonus issue is counted as issued shares. Therefore, the weighted average number of shares used in the calculation of earnings per share is obtained by applying the issue of bonus shares retrospectively from the beginning of the previous reporting period.

Events that occurred after the balance sheet date

In the event of an adjustment after the balance sheet date, the Group adjusts the amounts included in the consolidated financial statements in accordance with this new situation. If non-adjusting matters after the balance sheet date affect the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

Provisions, contingent liabilities and assets

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle this obligation, and the amount to be paid can be reliably estimated. It is determined as a contingent liability if there is a possibility of disposal of resources that provide economic benefits. For contingent liabilities where it is probable that sources of economic interest will be disposed of, contingent liabilities are recognized in the period when the probability changes, unless a reliable estimate can be made.

For contingent liabilities where sources of economic interest are probable, where a reliable estimate cannot be made, the Group discloses this in the footnotes

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The amount recognized as a provision is the best estimate of the provision that should settle the present obligation as of the balance sheet date, taking into account the risks and uncertainties of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is reflected at the discounted value of those cash flows at the balance sheet date.

Where all the economic benefits required to settle a provision are expected to be received from a third party, the receivable is accounted for as an asset if it is observably certain that the refund will be received and the amount of the receivable can be measured reliably.

Dividends

Dividend payables are recognized as a liability in the separate financial statements in the period in which they are declared as part of the profit distribution.

Rental transactions

Financial leases that transfer all the risks and benefits of ownership of the leased asset to the Group are reflected at the commencement date of the lease based on the lower of the fair value of the leased asset and the present value of the lease payments. Financial lease payments are allocated as principal and finance expense throughout the lease term, generating a fixed periodic interest rate for the remaining debt balance for each period. Financial expenses are reflected directly to the income statement as of periods. Capitalized leased assets are depreciated over the estimated life of the asset.

Variable lease payments

Lease payments arising from some of the Group's lease agreements consist of variable lease payments. These variable lease payments, which are not within the scope of TFRS 16 standard, are recorded as rental expense in the income statement in the relevant period.

Facilitating applications

Short-term lease contracts with a lease term of 12 months or less and contracts for information technology equipment leases determined by the Group as low value have been evaluated within the scope of the exception granted by TFRS 16, “Leases” standard, and payments for these contracts continue to be accounted for as expense in the period in which they are incurred. A single discount rate is applied to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar asset class in a similar economic environment).

Operational Leases

The Group has reflected a right-of-use asset and a lease liability in its financial statements at the commencement date of the lease. The right-of-use asset is calculated initially at cost and subsequently less accumulated depreciation and impairment losses and adjusted for remeasurements of the finance lease liability. At the commencement date of the lease, the lease liability is measured at the present value of the lease payments not paid at that date. Lease payments are discounted using the Group's alternative borrowing rate, if the implied interest rate in the lease can be easily determined, if not easily determined

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Reporting of Cash flow statement

Cash and cash equivalents in the consolidated statement of cash flows include cash on hand and in banks, highly liquid investments with original maturities of 3 months or less, and non-collateral deposits.

In the cash flow statement, cash flows for the period are classified and reported based on operating, investing and financing activities.

Cash flows from operating activities represent the cash flows from the Group's main activities.

Cash flows from investing activities represent the cash flows that the Group uses and receives from its investing activities (asset investments and financial investments).

Cash flows from financing activities show the resources used by the Group in financing activities and the repayments of these resources.

Related parties

A party is considered related to the Group if one of the following criteria is met:

- (a) That party, directly or indirectly, through one or more of its intermediaries:
 - (i) Controls or is controlled by, or is under common control with the Group (including main partners, subsidiaries and subsidiaries in the same line of business);
 - (ii) It has an interest that gives it significant influence over the Group; or
- (ii) It has joint control over the Group
- (b) The party is an affiliate of the Group,
- (c) The party is a joint venture in which the Group is a venturer;
- (d) The party is a member of the key management personnel of the Group or its main partner
- (e) The party is a close family member of any individual mentioned in (a) or (d);
- (f) The Party; is an entity that is controlled, jointly controlled, or under significant influence or in which any individual referred to in (d) or (e) has a significant voting right, directly or indirectly; or
- (g) The party must have post-employment benefit plans for employees of the entity or an entity that is a related party.

A transaction with a related party is a transfer of resources, services or obligations between related parties, regardless of whether they are paid for.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Taxes calculated based on corporate income

Corporate tax

Corporate tax is calculated over the taxable portion of the profit for the period. Taxable profit differs from profit reported in the income statement because it excludes items that are taxable or deductible in other years and items that are not taxable or deductible. The Group's corporate tax liability consists of the sum of the tax provisions of the companies included in the consolidation, calculated using the tax rate enacted as of the balance sheet date.

Deffered tax

Deferred tax liability or assets are determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base, according to the balance sheet method, taking into account the enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future. The mentioned assets and liabilities are not recognized if they arise from the initial recognition of goodwill or other assets and liabilities (other than business combinations) related to the temporary difference related to the transaction that does not affect the commercial or financial profit/loss.

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, unless the Group is able to control the disappearance of temporary differences and it is unlikely that the difference will disappear in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and interests are calculated on the condition that it is highly probable that the said differences will be benefited from by earning sufficient taxable profit in the near future and it is probable that the related differences will disappear in the future.

The book value of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of the deferred tax asset is reduced to the extent that it is not likely to generate a financial profit sufficient to allow some or all of the benefits to be obtained.

Deferred tax assets and liabilities are calculated over tax rates (tax regulations) that are expected to be valid in the period when the assets will be realized or the liabilities will be fulfilled and that have been enacted or substantially enacted as of the balance sheet date. During the calculation of deferred tax assets and liabilities, the tax results of the methods estimated by the Group to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

Deferred tax assets and liabilities are deducted if there is a legal right to set off current tax assets and current tax liabilities, or if such assets and liabilities are associated with income tax collected by the same tax authority, or if the Group intends to settle current tax assets and liabilities on a net basis.

Corporate tax and deferred tax for the period are recognized as expense or income in the income statement, excluding those associated with items credited or debited directly in equity (in which case deferred tax is also recognized directly in equity) or arising from the initial recognition of business combinations. In business combinations, the tax effect is taken into account when calculating goodwill or determining the portion of the purchaser's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary exceeding the acquisition cost.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Employee benefits

Defined benefit plan:

In accordance with the current labor law in Turkey, the Group is obliged to pay a certain amount of severance pay to the personnel who quit their job due to retirement after serving at least one year or who are dismissed for reasons other than resignation and misbehavior.

The group uses the "projection" in the attached place according to the table, and the goals of benefiting from the government agencies and calculated from the past, from the references that have passed the evaluation of the personal service uses and evaluations of the people who use it.

Defined contribution plan

The Group pays compulsory social security premiums to the Social Security Institution in Turkey. The Group has no other obligations as long as it pays these premiums. These premiums are reflected in personnel expenses in the period they are accrued.

Unused leave liability

The Turkish Labor Law requires companies to pay their employees who have completed one year of service, and to meet their unused leave rights in case the employees' relationship with the company is terminated. The unused leave entitlement liability includes an estimated maximum wage applied to employees' unused leave.

Business combinations

Business combinations are accounted for using the purchase method within the scope of TFRS 3. The acquirer (acquirer/acquirer) accounts for the identifiable assets, liabilities and contingent liabilities of the acquiree (acquired/acquired) at their fair values at the date of acquisition (merger).

Goodwill arising from business combinations is not amortized, but is instead tested for impairment annually or more frequently when impairment is detected.

In a business combination realized in stages, the Group's previously held equity interest in the acquired business is remeasured to its fair value at the acquisition date (the date the Group takes control) and the resulting gain/loss, if any, is included in the profit/loss statement. Amounts arising from the share of the acquired business recognized in other comprehensive income before the acquisition date are transferred to profit/loss under the assumption that the said interests are disposed of.

Acquisitions from business interests under common control

Business combinations resulting from the transfer of shares of companies controlled by the stakeholder controlling the Group are accounted for as if they had occurred at the beginning of the earliest comparative period presented, if later, on the date of joint control. The acquired assets and liabilities are recorded at the book value previously recorded in the consolidated financial statements of the stakeholders under the control of the Group. Equity items of the acquired companies are added to the same items in the Group's equity, except for the capital, and the resulting profit or loss is recognized in equity.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Significant accounting estimates and assumptions

In the preparation of the consolidated financial statements, the Group management is required to make assessments, assumptions and estimations that will affect the reported amounts of assets and liabilities, determine the possible liabilities and commitments as of the balance sheet date and the amounts of income and expense as of the reporting period. Actual results may differ from estimates. Estimates are reviewed regularly, necessary adjustments are made and reflected in the consolidated income statement in the period they are realized.

The main assumptions made by considering the main sources of the existing or future estimates that may have a material impact on the amounts reflected in the consolidated financial statements are as follows:

Predictions:

Deffered tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TFRS. These differences are generally due to the tax base amounts of some income and expense items and the different periods in the financial statements prepared in accordance with TFRS. The Group has deferred tax assets consisting of unused tax losses and other deductible temporary differences that can be deducted from future profits. The partially or wholly recoverable amount of deferred tax assets has been estimated under current conditions. During the evaluation, future profit projections, losses in current periods, expiry dates of unused losses and other tax assets, and tax planning strategies that can be used when necessary are taken into consideration. As a result of the studies, the Group has recognized the deferred tax assets of its subsidiaries due to the belief that the deferred tax can be recovered.

Economic life

Tangible fixed and intangible assets are subject to depreciation and amortization over their estimated economic lives.

Provision for severance pay

Provision for severance pay, has been discounted to its value at the balance sheet date considering the personnel turnover rate, previous years' experiences and expectations.

Lawsuits

While provisions are made for lawsuits, the probability of loss of the relevant lawsuits and the consequences to be incurred in case of loss are evaluated in line with the opinions of the Group's legal advisors, and the Group Management makes provision using the data in its possession.

36
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 3 – MERGERS OF BUSINESS

2021:

None.

2022:

- Ulutek, Biotrend Uluslararası and Doğankent included in consolidation in 2022.

- Ulutek and Doğankent has been included in the consolidation in 2022 within the scope of the merger of enterprises or enterprises under common control. It was established by Biotrend Uluslararası subsidiary in 2022 and included in the consolidation.

- Biotrend purchased the remaining 15% shares of its subsidiary Biomek in 2022.

Effect of Mergers Including Enterprises or Business Under Common Control	31 December 2022	31 December 2021
Opening Balance	(21.579.143)	(21.579.143)
Ulutek	(62.309)	--
Biyomek	(24.720.518)	--
Doğankent	(1.169.078)	--
	(47.531.048)	(21.579.143)

NOTE 4 – CASH AND CASH EQUIVALENTS

	31 December 2022	31 December 2021
Cash on hand	4.387	3.854
Cash at Banks	27.615.778	170.861.277
- Demand deposits (*)	23.475.741	170.541.277
- Term deposits (**)	4.140.036	320.000
Liquid funds	19.615	1.170
	27.639.780	170.866.301

(*) As of 31 December 2022, there is a blockade in the amount of TL 7,314,646 in current deposits in exchange for loans received. (31 December 2021: There is a blockade of 24.073.233 TL). The portion of 11.686.362 TL is Maven Tarım Seracılık ve Hayvancılık San. And it belongs to the subsidized agricultural loan used by Tic. A.Ş. This amount was left in current deposits in accordance with the agreement with the bank.

(**) Interest rates are 12.00% - 17.30% and the average maturity is 8 days (December 31, 2021: 13.00% - 17.60% and maturity periods are between 1 and 34 days)

Explanations on the nature and level of risks in cash and cash equivalents are explained in Note 30.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 5 – RELATED PARTY EXPLANATIONS

a) Receivables/payables from related parties:

Other receivables from related parties	31 December 2022	31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	25.841	9.594.734
Doğanlar Yatırım Holding A.Ş.	1.449.454	3.759.411
Doğu Star Elektrik Üretim A.Ş. - Mimsan Endüstri Kazanları A.Ş. Adi Ortaklığı	81.797	54.401
Taş Maden Grup Yapı A.Ş.	650.000	650.000
Korad Gayrimenkul Yatırım İnşaat A.Ş.	--	22.906
Maven Enerji Elektrik Üretim San. Ve Tic.A.Ş.	--	1.129.804
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	271	25.155
Landfill Enerji Sanayi Ticaret A.Ş.	361.829	--
Other	460.699	1.374.170
Total	3.029.891	16.610.581
Other payables to related parties	31 December 2022	31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş	--	11.825.151
Landfill Enerji Sanayi Ticaret A.Ş.	27.016.325	2.919.271
Doğanlar Yatırım Holding A.Ş.	5.029.249	21.661.042
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	2.518.500	155.144
Korad Gayrimenkul Yatırım İnşaat A.Ş.	--	22.906
Dha Grup İnşaat Tarım Hayvancılık İth. İhr. San. ve Tic.A.Ş.	1.060.629	--
Other	826.380	1.231.669
Total	36.451.083	37.815.183

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 5 – RELATED PARTY EXPLANATIONS (Continued)

b) Goods and Services Purchases/Sales:

Purchases from Related Parties	1 January- 31 December 2022	1 January- 31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	1.615.745	17.159.946
Doğanlar Yatırım Holding A.Ş.	16.705.322	7.821.909
Doğanlar Mobilya Grubu	2.221.615	--
Landfill Enerji Sanayi Ticaret A.Ş.	4.657.235	199.600
İlcan Elektrik Üretim A.Ş.	1.199	--
	25.201.116	25.181.455

Sales to Related Parties	1 January- 31 December 2022	1 January- 31 December 2021
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	49.671	80.240
Doğanlar Yatırım Holding A.Ş.	1.530.648	20.122.125
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	399.724	18.228
Korad Gayrimenkul Yatırım İnşaat A.Ş.	--	14.300
Landfill Enerji Sanayi Ticaret A.Ş.	752.449	6.055.633
Başköy Enerji Elektrik Üretim A.Ş.	--	27.751
	2.732.492	26.318.277

c) The details of remuneration and similar benefits paid to the top management are as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Remuneration and similar benefits paid to senior management	12.629.934	7.055.362
	12.629.934	7.055.362

Collateral, pledge, mortgage and guarantees are explained in Note 16.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 6 – FINANCIAL BORROWINGS

	31 December 2022	31 December 2021
Short term borrowings		
TL bank borrowings	--	66.178
	--	66.178

	31 December 2022	31 December 2021
Short term portions of long term borrowings		
TL bank borrowings	43.918.096	21.306.709
USD bank borrowings	259.345.775	80.097.038
EUR bank borrowings	120.394.162	83.000.635
TL financial leasing	5.506.659	1.779.219
EUR financial leasing	12.544.410	2.962.896
	441.709.102	189.146.497

	31 December 2022	31 December 2021
Long term borrowings		
TL bank borrowings	72.408.446	39.437.714
USD bank borrowings	776.274.367	347.818.402
EUR bank borrowings	378.580.652	309.308.644
TL financial leasing	3.448.954	5.523.492
EUR financial leasing	11.189.101	3.296.273
	1.241.901.520	705.384.525

40
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOT 6 – FINANCIAL BORROWINGS (Continued)

Information on interest rates	31 December 2022	31 December 2021
TL bank borrowings	7,5 – 28,00	17,35 – 27,48
USD bank borrowings	8,36 – 14,41	5,00 – 7,25
EUR bank borrowings	3,50 – 6,50	4,35 – 6,50

The repayment schedule of bank loans are as follows:

	31 December 2022	31 December 2021
0-3 months	108.949.830	43.404.357
3-12 months	314.708.203	141.066.204
1-5 years	983.369.862	555.675.480
More than 5 years	243.893.603	140.889.279
	1.650.921.498	881.035.320

The repayment schedule of financial leasings are as follows:

	31 December 2022	31 December 2021
0-3 months	4.743.720	1.784.021
3-12 months	13.307.349	2.958.094
1-5 years	14.638.055	8.819.765
	32.689.124	13.561.880

CPMs given for financial liabilities are disclosed in Note 16.

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

	31 December 2022	31 December 2021
Short term trade receivables		
Customers’ current accounts	336.788.267	103.958.591
Cheques received and notes receivable	--	411.177
Provision for doubtful trade receivables (-)	(369.325)	--
Total trade receivables	336.418.942	104.369.768

The trade receivables of the Group consist of receivables of the facilities that fall under the Electricity Market Renewable Energy Sources Support Mechanism (RESSUM) after the agreements made with the municipalities, and the terms of these receivables vary between 7 and 30 days (2021: 7 and 30). The maturity of checks and bills received is between 3 and 6 months (2021: 3 and 6 months).

The risks to which the Group's receivables are exposed and the level of risks are explained in Note 30

41
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 7 – TRADE RECEIVABLES AND PAYABLES (Continued)

Provision for doubtful trade receivables transaction table:

	31 December 2022	31 December 2021
Balance at the beginning of the period	--	--
Consolidation effect (Not 3)	369.325	--
Total	369.325	--

Foreign currency balances of trade receivables and payables are disclosed in Note 30 currency risk.

Aging of trade receivables	31 December 2022	31 December 2021
Undue	336.049.617	104.369.768
Overdue	369.325	--
	336.418.942	104.369.768

	31 December 2022	31 December 2021
Short term trade payables		
Suppliers’ current accounts	683.252.195	216.642.967
Notes payables	1.788.538	1.032.474
Total short term trade payables	685.040.733	217.675.441

A large part of the Group's commercial debts consist of the rents arising from the contracts made with the municipalities, and the average maturity of the commercial debts is 60 days (2021: 45).

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

Other receivables	31 December 2022	31 December 2021
Other receivables from related parties (Note: 5)	3.029.891	16.610.581
Deposits and guarantees given	2.566.202	1.013.039
Other	3.856.121	5.309.950
Other short term receivables	9.452.214	22.933.570

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 8 – OTHER RECEIVABLES AND PAYABLES(Continued)

Other short term payables	31 December 2022	31 December 2021
Other payables to related parties (Note: 5)	36.451.083	37.815.183
Taxes, duties and fees payable	3.832.857	2.613.032
Restructured tax obligations	8.280.762	2.193.969
Other payables	471.687	1.482.160
Other short term payables	49.036.389	44.104.344
Other long term payables	31 December 2022	31 December 2021
Restructured tax liabilities	441.906	2.651.429
Other long term payables	--	2.651.429

NOTE 9 – INVENTORIES

	31 December 2022	31 December 2021
Raw material and supplies (*)	60.803.709	27.277.724
Other inventories (**)	55.876.528	36.381.809
	116.680.237	63.659.533

(*) Raw materials and supplies will be used for production in the plant is belong to Mersin, Ulubey and Biyomek.

(**) Other inventories are replacement parts to be used for maintenance and repair in the entire plants.

NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOME

Prepaid expenses	31 December 2022	31 December 2021
Advances given (*)	538.016.813	240.194.554
Prepaid expenses	9.716.034	2.494.890
	547.732.847	242.689.444

(*) Most of the related amount consists of advances given for electricity generation facilities.

Short-term deferred income	31 December 2022	31 December 2021
Advances received	8.123.011	248.137
Deferred income (*)	--	2.484.131
	8.123.011	2.732.268

(*) The sale of Novtek İskenderun is due to the leaseback transaction.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 11 – FIXED ASSETS/LIABILITIES AVAILABLE FOR SALE

None (31 December 2022: None).

NOTE 12 – INVESTMENT PROPERTIES

	1 January 2022	Consolidation Effect	Valuation (*)	31 December 2022
Çanakkale lands	3.735.000	1.100.000	5.815.000	10.650.000
Sivas lands	5.521.000	--	1.619.000	7.140.000
Net book value	9.256.000	1.100.000	7.434.000	17.790.000

	1 January 2021	Valuation (*)	31 December 2021
Çanakkale lands	2.562.019	1.172.981	3.735.000
Sivas lands	3.632.237	1.888.763	5.521.000
Net book value	6.194.256	3.061.744	9.256.000

(*) The fair value of the Group's investment properties is determined by an independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. (“LAL”). According to the valuation report dated 14.02.2023 the fair value of the relevant real estate has been calculated as 17.790.000 TL. (31.12.2021: 05.05.2022, 13.05.2022; 9.256.000 TL).

Collateral, pledge, mortgage and guarantees are explained in Note 16.

NOTE 13 – TANGIBLE FIXED ASSETS

	1 January 2022	Additions	Disposals	Transfers	Consolidation Effect (*)	31 December 2022
Costs						
Lands	32.000	--	--	--	--	32.000
Underground and Overland Plants	15.421.050	44.256.699	--	--	--	59.677.749
Buildings	64.261.210	3.192.018	--	--	--	67.453.228
Machinery, plant and devices	767.912.358	324.972.973	--	1.615.522	--	1.094.500.853
Vehicles	18.532.589	26.565.084	(675.000)	--	--	44.422.673
Fixtures	12.889.104	15.323.383	--	--	26.795	28.239.282
Construction in progress	70.601.134	483.896.175	--	--	--	554.497.309
	949.649.445	898.206.332	(675.000)	1.615.522	26.795	1.848.823.094
Accumulated depreciation						
Underground and Overland Plants	68.504	1.040.648	--	--	--	1.109.152
Buildings	1.001.344	2.937.910	--	--	--	3.939.254
Machinery, plant and devices	48.698.815	76.141.240	--	111.432	--	124.951.487
Vehicles	3.194.777	8.729.694	(112.500)	--	--	11.811.971
Fixtures	2.374.860	3.979.192	--	--	26.795	6.380.847
	55.338.300	92.828.684	(112.500)	111.432	26.795	148.192.711
Net book value	894.311.146					1.700.630.383

(*) Doğan kent has been included in the consolidation in 2022.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 13 – TANGIBLE ASSETS (Continued)

540 millions of TL of the construction in progress belong to Mersin, 9 millions to Ayvacık, and the remaining balance is set to be done by 2023 İzmir Novtek, Maven Tarım, and İzmir Doğu Star.

	1 January 2021	Additions	Disposals	Valuation	31 December 2021
Costs					
Lands	32.000	--	--	--	32.000
Underground and Overland Plants	--	15.421.050	--	--	15.421.050
Buildings	5.486.403	58.774.807	--	--	64.261.210
Machinery, plant and devices	234.017.131	489.793.552	--	44.101.675	767.912.358
Vehicles	3.805.468	14.780.454	(53.333)	--	18.532.589
Fixtures	6.446.944	6.454.740	(12.580)	--	12.889.104
Construction in progress	214.483.544	53.023.509	(196.905.919)	--	70.601.134
	464.271.490	638.248.112	(196.971.832)	44.101.675	949.649.445
Accumulated depreciation					
Underground and Overland Plants	--	68.504	--	--	68.504
Buildings	324.795	676.549	--	--	1.001.344
Machinery, plant and devices	25.592.809	23.106.006	--	--	48.698.815
Vehicles	1.404.091	1.836.908	(46.222)	--	3.194.777
Fixtures	866.696	1.510.755	(2.591)	--	2.374.860
	28.188.391	27.198.722	(48.813)	--	55.338.300
Net book value	436.083.099				894.311.146

Of the construction in progress, 44 million TL is related with Mersin, 8 Million TL to Doğu Star, 9 Million TL to Biotrend Ayvacık, 5 Million TL to Biyomek and the remaining balance belongs to Ulubey, İzmir Doğustar, Serenti, Maven Tarım and İzmir Novtek. The constructions are planned to be completed in 2022

Collateral, pledge, mortgage and guarantees are explained in Note 16.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 14 – INTANGIBLE ASSETS

	1 January 2022	Additions	Disposals	Transfers	Consolidation Effect (*)	31 December 2022
Costs						
Rights	1.174.479	6.691	--	--	159.348	1.340.518
Licenses	75.745.889	--	(2.989.546)	(1.615.522)	275.000	71.415.821
	76.920.368	6.691	(2.989.546)	(1.615.522)	434.348	72.756.339
Accumulated depreciation						
Rights	759.310	310.772	--	--	154.676	1.224.758
Licenses	21.566.515	4.817.731	(415.422)	(111.432)	158.125	26.015.517
	22.325.825	5.128.503	(415.422)	(111.432)	312.801	27.240.275
Net book value	54.594.543					45.516.064

(*) Doğan Kent has been included in the consolidation in 2022.

	1 January 2021	Additions	Disposals	Transfers	31 December 2021
Costs					
Rights	801.273	373.206	--	--	1.174.479
Licenses	75.745.889	--	--	--	75.745.889
	76.547.162	373.206	--	--	76.920.368
Accumulated depreciation					
Rights	239.741	519.569	--	--	759.310
Licenses	17.930.629	3.635.886	--	--	21.566.515
	18.170.369	4.155.455	--	--	22.325.825
Net book value	58.376.793				54.594.543

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 15 – GOODWILL

Boğazköy Enerji Elektrik Üretim Ticaret Ltd. Şti, Doğu Star Elektrik Üretim A.Ş., Novtek Enerji Elektrik Üretim A.Ş. , Nov Enerji Elektrik Üretim A.Ş. (“Purchaser”), Biotrend Çevre ve Enerji Yatırımları A.Ş. (“The Purchaser”) as of October 17, 2017, a valuation report has been prepared by an independent institution in order to determine the value of the intangible assets (“These Assets”), whose ownership has been indirectly transferred to the Purchaser. Prior to this acquisition, all of the shares of the acquiree were held by Maven Enerji (“Seller”).

Fair value calculations for Tangible Fixed Assets (land-lands, buildings and other tangible fixed assets) are based on Eva Gayrimenkul Değerleme Danışmanlık A.Ş. (“Eva”).

Purpose of the Purchase Price Distribution Study, Biotrend Çevre ve Enerji Yatırımları A.Ş. to assist the Board of Directors in allocating the purchase price to the purchased assets, taking into account their fair value, for the purposes of TCC reporting.

Calculations have been made according to the following TFRS guidelines and communiqués:
Turkish Financial Reporting Standard No.3 and 3R, Mergers
Turkish Accounting Standards No. 36, Impairment of Assets
Turkish Accounting Standards No.38, Intangible Assets

For the purposes of TFRS reporting standards, Fair Value of an asset or liability is the value at which that asset or liability can be exchanged between two willing parties and for which it can be settled in full under reasonable market conditions.

Some of the calculations are as follows:

- The valuation transaction (PPA) was made on the balance sheet dated 30 September 2017 provided by the Company Management.
- All studies in this calculation (due to data quality and accessibility) were made on 30 September 2017. Although the transaction date is 17 October 2017, 30 September 2017 has been determined as the technical valuation date. It has been concluded that between 17 October 2017 and 30 September 2017, there were no significant events that would affect the value of the Companies.
- The goodwill amount arising from the acquisition is calculated as the difference between the fair values of the assets subject to the valuation reports, the total payment amount foreseen for the sale and the total equity of the acquired company as of 30 September 2017.

Goodwill breakdown, total purchase price and net assets purchased figures for the Group are as follows:

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 15 – GOODWILL (Continued)

	Boğazköy	Doğu Star	Novenerji	Total
Advance payment	1.886.000	28.713.000	35.348.000	65.947.000
Money to be paid within 12 months after purchase	396.000	6.032.000	7.427.000	13.855.000
Share purchase price (100%)	2.282.000	34.745.000	42.775.000	79.802.000
Total fair values of the assets in question	(4.405.000)	(32.214.000)	(38.774.000)	(75.393.000)
Goodwill	(2.123.000)	2.531.000	4.001.000	4.409.000
Goodwill				6.532.000
Negative Goodwill				(2.123.000)
				4.409.000

The fair values of the Group's identifiable assets and liabilities after the acquisition, calculated according to TFRS 3, are as follows:

	(TL ‘000)		
Balance sheet dated 30 September 2017	Before PPA correction	PPA correction	After PPA correction
Cash and cash equivalents	1.151	--	1.151
Trade receivables	3.172	--	3.172
Other receivables	5.858	--	5.858
Other current assets	760	--	760
Tangible fixed assets	29.614	10.104	39.718
Intangible assets	573	74.712	75.285
Other non-current assets	560	--	560
Total assets	41.688	84.816	126.504
Financial liabilities	21.639	--	21.639
Trade payables	3.609	--	3.609
Provisions	329	--	329
Other liabilities	8.495	--	8.495
Deferred tax liability	76	16.963	17.039
Total Liabilities	34.148	16.963	51.111
Total Equity	7.540	67.853	75.393
Total Liabilities and Equity	41.688	84.816	126.504
The fair value of the net asset acquired			75.393

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 15 – GOODWILL (Continued)

Biotrend Çevre ve Enerji Yatırımları A.Ş and its subsidiaries received services from independent valuation firms to determine the fair values of tangible and intangible assets. Assets, liabilities and contingent liabilities determined in accordance with TFRS 3 are recorded at fair value on the day of purchase.

The Group will perform impairment tests annually or more frequently when there is any evidence of impairment. The recoverable value is founded by the usable value calculation. Primary estimations such as discount rate, growth rate, selling prices and direct selling expenses for the calculation period are taken into account in the usable value calculations. The discount rate indicates the prevailing market conditions that affect the time value of money and the specific risks associated with the asset. The Group uses the Weighted Average Cost of Capital as the discount rate. The growth rate is calculated by considering the growth rate of the sector. Sales prices and direct costs are determined by past experience and future projections.

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term debt provisions

Other Short Term Provisions	31 December 2022	31 December 2021
Provisions for lawsuit risks	13.627.935	9.470.875
	13.627.935	9.470.875
Short-Term Provisions for Employee Benefits	31 December 2022	31 December 2021
Provision for unused vacation	2.472.180	1.109.054
	2.472.180	1.109.054

Controversy and litigation

Lawsuits and enforcement proceedings filed by the Group

The total amount of lawsuits filed by the Group is 6.361.447 TL (31 December 2021: 6.047.891).

Lawsuits filed and continuing against the company

The amount of lawsuit filed against the Group is 24.942.596 TL (31 December 2021: 22.608.665 TL)

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

Guarantees and warranties given/received:

The Group's collateral/mortgage/pledge (CPM) position is as follows :

Given CPMs by the Group	31 December 2022	31 December 2021
A. Total Amount of CPMs Given on behalf of His Own Legal Entity	2.715.809.093	1.779.334.897
B. Total Amount of CPMs Given in Favor of Partnerships Included in the Scope of Full Consolidation	--	27.320.250
C. Total Amount of CPM's Given by Other 3rd Parties regarding Ordinary Commercial Activities	--	--
D. Total Amount of Other GPMs Given	254.250.000	254.250.000
i. Total Amount of CPM's Given in Favor of the Parent Partner	254.250.000	254.250.000
ii. Total Amount of GPMs Given in Favor of Other Group Companies that are not in the Scope of B and C	--	--
iii. Total Amount of CPMs Given to Third Parties Not Covered by Article C	--	--
Total	2.970.059.093	2.060.905.147

The ratio of other CPMs given by the Group to the Group's equity is 36% as of 31 December 2022 (31 December 2021: 46%).

Type	To	31 December 2022	31 December 2021
Pledge of Shares	To Banks	211.112.521	154.271.796
Pleadings of Mercantile Business	To Banks	668.531.928	338.310.330
Assignment of Claims	To Banks	1.869.571.301	1.505.372.131
Letter of Guarantee	To suppliers	30.984.422	16.953.337
Letter of Guarantee	To municipalities	49.858.921	45.997.553
Pledge	To Banks	140.000.000	--
Total		2.970.059.093	2.060.905.147

Type	To	31 December 2022	31 December 2021
Guarantees	To banks	2.446.266.258	1.671.192.489
Total		2.446.266.258	1.671.192.489

For the loans received by Maven Tarım, Doğanlar Yatırım Holding A.Ş., Biotrend and Dha Grup Insaat Tarım Hayvancılık Lojistik İth. Hr. San. and Tic. A.Ş. has bail.

50
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

There are bank blockage, business pledge, share pledge, assignment of receivables on real estates for the loans taken. In addition, Doğan family, sole proprietorships, Doğanlar Yatırım Holding A.Ş. and all subsidiaries have sureties.

The parent company of the Group, Doğanlar Yatırım Holding A.Ş., has a receivable assignment of 254.250.000 TL on EPİAŞ receivables of Novtek Enerji Elektrik Üretim A.Ş., which is a subsidiary for the loans used from Halkbank in 2021.

As of 31 December 2022, there are operating pledges and mortgages given on the Group's tangible fixed assets (31 December 2021: Operating pledge).

All of the shares of Nov Energy, Novtek Energy, Doğustar, İzmir Doğustar, MD Biomass and Mersin Elektrik, which are among the companies of the Group, to TSKB ,the shares of the Biomek company to Halkbank., All shares of Uşak and İzmir Novtek companies are pledged to Denizbank. 37.555.925,85 TL of the shares of Biotrend company were pledged to TSKB and 30.089.842,17 TL to the European Bank for Reconstruction and Development.

31 December 2022

Type	Period	For	To	Amount
Letter Of Guarantee	Indefinite	Usage of the distribution system	Gdz Elektrik	3.836.516
Letter Of Guarantee	Indefinite	Security deposit	Epdk	4.650.675
Letter Of Guarantee	Indefinite	Security deposit	Fırat Edaş	217.400
Letter Of Guarantee	Indefinite	Security deposit	Çedaş	19.068
Letter Of Guarantee	Indefinite	Security deposit	Enerji Piy. Lisans	2.088.328
Letter Of Guarantee	Indefinite	Solid waste management	İzmir Büyükşehir Belediyesi	31.643.682
Letter Of Guarantee	Indefinite	Field Management	Bursa Büyükşehir Belediyesi	10.183.239
Letter Of Guarantee	Indefinite	Security deposit	Uludağ Elektrik	870.793
Letter Of Guarantee	Indefinite	Security deposit	Osmangazi Elektrik Dağıtım A.Ş.	296.975
Letter Of Guarantee	Indefinite	Solid waste management	Fırat Elektrik Parekende Satış A.Ş.	507.722
Letter Of Guarantee	Indefinite	Solid waste management	Aksaray İli Mahalli İdari Hizmetler	3.457.500
Letter Of Guarantee	Indefinite	Security deposit	Elazığ Orman Bölge Müdürlüğü	28.842
Letter Of Guarantee	Indefinite	Security deposit	Malatya Belediyesi Başkanlığı	8.032.000
Letter Of Guarantee	Indefinite	Establishment of a production facility	Giresun İli Katı Atık Ve İçme Suları Birliği Başkanlığı	1.171.663
Letter Of Guarantee	Indefinite	Usage of the distribution system	Toroslar Elektrik Dağıtım	143.783
Letter Of Guarantee	Indefinite	Other	Nanopet Petrol	4.000.000
Letter Of Guarantee	Indefinite	Security deposit	Ezine OSB	155.520
Letter Of Guarantee	Indefinite	Other	Turbo Systems	1.366.065
Letter Of Guarantee	Indefinite	Security deposit	EPİAŞ	2.550.000
Letter Of Guarantee	Indefinite	Security deposit	Meram Elektrik	230.000
Letter Of Guarantee	Indefinite	Other	Other	3.383.820
Letter Of Guarantee	Indefinite	Security deposit	Uşak Çevre Birliği Başkanlığı	615.575
Letter Of Guarantee	Indefinite	Security deposit	Aksa Fırat Elektrik Perakende Satış A.Ş.	937.273
Letter Of Guarantee	Indefinite	Security deposit	Sivas Merkez Çevre Beledi.Katı Atık Yönetim Birliği	64.524
Letter Of Guarantee	Indefinite	Security deposit	Gediz Parekende A.Ş.	107.380
Letter Of Guarantee	Indefinite	Security deposit	Troas Bölgesi Belediyeleri Katı Atık Yön. Birl.	285.000
				80.843.343

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Continued)

31 December 2021

Type	Period	For	To	Amount
Letter Of Guarantee	Indefinite	Usage of the distribution system	Gdz Elektrik	3.608.349
Letter Of Guarantee	Indefinite	Security deposit	Epdk	7.022.823
Letter Of Guarantee	Indefinite	Security deposit	Fırat Edaş	813.832
Letter Of Guarantee	Indefinite	Security deposit	Çedaş	19.068
Letter Of Guarantee	Indefinite	Security deposit	Oepsaş	12.720
Letter Of Guarantee	Indefinite	Solid waste management	İzmir Büyükşehir Belediyesi	31.187.666
Letter Of Guarantee	Indefinite	Field Management	Bursa Büyükşehir Belediyesi	9.975.270
Letter Of Guarantee	Indefinite	Security deposit	Uludağ Elektrik	1.054.015
Letter Of Guarantee	Indefinite	Security deposit	Sivas Belediye Başkanlığı	64.524
Letter Of Guarantee	Indefinite	Solid waste management	Uşak Çevre Birliği Başkanlığı	725.549
Letter Of Guarantee	Indefinite	Solid waste management	Aksaray İli Mahalli İdari Hizmetler	3.457.500
Letter Of Guarantee	Indefinite	Security deposit	Elazığ Orman Bölge Müdürlüğü	28.842
Letter Of Guarantee	Indefinite	Security deposit	Malatya Belediyesi Başkanlığı	32.000
Letter Of Guarantee	Indefinite	Establishment of a production facility	Giresun İli Katı Atık Ve İçme Suları Birliği Başkanlığı	1.171.663
Letter Of Guarantee	Indefinite	Security deposit	Orman Bölge Müdürlüğü	144.612
Letter Of Guarantee	Indefinite	Security deposit	Enerjisa	759.674
Letter Of Guarantee	Indefinite	Usage of the distribution system	Toroslar Elektrik Dağıtım	166.644
Letter Of Guarantee	Indefinite	Execution	İcra Dairesi	1.320.000
Letter Of Guarantee	Indefinite	Other	Takasbank	270.219
Letter Of Guarantee	Indefinite	C/H	Otokoç Otomotiv	60.000
Letter Of Guarantee	Indefinite	Other	Other	245.946
Letter Of Guarantee	Indefinite	Security deposit	Oedaş	294.974
Letter Of Guarantee	Indefinite	Security deposit	Troas Bölgesi	285.000
Letter Of Guarantee	Indefinite	Security deposit	Meram Elektrik	230.000
				62.950.890

The collateral and mortgage information received is as follows;

Type	31 December 2022	31 December 2021
Letter of guarantee	210.496.484	96.259.994
Promissory notes	3.735.660	3.649.660
Promissory checks	107.945.716	71.429.144
Total	322.177.860	171.338.798

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOT 17 – EMPLOYEE BENEFITS

Short Term	31 December 2022	31 December 2021
Tax payables	2.087.828	471.663
Wages payables to staff	7.283.513	2.892.824
Social security premiums payable	4.999.999	586.098
	14.371.340	3.950.585

Benefits provided to long-term employees (Provision for severance pay)

Pursuant to provisions of the Labor Law in force, employees whose employment contracts are terminated to qualify for severance pay are obliged to pay the legal severance pay they are entitled to. In addition, in accordance with the provision of Article 60 of the Social Insurance Law No. 506, which is still in effect, as amended by the Laws No. 2422 of March 6, 1981 and Law No. 4447 of August 25, 1999, those who receive the severance pay and have the right to leave the job are obliged to pay the statutory severance pay

The severance pay to be paid as of 31 December 2022 has been calculated from the ceiling of 19.983 TL (31 December 2021: 10,849 TL). Severance pay liability is not legally subject to any funding.

Severance pay liability is calculated by estimating the present value of the Group's possible future obligation arising from the retirement of employees. In accordance with TAS 19, “Employee Benefits”, the company's obligations are to be developed using actuarial valuation methods within the scope of defined benefit plans. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

	31 December 2022	31 December 2021
Annual discount rate (%)	2,92%	3,42%
Probability of retirement (%)	100,00%	100,00%

Transactions concerning the provision for severance pay during the year are as follows:

Severance Pay	31 December 2022	31 December 2021
Balance at the beginning of the period	1.742.951	764.132
Payments	(6.047)	--
Interest cost	50.760	25.002
Current service cost	2.256.373	809.532
Actuarial (gain) /loss	1.351.906	144.285
	5.395.943	1.742.951

53
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 18 – OTHER ASSETS AND LIABILITIES

Other current assets	31 December 2022	31 December 2021
Deferred VAT	121.578.119	58.035.176
Work advances	295.865	573.711
Strict commitment positive differences (*)	--	16.787.383
Other	228.702	645.220
	122.102.686	76.041.490
Other non-current assets	31 December 2022	31 December 2021
Strict commitment positive differences (*)	--	59.500.988
	--	59.500.988

(*) The related balance consists of fair value hedge accounting.

The Group provides hedging on the balance sheet by borrowing in the same currency against the foreign currency risks arising from the foreign currency sales amounts to be realized in the future within the scope of the agreements it has made.

In this context, repayments of foreign currency borrowings, which are subject to hedge accounting and determined as hedging instrument, are made with foreign currency sales cash flows, which are realized on close dates and determined as hedged item within the scope of hedge accounting.

Within the scope of currency risk management strategy that it has determined, the Group applies hedge accounting for the purpose of hedging the foreign currency risk component of the unrecorded firm commitment fair value risk and provides a healthier income statement presentation by netting out the foreign exchange rate fluctuations that have occurred on the hedged item and the hedging instrument and have not yet been realized. aims.

The Group pays attention to maintain a 100% hedging ratio and a hedging efficiency between 70% and 130% within the scope of the hedge accounting it has established. As of 31 December 2021, hedging ratio was calculated as 101% and hedging efficiency as 101%.

The Group uses USD investment loans as a hedging instrument against the exchange rate risk exposed due to USD indexed sales revenues made within the scope of RESSUM with a high probability of realization, and as a result of the effectiveness tests conducted within this scope, hedge accounting is applied for sales of RESSUM with a high probability of realization

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS

The Group's capital consists of TL 500.000.000 and it is divided into 500.000.000 registered shares each with a nominal value of TL 1 and one voting right (on December 31st 2020: 128.000.000 units). The application to increase the Group's paid-in capital from TL 150.000.000 to TL 500.000.000 was approved by the Capital Markets Board's decision dated 11.11.2021 and numbered 59/1641 and announced with the Turkish Trade Registry Gazette dated 24.11.2021 and numbered 10458. after it entered into force

The Group started to be traded in Borsa Istanbul on 28.04.2021. As of 31.12.2022, the free float rate of the company was 37,76% (31.12.2021: %21,25).

The Group has increased its capital in 2020, of which TL 43.387.800 is from the shareholders' current account, of which TL 83.462.200 is the remaining portion from the premiums (discounts) account related to the shares. The capital increase has been registered in the Turkish Trade Registry Gazette dated 30 December 2020.

In 2021, the Group made a capital increase of TL 22.000.000 in cash and TL 18.718.373 from retained earnings, TL 331,281,627 from the premiums (discounts) account related to the shares.

	31 December 2022		31 December 2021	
	%	Amount	%	Amount
Doğanlar Yatırım Holding A.Ş.	54,49%	272.440.421	33,39%	166.939.195
Maven Enerji Elektrik Üretim San. Ve Tic A.Ş.(*)	--	--	39,45%	197.268.658
European Bank For Reonstruction And Development	5,91%	29.574.693	5,91%	29.574.693
Other	39,60%	197.984.886	21,25%	106.217.454
	100%	500.000.000	100%	500.000.000

(*) Maven Enerji Elektrik Uretim San. Ve Tic A.Ş. was transferred to Doğanlar Yatırım Holding A.Ş. on 22.08.2022.

Profit Distribution

Partnerships distribute their profits within the framework of the profit distribution policies to be determined by their general assembly and in accordance with the provisions of the relevant legislation, with the decision of the general assembly.

The Group did not pay dividends in 2022 (2021: None).

Profit/Loss On Previous Years

The Group has retained earnings of 46.972.001 TL (31 December 2021: TL 40.130.076).

Defined Benefit Plans Remeasurement Gains (Losses)

The Group has remeasurement losses of defined benefit plans amounting to TL 887.087 (31 December 2021: TL 408.400).

Hedging Gains/Losses

The Group has hedging losses of TL 206,258,118 (31 December 2021: TL 62,903,286).

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

With the change in TAS-19 “Employee Benefits” standard, actuarial loss and gains, which are taken into account in the calculation of the provision for severance pay, do not allow to be recognized in the income statement. Losses and gains resulting from changes in actuarial assumptions are accounted for under equity.

Severance pay provision actuarial loss/gain fund is not reclassified to profit or loss.

Premiums on Shares (Discounts)

	31 December 2022	31 December 2021
Premiums on shares / (discounts)	42.718.373	374.000.000
Expenses of public offering transactions	(16.177.000)	(16.177.000)
Amount added to capital	--	(331.281.627)
	26.541.373	26.541.373

Biotrend earned 331.281.627 TL, which is the amount of premiums related to shares, to the capital in 2021. The relevant amount is due to the 2021 public offering.

Biotrend earned 43.387.800 TL, which is the amount of premiums related to shares, to the capital in 2020. The related amount consists of the amount added to the equity during the acquisition of Boğazköy, Doğu Star, Novtek and Nov Enerji on 17 October 2017.

Increases (Decreases) in Revaluation of Tangible and Intangible Fixed Assets

The Group has tangible and intangible assets revaluation increases amounting to TL 73.067.800 (31 December 2021: 73.067.800 TL).

Non-controlling interests

	31 December 2022	31 December 2021
Beginning of the term	(2.720.519)	(173.609)
Minority cancellation (*)	2.720.519	--
Affiliate impact (**)	5.137.014	--
Net profit/loss for the period	559.442	(2.546.910)
	5.696.456	(2.720.519)

(*) The remaining 15% shares of Biyomek were purchased in 2022.

(**) Maven Tarım shareholding rate has decreased to 50%.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 20 – REVENUE AND COST OF SALES

Sales	01.01- 31.12.2022	01.01- 31.12.2021
Electricity generation and wholesale revenue	1.338.511.467	426.747.791
Carbon emission certification right sales revenue (*)	93.406.500	--
Gas engine sales revenue	--	12.280.759
Decomposition revenues	26.152.782	--
Waste disposal revenues	5.747.929	4.020.614
Other	28.139.606	2.365.076
Discounts and discounts from sales	(261.087.665)	(17.710.393)
Total	1.230.870.619	427.703.847

(*) Organic waste and biomass plants produce electricity from renewable energy sources and obtain carbon emission certificate rights because they do not emit greenhouse gases to the environment. The corresponding revenues are due to the sale of certificate rights obtained.

As of 31 December 2022, 1,500,000 tons of carbon certificates have been sold.

Cost of sales	01.01- 31.12.2022	01.01- 31.12.2021
Cost of sales	804.995.236	298.656.423
Gas engine sales expenses	--	5.711.043
	804.995.236	304.367.466

	01.01- 31.12.2022	01.01- 31.12.2021
Rental expenses (*)	354.091.033	186.934.686
Depreciation and amortization expenses	97.533.731	28.309.422
Gas engine sales expenses	--	5.711.043
Personnel expenses	85.896.432	22.898.938
Maintenance and repair expenses	25.980.233	10.268.749
Fuel expenses	59.712.050	12.368.689
Consulting expenses	7.134.934	3.913.421
Electricity expenses	19.797.442	4.023.895
Security service expenses	9.468.321	4.344.959
Insurance expenses	3.082.876	998.022
System usage fee	5.896.857	3.722.632
Costs of Transport	26.717.896	4.348.313
Costs of Burned Product	86.864.077	8.466.077
Material expenses	9.346.608	--
Other	13.472.746	8.058.620
	804.995.236	304.367.466

(*) Lease expenses consist of excluded lease payments due to variable lease liabilities within the scope of TFRS 16 "Leases" standard.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 21 - OPERATING EXPENSES

General administrative expenses	01.01- 31.12.2022	01.01- 31.12.2021
Personnel expenses	20.474.101	11.830.380
Consulting expense	4.367.263	4.644.392
Legal and consultancy expenses	8.807.140	2.060.575
Representation and hospitality expenses	2.888.262	294.430
Vehicle rental expense	3.646.805	2.695.153
Depreciation expense	5.147.715	4.657.521
Travel expenses	4.553.591	1.267.711
Chamber and subscription expenses	383.495	258.661
Notary expenses	111.089	57.129
Taxes and fees	13.232.609	2.412.664
Rent expenses	1.861.516	404.049
Fuel expenses	4.154.585	937.303
Communication expenses	996.209	193.894
Other	7.703.223	8.196.350
	78.327.603	39.910.212
	01.01- 31.12.2022	01.01- 31.12.2021
Marketing expenses		
Advertising and marketing expenses	3.383.228	2.481.894
Other	--	76.500
	3.383.228	2.558.394

NOTE 22 – EXPENSES ACCORDING TO THEIR QUALITIES

Personnel expenses	01.01- 31.12.2022	01.01- 31.12.2021
Cost of sales	85.896.432	22.898.938
General administrative expenses	20.474.101	11.830.380
	106.370.533	34.729.318

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 22 – EXPENSES ACCORDING TO THEIR QUALITIES (Continued)

Depreciation expenses	01.01- 31.12.2022	01.01- 31.12.2021
Cost of sales	97.533.731	28.309.422
General administrative expenses	5.147.715	4.657.521
	,	
	102.681.446	32.966.943

Fee for the Services Received from the Independent Audit Firm/Independent Audit

The Group's statement on the fees of the services provided by independent audit institutions pursuant to the Board Decision of the KGK published in the Official Gazette on 30 March 2021 is as follows:

	01.01.- 31.12.2022	01.01.- 31.12.2021
Independent audit fee for the reporting period	375.000	160.000
Total	375.000	160.000

NOTE 23 - OTHER OPERATING INCOME/EXPENSES

Income from operating operations	01.01- 31.12.2022	01.01- 31.12.2021
Foreign exchange gains	83.643.059	5.636.128
Stocktaking surplus income	--	13.982.432
Other	7.555.864	2.613.837
	91.198.923	22.232.397
Expenses from operating operations	01.01- 31.12.2022	01.01- 31.12.2021
Provisions for litigation	(4.157.060)	(5.221.777)
Foreign exchange losses	(55.376.641)	(38.045.655)
Expenses of public offering transactions	--	(5.337.718)
Others	(4.475.414)	(3.611.700)
	(64.009.115)	(52.216.850)

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 24 – INCOME / EXPENSES FROM INVESTMENT ACTIVITIES

Income from investment activities	01.01- 31.12.2022	01.01- 31.12.2021
Profit on sale of fixed asset (*)	2.484.131	3.342.198
Value increase of investment property (Note 12)	7.434.000	3.061.745
	9.918.131	6.403.943

Expenses from Investment Activities..

NOTE 25 - FINANCIAL INCOME AND EXPENSES

Financial Income	01.01- 31.12.2022	01.01- 31.12.2021
Foreign exchange gains	104.114.413	34.137.668
Interest income	2.600.185	5.267.623
Interest income related parties	--	14.041.055
	106.714.598	53.446.346

Financial Expenses	01.01- 31.12.2022	01.01- 31.12.2021
Foreign exchange losses	(243.538.744)	(79.043.686)
Interest expenses	(72.349.685)	(28.995.404)
Bank and letter of guarantee commissions	(2.917.181)	(2.459.367)
Interest expenses on lease payables	(6.357.783)	(2.555.273)
	(325.163.393)	(113.053.730)

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 26 – RENTAL TRANSACTIONS

Right of Use Assets

	1.01.2022	Additions	Disposals	31.12.2022
Electricity Generation Facility	70.666.237	13.002.420	(50.939.836)	32.728.821
Vehicles	6.385.048	2.692.299	(79.762)	8.997.585
	77.051.284	15.694.719	(51.019.598)	41.726.406

Minus: Accumulated depreciation

	1.01.2022	Additions	Disposals	31.12.2022
Electricity Generation Facility	(1.434.061)	(2.068.957)	514.946	(2.988.072)
Vehicles	(1.734.994)	(2.655.302)	19.942	(4.370.354)
	(3.169.055)	(4.724.259)	534.888	(7.358.426)

Net book value

73.882.229

34.367.980

Right of Use Assets

	1.01.2021	Additions	Disposals	31.12.2021
Electricity Generation Facility	36.108.115	34.558.122	--	70.666.237
Vehicles	2.891.092	3.493.956	--	6.385.048
	38.999.207	38.052.078	--	77.051.284

Minus: Accumulated depreciation

	1.01.2021	Additions	Disposals	31.12.2021
Electricity Generation Facility	(840.952)	(593.109)	--	(1.434.061)
Vehicles	(715.337)	(1.019.658)	--	(1.734.994)
	(1.556.289)	(1.612.766)	--	(3.169.055)

Net book value

37.442.918

73.882.229

Liabilities Arising from Leasing Transactions

31 December 2021

31 December 2021

Short Term Lease Obligation	3.142.683	2.255.955
Long Term Lease Obligation	34.149.695	72.951.553
	37.292.378	75.207.508

61
BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 27 – INCOME TAXES (TAX ASSETS AND LIABILITIES)

Corporation tax

Necessary provisions have been made in the accompanying consolidated financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income is over the remaining tax base after adding the non-deductible expenses from the tax base in the determination of the commercial income and deducting the tax-exempt gains, non-taxable incomes and other deductions (if any, previous year losses and investment allowances used if preferred) is calculated.

In Turkey, provisional tax is calculated and accrued on a quarterly basis. The provisional tax rate that should be calculated on corporate earnings during the taxation of 2022 corporate earnings as of the temporary tax periods is 23% (in 2021: 25%). Losses can be carried forward for a maximum of 5 years, to be deducted from the taxable profits that will arise in future years. However, the losses incurred cannot be deducted retrospectively from the profits of previous years.

There is no practice in Turkey to reach an agreement with the tax authority regarding the taxes to be paid. Corporate tax returns are submitted to the relevant tax office until the evening of the 25th day of the fourth month following the month in which the accounting period is closed. However, the tax inspection authorities can examine the accounting records within five years, and if an incorrect transaction is detected, the tax amounts to be paid may change.

In addition to corporate tax, income tax withholding must be calculated separately on dividends, excluding those distributed to full-fledged corporations and foreign companies' branches in Turkey, which receive dividends in case of distribution and declare these dividends by including them in corporate income. Income tax withholding is applied as 10%.

Corporate tax liabilities reflected in the balance sheet are as follows:

Current tax liability	31 December 2022	31 December 2021
Corporation tax	16.268.458	11.392.504
Prepaid tax and fund amount	(15.254.010)	(8.120.934)
Corporate tax payable	1.014.448	3.271.570

The tax income/(expenses) reflected in the income statement of the Group are as follows;

Tax expenses/(income)	01.01- 31.12.2022	01.01- 31.12.2021
Current corporate tax	(16.268.458)	(11.392.504)
Deferred tax (income) / expenses	130.406.994	(8.034.584)
	114.138.536	(19.427.088)

Assets related to current period tax consist of prepaid taxes and funds. The balance on 30 September 2022 was about 7.805.771 TL (31 December 2021: 2.366.103 TL).

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 27 – INCOME TAXES (INCLUDING DEFERRED TAX ASSETS AND LIABILITIES)
(Continued)

Deferred taxes

The Group calculates the planned tax for the timing basis that can be taken into account in relation to taxable local currency tables and tables prepared in accordance with TAS/TFRS. The income and expense items related to the main table are different from the basis of financial statements and the relative table in TFRS.

The tax rate used in the calculation of deferred tax assets and liabilities is about 20% (2021: 20%).

The transactions of the Group's deferred tax assets/liabilities are as follows;

	31 December 2022	31 December 2021
Tangible / intangible asset adjustments	96.985.946	(17.052.312)
Unused leave allowances	494.436	181.853
Adjustments for financial liabilities	2.179.345	4.540.615
Severance pay	1.079.009	348.590
Lease Transactions	416.423	610.312
Provision for litigation	2.568.641	1.887.176
Hedge accounting adjustment	--	(15.761.296)
Accumulated losses deductible	45.223.722	8.455.131
Other	724.946	(74.985)
	149.672.468	(16.864.916)
Transaction table:	31 December 2022	31 December 2021
As of January 1	(16.864.916)	(16.330.801)
Deferred tax expense / (income) recognized in the statement of profit or loss	130.406.994	(7.728.410)
Investment property valuation effect	--	(596.414)
Consolidation effect	21.301	--
Reflected in Equity	36.109.089	7.790.709
	149.672.468	(16.864.916)

The Law on the Amendment of the Tax Procedure Law No. 7338 dated October 14, 2021 and Some Laws; Within the scope of the provisional Article 32 added to the Law No. 213 with its Article 52 and the paragraph (Ç) added to the duplicate Article 298 of the Law No. 213 by the Law No. 7338, it was possible for them to subject the immovables (within the scope of Temporary 32) and other economic assets subject to depreciation (under the Temporary 32 and 298 ç) registered in their balance sheets to revaluation as of the end of the previous accounting period. The included assets will be subject to depreciation over the amount they are revalued, and a tax of 2% will be paid on the value increase amount within the scope of Temporary 32. Within the scope of the aforementioned law amendment, deferred tax asset has been created in the statement of financial position based on the revaluation records for fixed assets in the legal book.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 28 – EARNINGS/ (LOSS) PER SHARE

	01.01- 31.12.2022	01.01- 31.12.2021
Average number (full value) of shares available during the period	500.000.000	178.505.495
Net profit / (loss) for the parent company shareholders	310.735.003	6.542.009
Earning per share/(loss)	0,621	0,037

NOTE 29 – ANALYSIS OF OTHER COMPREHENSIVE INCOME ELEMENTS

	01.01- 31.12.2022	01.01- 31.12.2021
Other Comprehensive Income		
Not to be reclassified in profit or loss	(1.081.525)	35.157.583
- Increase/decrease in value of tangible and intangible assets	--	44.101.674
- Deferred tax on tangible and intangible assets value increase/decrease	--	(8.820.335)
- Remeasurement Gains/Losses of Defined Benefit Plans	(1.351.906)	(154.695)
- Defined Benefit Plans Remeasurement Gains/Losses	270.381	30.939
Deferred Tax Expenses/Income		
To be reclassified in profit or loss	(143.354.832)	(62.903.286)
-Hedging gains/losses	(179.193.540)	(79.483.350)
-Hedging gains/losses deferred tax	35.838.708	16.580.064

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management

The Group is exposed to various financial risks, including the effects of changes in debt and equity market prices, exchange rates and interest rates. The Group's wholesale risk management program focuses on the unpredictability of financial markets and aims to minimize potential adverse effects on the Group's financial performance.

Credit risk

Credit risk consists of cash and cash equivalents, deposits held with banks and customers exposed to credit risk including uncollectible receivables.

Holding financial instruments also carries the risk that the other party will not be able to fulfill the requirements of the agreement. The Group management covers these risks by limiting the average risk for the counterparty in each agreement and by taking collateral if necessary.

Credit risk consists of customers exposed to credit risk, including uncollectible receivables. Holding financial instruments also carries the risk that the other party will not be able to fulfill the requirements of the agreement. The Group management monitors the credibility of its customers by taking into account their financial positions (maturity risk, check risk). The Group has policies adopted for the sale of goods and services to its customers with certain credit limits. The Group constantly monitors the status of its financial assets in order to determine the losses arising from the collection problem.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

The financial instruments that the Group is exposed to credit risk and their amounts are as follows;

31 December 2022	Trade Receivables		Other Receivables		Bank	Other
	Other	Related	Other	Related	Other	
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	336.418.942	--	6.422.323	3.029.891	27.615.778	538.016.813
The part of the maximum risk that is secured with collateral etc	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired (2)	336.418.942	--	6.422.323	3.029.891	27.615.778	538.016.813
B. Net book value of assets that are overdue but not impaired (3)	--	--	--	--	--	--
- Part secured by collateral, etc.	--	--	--	--	--	--
C. Net book values of impaired assets	--	--	--	--	--	--
- Overdue (gross book value)	369.325	--	--	--	--	--
- Impairment (-)	(369.325)	--	--	--	--	--
D. Elements involving off-balance sheet credit risk	--	--	--	--	--	--

(1) In determining the amounts, factors that increase credit reliability, such as guarantees received, are not taken into account.

(2) Trade receivables that are not overdue and not impaired consist of customer balances with which the Group currently has commercial relations and does not have any collection problems.

(3) It consists of the balances of customers with whom commercial relations are currently in progress, who do not have any collection problems, but who make their payments at regular intervals.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

31 December 2021	Ticari Receivables		Other Receivables		In banks	Other
	Other	Related	Other	Related	Deposit	
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	104.369.768	--	6.322.989	16.610.581	170.861.277	240.194.554
The part of the maximum risk that is secured with collateral etc	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired (2)	104.369.768	--	6.322.989	16.610.581	170.861.277	240.194.554
B. Net book value of assets that are not overdue but not impaired (3)	--	--	--	--	--	--
- Part secured by collateral, etc.	--	--	--	--	--	--
C. Net book values of impaired assets	--	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
D. Elements involving off-balance sheet credit risk	--	--	--	--	--	--

(1) In determining the amounts, factors that increase credit reliability, such as guarantees received, are not taken into account.

(2) Trade receivables that are not overdue and not impaired consist of customer balances with which the Group currently has commercial relations and does not have any collection problems.

(3) It consists of the balances of customers with whom commercial relations are currently in progress, who do not have any collection problems, but who make their payments at regular intervals.

Liquidity Risk

Prudent liquidity risk management consists of providing sufficient cash and securities, enabling funding through adequate credit facilities, and the ability to close short positions. Due to the dynamic nature of the business environment, the Group aimed for flexibility in funding by keeping credit lines ready. The Group's bank loans are provided by various financially strong financial institutions.

The distribution of the Group's financial liabilities according to their maturities is as follows:

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

31 December 2022

Terms in accordance with the contract	Book value	Cash in accordance with the contract sum of outputs (=I+II+III+IV+V)	Less than 3 months (I)	Between 3-12 months (III)	Between 1-5 years (IV)	More than 5 years (V)
Non-Derrivative						
Financial Obligations	2.454.980.122	2.454.980.122	848.314.091	330.614.816	1.015.964.045	260.087.170
Financial liabilities	1.683.610.622	1.683.610.622	113.693.550	328.015.552	998.007.917	243.893.603
Lease payables	37.292.378	37.292.378	543.419	2.599.264	17.956.128	16.193.567
Trade payables	685.040.733	685.040.733	685.040.733	--	--	--
Other payables	49.036.389	49.036.389	49.036.389	--	--	--

31 December 2021

Terms in accordance with the contract	Book value	Cash in accordance with the contract sum of outputs (=I+II+III+IV+V)	Less than 3 months (I)	Between 3-12 months (III)	Between 1-5 years (IV)	More than 5 years (V)
Non-Derrivative						
Financial Obligations	1.231.584.493	1.231.584.493	307.462.403	145.786.013	577.072.783	201.263.294
Financial liabilities	894.597.200	894.597.200	45.188.378	144.024.298	564.495.245	140.889.279
Lease payables	75.207.508	75.207.508	494.240	1.761.715	12.577.538	60.374.015
Trade payables	217.675.441	217.675.441	217.675.441	--	--	--
Other payables	44.104.344	44.104.344	44.104.344	--	--	--

Market Risk

Market risk is the changes that will occur in interest rates, exchange rates and the value of other financial contracts and affect the Group negatively. Fluctuations in the related instruments cause changes in the income statement and shareholders' equity of the Group.

BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

Currency Risk

The financial instruments of the Group in foreign currency are exposed to exchange rate risk due to exchange rate changes.

		Currency position table		
31 December 2022		TL equivalent (functional currency unit)	USD	EURO
1.	Trade receivables	98.873.923	5.000.000	270.000
2a.	Monetary financial assets (including cash, bank accounts)	251.667	7.401	5.683
2b.	Non monetary financial assets	358.508.538	1.922.609	16.180.618
3.	Other	--	--	--
4.	Current assets (1+2+3)	457.634.128	6.930.010	16.456.301
5.	Trade receivables	--	--	--
6a.	Monetary financial assets	--	--	--
6b.	Non monetary financial assets	--	--	--
7.	Other	--	--	--
8.	Fixed assets (5+6+7)	--	--	--
9.	Total assets (4+8)	457.634.128	6.930.010	16.456.301
10.	Trade payables	(318.353.358)	(2.223.646)	(13.855.230)
11.	Financial liabilities	(392.284.347)	(13.845.066)	(6.656.647)
12.a	Other monetary obligations	--	--	--
12.b.	Other non-monetary obligations	--	--	--
13.	Short-term liabilities (10+11+12)	(710.637.705)	(16.068.712)	(20.511.877)
14.	Trade payables	--	--	--
15.	Financial liabilities	(1.166.044.120)	(41.441.083)	(19.516.982)
16a.	Other monetary obligations	--	--	--
16b.	Other non-monetary obligations	--	--	--
17.	Long-term liabilities (14+15+16)	(1.166.044.120)	(41.441.083)	(19.516.982)
18.	Total liabilities (13+17)	(1.876.681.825)	(57.509.795)	(40.028.859)
19.	Net asset / (liability) position of off-balance sheet foreign currency derivatives (19a-19b)	--	--	--
19a.	Amount of active character off-balance sheet foreign currency derivatives	--	--	--
19b.	Amount of passive character off-balance sheet foreign currency derivatives	--	--	--
20.	Net foreign currency asset/(liability) position(9+18+19)	(1.419.047.697)	(50.579.785)	(23.572.558)
21.	Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(1.777.556.235)	(52.502.394)	(39.753.176)
22.	Total fair value of financial instruments used for foreign currency hedging	--	--	--
23.	Amount of the hedged portion of foreign currency assets	--	--	--
24.	Amount of the hedged portion of foreign currency liabilities	--	--	--
25.	Exports	--	--	--
26.	Imports	--	--	--

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

Exchange rate sensitivity analysis table				
31 December 2022				
	Profit/Loss before tax			Equities
	Increase in foreign currency rate	Decrease in foreign currency rate	Increase in foreign currency rate	Decrease in Foreign Currency Rate
If the USD exchange rate changes by 10%::				
1- USD net asset / liability	(94.746.052)	94.746.052	(75.796.842)	75.796.842
2- USD Dollar hedged portion (-)	--	--	--	--
3- USD net effect (1+2)	(94.746.052)	94.746.052	(75.796.842)	75.796.842
If the EURO exchange rate changes by 10%:				
4- EUR net asset / liability	(47.076.284)	47.076.284	(37.661.027)	37.661.027
5- Euro hedged portion (-)	--	--	--	--
6- EURO net effect (1+2)	(47.076.284)	47.076.284	(37.661.027)	37.661.027
Total (3+6)	(141.822.336)	141.822.336	(113.457.869)	113.457.869

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

31 December 2021	Currency position table		
	TL equivalent (functional currency unit)	USD	EURO
1. Trade receivables	--	--	--
2a. Monetary financial assets (including cash, bank accounts)	67.061.110	4.286.313	658.119
2b. Non monetary financial assets	144.931.098	1.291.765	8.465.281
3. Other	--	--	--
4. Current assets (1+2+3)	211.992.208	5.578.078	9.123.400
5. Trade receivables	--	--	--
6a. Monetary financial assets	--	--	--
6b. Non monetary financial assets	--	--	--
7. Other	--	--	--
8. Fixed assets (5+6+7)	--	--	--
9. Total assets (4+8)	211.992.208	5.578.078	9.123.400
10. Trade payables	(42.116.520)	(738.691)	(2.133.981)
11. Financial liabilities	(166.060.569)	(5.998.430)	(5.687.713)
12.a Other monetary obligations	--	--	--
12b. Other non-monetary obligations	--	--	--
13. Short-term liabilities (10+11+12)	(208.177.089)	(6.737.121)	(7.821.694)
14. Trade payables	--	--	--
15. Financial liabilities	(660.423.315)	(26.047.959)	(20.683.273)
16a. Other monetary obligations	--	--	--
16b. Other non-monetary obligations	--	--	--
17. Long-term liabilities (14+15+16)	(660.423.315)	(26.047.959)	(20.683.273)
18. Total liabilities (13+17)	(868.600.404)	(32.785.080)	(28.504.967)
19. Net asset / (liability) position of off-balance sheet foreign currency derivatives (19a-19b)	--	--	--
19a. Amount of active character off-balance sheet foreign currency derivatives	--	--	--
19b. Amount of passive character off-balance sheet foreign currency derivatives	--	--	--
20. Net foreign currency asset/(liability) position(9+18+19)	(656.608.196)	(27.207.001)	(19.381.567)
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(801.539.294)	(28.498.767)	(27.846.849)
22. Total fair value of financial instruments used for foreign currency hedging	--	--	--
23. Amount of the hedged portion of foreign currency assets	--	--	--
24. Amount of the hedged portion of foreign currency liabilities	--	--	--
25. Exports	--	--	--
26. Imports	--	--	--

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

Exchange rate sensitivity analysis table				
31 December 2021				
	Profit/Loss before tax		Equities	
	Increase in foreign currency rate	Decrease in foreign currency rate	Increase in foreign currency rate	Decrease in Foreign Currency Rate
If the USD exchange rate changes by 10%::				
1- USD net asset / liability	(36.329.509)	36.329.509	(29.063.607)	29.063.607
2- USD Dollar hedged portion (-)	--	--	--	--
3- USD net effect (1+2)	(36.329.509)	36.329.509	(29.063.607)	29.063.607
If the EURO exchange rate changes by 10%::				
4- EUR net asset / liability	(29.293.107)	29.293.107	(23.434.486)	23.434.486
5- Euro hedged portion (-)	--	--	--	--
6- EURO net effect (1+2)	(29.293.107)	29.293.107	(23.434.486)	23.434.486
Total (3+6)	(65.622.616)	65.622.616	(52.498.093)	52.498.093

Interest Rate Risk

The Group is affected by the changes in the interest rate due to the variable interest rate bank loans and is exposed to interest rate risk. While there is no risk in fixed-rate bank loans and time deposits, they are affected by future interest rates for future loans and deposits for the continuation of their operations.

The interest position table is as follows;

	31 December 2022	31 December 2021
Fixed rate financial instruments		
Financial assets	640.037	320.000
Financial liabilities	(557.898.328)	(461.402.678)
Variable rate financial instruments		
Financial liabilities	(1.125.712.294)	(433.194.522)

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 30 - NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS
(Continued)

Capital Risk Management

The Group's objectives when managing capital are to maintain the Group's ability to continue as a business in order to maintain an optimal capital structure to provide returns for shareholders, benefits for other shareholders, and to reduce the cost of capital.

In order to maintain or reorganize its capital structure, the Group determines the amount of dividend payable to shareholders, can issue new shares and sell assets to reduce borrowing.

The Group monitors capital using the debt-to-equity ratio. This ratio is founded by dividing net debt by total capital. Net debt amount is calculated by deducting cash and cash equivalents from total liabilities (consisting of bank loans, financial leasing liabilities, trade payables and other payables that can be seen in the financial statements). Total equity is founded by adding net debt to equity shown on the balance sheet.

	31 December 2022	31 December 2021
Total liabilities	2.499.984.979	1.273.378.141
Cash and cash equivalents	(27.639.780)	(170.866.301)
Net debt (A)	2.472.345.199	1.102.511.840
Equities	707.733.542	558.669.910
Equities + net debt (B)	3.180.078.741	1.661.181.750
Net debt / (Equities + net debt) ratio (A / B)	78%	66%

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 31 – INVESTMENTS ACCOUNTED BY THE EQUITY METHOD

	31 December 2022		31 December 2021	
	Total	Ratio	Total	Ratio
Landfill	85.377.149	50%	51.044.936	50%
	85.377.149		51.044.936	
		31 December 2022	31 December 2021	
As of January 1st		51.044.936	25.302.630	
Profits / losses of shares		34.332.213	25.742.306	
		85.377.149	51.044.936	
		31 December 2022	31 December 2021	
Total assets		244.239.364	115.328.187	
Total liabilities		(82.513.110)	(22.198.233)	
Net asset		161.726.254	93.129.954	
		31 December 2022	31 December 2021	
Total sales revenues		99.306.002	63.599.993	
Profit/ (loss) for the period (net)		68.664.426	51.484.612	

NOTE 32 - OTHER MATTERS THAT MAINLY AFFECT THE FINANCIAL STATEMENTS OR REQUIRED FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None.

NOTE 33 – EVENTS AFTER THE BALANCE SHEET DATE

-From the Group's special situation statement dated 24 February 2023; As a result of the earthquake with the epicenter in Kahramanmaraş on 6 February 2023 and felt effectively in the surrounding provinces, there was no loss of life and property in our facilities in Malatya and İskenderun. There is no earthquake-related damage in the facilities and production continues.

- On March 3, 2023, the Law on the Amendment of the Social Insurance and General Health Insurance Law No. 7438 and the Decree Law No. 375 was published in the Official Gazette. Under this law, the Group's work on the amount of severance pay to be paid to its personnel who will retire under this law continues as of the date of the report signature and this issue is considered as an event that does not require correction after the reporting period under the TAS 10 Events After Reporting Period standard.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 33 – EVENTS AFTER THE BALANCE SHEET DATE (Continued)

-In line with its goal of being included in the BIST Corporate Governance Index, Biotrend signed a compliance rating agreement with Kobirate International Credit Rating and Corporate Governance Services Inc., which has an operating permit to conduct ratings in accordance with the Corporate Governance Principles of the Capital Markets Board on 16 January 2023.

-Pursuant to our Company's Board of Directors decision dated 20.01.2023 and numbered 2023/1, The Sustainable Lease Certificate Framework Document ("Framework Document") dated on January 2023 prepared by Süratam Sürdürülebilirlik Danışmanlığı A.Ş. in compliance with the Guidelines on Green Debt Instruments, Sustainable Debt Instruments, Green Lease Certificates and Sustainable Lease Certificates ("Guide") published by the Capital Markets Board ("CMB") on 24.02.2022 and the international standards and the Second Party Opinion Report dated 02 January 2023 which is prepared by Metsims Eğitim ve Danışmanlık Hizmetleri Limited Şirketi regarding compliance of the Framework Document with the Guide and international standards attached in the the letter delivered by Kalkınma Yatırım Varlık Kiralama A.Ş. to the CMB on 16.01.2023 has been accepted with regards to the lease certificate issuance application made to the CMB on 23.11.2022 for which our Company will be participating as a Fund User/Originator to issue green and/or sustainable lease certificates based on management agreement in accordance with the conditions stipulated in the regulations and the Guide and other legislation within the 1 (one) year from date of CMB's decision on the approval of issuance document in varying maturities denominated in Turkish Lira; and to issue these lease certificates which will have a size of up to TRY 500.000.000,00 (FivehundredMillionTurkishLiras) to be sold to allocated and/or qualified investors in domestic market without a public offering in coupons by Kalkınma Yatırım Varlık Kiralama A.Ş. as the issuer.

- A memorandum of understanding is ("MOU") is executed by and between our Company, Biotrend Çevre ve Enerji Yatırımları A.Ş., and BEEAH Energy Investment Limited ("BEEAH"), a waste management and clean energy company of Middle East region's sustainability pioneer BEEAH Group (our Company and BEEAH are collectively referred as the "Parties") on the purpose of expressing their mutual interest and desire to cooperate for jointly identifying investment and contracting opportunities for the prospective projects in the field of Integrated Waste Management Facilities (waste collection, tracking and mechanical sorting Units, Anaerobic Digesters, compost and organomineral fertilizer production, hybrid power generation, upcycle plastic recycling, green hydrogen, low-carbon mobility solutions etc.) to improve energy efficiency and R&D studies which are identified as "Project(s)" in MoU on 24 February 2023.

The Parties shall cooperate on the basis of Preferred Partnership throughout the entire period of the MoU; whereas the Parties will identify the type of partnership to jointly participate and cooperate for further development of the Project according to identified Project type and scale.

- The Board of Directors of Biotrend Çevre ve Enerji Yatırımları Anonim Şirketi (the "Company") has adopted the following resolutions in its meeting dated 14.02.2023 with respect to the share buyback transactions by our Company:

(i) to make share buyback transactions in accordance with the Communiqué on Buy-Backed Shares numbered II-22.1 and the announcement of Capital Markets Board (the "CMB") dated 14.02.2023 to protect the shareholders, ensure that the share price is consistent with the actual value and protect the trust of our investors to our Company since the prices of our Company's publicly traded shares do not reflect the actual performance of our Company's activities,

(ii) to limit the funds for share buyback as TL 100.000.000 at maximum which will be made available from our Company's equity capital and to specify the maximum number of shares as 5.000.000 amount,

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
NOTES BELONGING TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF 31 DECEMBER 2022

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

NOTE 33 – EVENTS AFTER THE BALANCE SHEET DATE (Continued)

(iii) to make necessary material event disclosures on Public Disclosure Platform with regards to the share buyback transactions and to inform our shareholders about such issue by having it on the agenda of the first General Assembly meeting of our Company meeting to be held,

(iv) not to sell such repurchased shares for 30 days from the date of this disclosure, and in case the value of repurchased shares does not exceed the 10% of our Company's paid capital, to keep the shares until an adoption of a board resolution, and in case the value of such shares exceeds the 10% of our Company's paid capital, to dispose such shares in 3 (three) years, and

(v) to decide on the maximum stipulated period for the share buyback transactions to be realized as 3 (three) years starting from the date of this Board of Directors decision.