

**BIOTREND ÇEVRE VE ENERJİ
YATIRIMLARI ANONİM ŞİRKETİ
FOR THE FINAL ACCOUNTING PERIOD OF
DECEMBER 31ST, 2021
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, 2021.

In our opinion, the accompanying consolidated financial statements reflect the consolidated financial position of the Group as of December 31st, 2021. 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 Issues	How the issue was handled while auditing
<p>Revenue Recognition</p> <p>The Group's main revenue comes from electricity generation services. This area has been considered 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 Footnote 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>

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 February 9th, 2022.

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 2021.

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.

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

Eray Yanbol, SMMM
Accountable Auditor
İstanbul, February 9th, 2022



BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
REVIEWED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL INFORMATION
ENDED AS OF DECEMBER 31ST, 2021

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.**DATED AS OF DECEMBER 31ST, 2021****CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Amounts are expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

ASSETS	Notes	Audited	Audited
		31.12.2021	31.12.2020
CURRENT ASSETS			
Cash and Cash Equivalents	4	170.866.301	101.809.923
Trade Receivables		104.369.768	30.201.571
Trade Receivables From Related Parties	7	104.369.768	30.201.571
Trade Receivables From Third Parties		22.933.570	8.372.331
Other Receivables	5,8	16.610.581	7.157.310
Other Receivables to Related Parties	8	6.322.989	1.215.021
Trade Receivables From Third Parties	9	63.659.533	4.416.684
Stocks		242.689.444	63.881.558
Prepaid Expenses	10	242.689.444	63.881.558
Prepaid Expenses From Related Parties	27	2.366.103	76.427
Current period tax assets	18	76.041.490	28.088.933
Subtotal		682.926.209	236.847.427
Fixed Assets Classified for Sale	11	--	--
TOTAL CURRENT ASSETS		682.926.209	236.847.427
NON-CURRENTS ASSETS			
Investment Properties	12	3.291.856	3.291.856
Investments Accounted for Using Equity Method	31	51.044.936	25.302.630
Property, Plant and Equipment	13	894.311.146	436.083.099
Right of Use Assets	26	73.882.229	37.442.918
Intangible Assets		61.126.543	64.908.793
Goodwill	15	6.532.000	6.532.000
Other Intangible Assets	14	54.594.543	58.376.793
Other Non Current Assets	18	59.500.988	10.873.509
TOTAL NON-CURRENT ASSET		1.143.157.698	577.902.805
TOTAL ASSETS		1.826.083.907	814.750.232

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

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.**DATED AS OF DECEMBER 31ST, 2021****CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Amounts are expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

LIABILITIES	Notes	Audited 31.12.2021	Audited 31.12.2020
SHORT TERM LIABILITIES			
Short Term Borrowings	6	66.178	105.756
Short Term Portion of Long Term Borrowings		191.402.452	85.744.700
Bank credits	6	189.146.497	84.700.942
Payables from Leasing Transactions	26	2.255.955	1.043.758
Trade Payables		217.675.441	88.427.858
Due to Related Parties	7	217.675.441	88.427.858
Other Trade Payables to Third Parties	17	3.950.585	2.725.157
Payables for Employee Benefits		44.104.344	27.085.824
Other Payables	5,8	37.815.183	16.792.445
Due to Related Parties	8	6.289.161	10.293.379
Other Payables to Third Parties	10	2.732.268	7.662.158
Deferred Revenue	27	3.271.570	5.032.308
Current Tax Liabilities		10.579.929	4.693.291
Short Term Provisions	16	1.109.054	439.184
Short Term Provisions For Employee Benefits	16	9.470.875	4.254.107
SUBTOTAL		473.782.767	221.477.052
Liabilities Regarding Asset Groups Classified for Sale	11	--	--
TOTAL CURRENT LIABILITIES		473.782.767	221.477.052
LONG TERM LIABILITIES			
Long Term Borrowings		778.336.078	368.405.893
Bank credits	6	705.384.525	331.985.322
Payables from Leasing Transactions	26	72.951.553	36.420.571
Deferred Revenue	10	--	2.484.132
Other Payables	8	2.651.429	5.302.867
Long Term Provisions		1.742.951	764.132
Long Term Provisions For Employee Benefits	17	1.742.951	764.132
Deferred Tax Liabilities	27	16.268.502	16.330.801
TOTAL LONG TERM LIABILITIES		798.998.960	393.287.825
TOTAL LIABILITIES		1.272.781.727	614.764.877

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

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.**DATED AS OF DECEMBER 31ST 2021****CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(Amounts are expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

		Audited	Audited
	Notes	31.12.2021	31.12.2020
EQUITY			
Equity of the parent’s partnership		556.022.699	200.158.964
Paid in Capital	19	500.000.000	128.000.000
Premium discounts on shares	19	26.541.373	--
Effect of Mergers Involving Enterprises or Businesses Under Common Control	3	(21.579.143)	(21.579.143)
Comprehensive income and expenses of Profit and Loss		72.659.400	37.501.817
Increases (Decreases) in Revaluation of Tangible and Intangible Fixed Assets	19	73.067.800	37.786.461
Remeasurement of profit or loss of defined benefit plans	19	(408.400)	(284.644)
Comprehensive Income or Expenses to be Reclassified to Profit or Loss		(62.903.286)	--
Hedging Gains/Losses		(62.903.286)	--
Profit or loss of previous years	19	37.517.917	5.761.975
Net period profit or loss	28	3.786.438	50.474.315
Non controlling interests	19	(2.720.519)	(173.609)
TOTAL EQUITIES		553.302.180	199.985.355
TOTAL LIABILITIES		1.826.083.907	814.750.232

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

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE
INCOME AS OF JANUARY 1ST 2021- DECEMBER 31ST 2021

(Amounts are expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

		Audited	Audited
	Notes	01.01- 31.12.2021	01.01- 31.12.2020
Revenue	20	427.703.847	245.301.281
Cost of Sales	20	(304.367.466)	(177.515.049)
GROSS PROFIT (LOSS)		123.336.381	67.786.232
General Administrative Expenses	21	(39.910.212)	(20.820.895)
Marketing Expenses	21	(2.558.394)	(1.116.736)
Other Operating Income	23	22.232.397	67.111.494
Other Operating Expenses	23	(52.216.850)	(43.704.412)
OPERATING PROFIT (LOSS)		50.883.322	69.255.683
Income from Investing Activities	24	3.342.198	27.144.990
Expenses from Investing Activities	24	--	(684.983)
Share of Investments' Profit (Loss)	31	25.742.306	11.140.428
OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSES)		79.967.826	106.856.118
Financial Income	25	53.446.346	16.262.250
Financial expenses	25	(113.053.730)	(63.699.371)
PROFIT (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX		20.360.442	59.418.997
CONTINUING OPERATIONS ON TAX INCOME (EXPENSES)		(19.120.914)	(9.497.624)
Taxes on income (expenses)	27	(11.392.504)	(7.358.470)
Deferred tax income (expenses)	27	(7.728.410)	(2.139.154)
PROFIT (LOSS) FROM CONTINUING OPERATIONS PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	11	--	--
PROFIT OR LOSS FOR THE PERIOD		1.239.528	49.921.373
DISTRINUTION OF THE PROFIT AND LOSS OF THE PERIOD			
Non-controlling interest		(2.546.910)	(552.942)
Equity holders of the parent		3.786.438	50.474.315
Earning/ Loss per share	28	0,021	0,394

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.
CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE
INCOME AS OF JANUARY 1ST 2021- DECEMBER 31ST 2021

(Amounts are expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

		Audited	Audited
		01.01-	01.01-
	Notes	31.12.2021	31.12.2020
PROFIT/LOSS FOR THE PERIOD		1.239.528	49.921.373
Other Comprehensive Income			
Not to be reclassified subsequently to profit or loss		35.157.583	128.016
-Increase/decrease of tangible and intangible assets	29	44.101.674	315.141
-Increase/ decrease of deferred tax on tangible and intangible assets	29	(8.820.335)	(63.028)
-Remeasurement Gains/Losses of Defined Benefit Plans	29	(154.695)	(155.121)
- Defined Benefit Plans Remeasurement Gains/Losses Deferred			
Tax Expenses/Income	29	30.939	31.024
Not to be Reclassified to Profit or Loss		(62.903.286)	--
- Hedging gains/losses		(79.483.350)	--
-Hedging gains/losses deferred tax		16.580.064	--
Total comprehensive income		(26.506.175)	50.049.389
The distribution of total comprehensive income			
Non-controlling Interests		(2.546.910)	(552.942)
Equity Holders of the Parent		(23.959.265)	50.602.331

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

BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.**DATED AS OF DECEMBERE 31ST 2021****CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(Amounts are expressed in Turkish Lira (“TRY”) unless otherwise indicated.)

			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 Premium (Discounts)	The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control	Revaluation Reserve of Tangible Asset	Defined Benefit Plans Remeasurement Gains (Losses)	Hedging gains/losses	Profit/Loss of previous years	Net Period Profit or Loss	Equity Attributable to the Parent	Non-controlling Interests	Total Shareholders' Equity
Balances as of 01.01.2020	1.150.000	43.387.800	(8.970.144)	40.707.050	(160.547)	--	464.960	5.682.237	82.261.356	12.193.546	94.454.902
Transfers	43.387.800	(43.387.800)	--	--	--	--	5.682.237	(5.682.237)	--	--	--
Total comprehensive income (loss)	--	--	--	252.113	(124.097)	--	--	50.474.315	50.602.331	(552.942)	50.049.389
Capital Increase	83.462.200	--	--	--	--	--	--	--	83.462.200	172.500	83.634.700
The Effect of Mergers Involving Undertaking or Enterprises Subject to Common Control	--	--	(12.738.774)	--	--	--	--	--	(12.738.774)	(12.046.669)	(24.785.443)
Subsidiary Acquisition or Disposal	--	--	129.775	(3.172.702)	--	--	(385.222)	--	(3.428.149)	59.956	(3.368.193)
Balances as of 31.12.2020	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
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)	--	3.786.438	(23.959.265)	(2.546.910)	(26.506.175)
Increase in Capital	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)	37.517.917	3.786.438	556.022.699	(2.720.519)	553.302.180

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

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.

Dated as of December 31st 2021

CONSOLIDATED STATEMENT OF CASH FLOWS

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

		Audited	Audited
	Notes	01.01- 31.12.2021	01.01- 31.12.2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (Loss) for The Period	28	1.239.528	49.921.373
Adjustments to Reconcile Profit (Loss)		36.877.564	70.037.357
Adjustments Regarding Depreciation and Amortization	22	32.966.943	22.416.329
Adjustments Regarding Provisions (Cancellation) for Employee Benefits	17	1.493.994	252.306
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	16	5.216.768	4.254.107
Adjustments Regarding Interest (Income) and Expenses	25	23.727.781	10.921.232
Adjustments for Unrealized Currency Conversion Differences	18	62.919.018	13.369.353
Adjustments Regarding Retained Earnings of Investments Valued by Equity Method	31	(25.742.306)	11.140.428
Adjustments Regarding Tax (Income) Expense	27	19.120.914	9.497.624
Adjustments for hedge gains/losses		(79.483.350)	--
Adjustments for Losses (Gains) on Disposal of Fixed Assets	24	(3.342.198)	(1.814.022)
Changes in Working Capital		(351.142.871)	(63.359.507)
Adjustments Regarding Decrease (Increase) in Trade Receivables	7	(74.168.197)	(15.624.674)
Adjustments Regarding the Decrease (Increase) in Other Receivables Related to Operations	8	(14.561.239)	2.956.618
Adjustments Regarding Decreases (Increases) in Inventories	9	(59.242.849)	(4.416.684)
Decrease (Increase) in Prepaid Expenses	10	(178.807.886)	(52.796.914)
Adjustments Related to Increase (Decrease) in Trade Payables	7	129.247.583	43.524.525
Increase (Decrease) in Payables within the Scope of Employee Benefits	17	1.225.428	593.094
Adjustments Regarding the Increase (Decrease) in Other Operating Payables	8	14.367.082	3.671.122
Increase (Decrease) in Deferred Revenues	10	(7.414.022)	911.836
Adjustments Regarding Other Increase (Decrease) in Working Capital		(161.788.771)	(42.178.430)
Cash Flows from Operations		(313.025.779)	56.599.223
Tax Payments/Refunds	27	(13.153.242)	(3.623.542)
CASH FLOWS FROM INVESTMENT ACTIVITIES		(439.968.868)	(330.800.719)
Subsidiary Acquisition or Disposal		--	(28.153.636)
Investments Valued by the Equity Method		--	(24.128.314)
Cash Inflows from Sales of Tangible and Intangible Assets		1.104.159	8.592.214
Cash Outflows from the Purchase of Tangible and Intangible Assets	13,14	(441.073.027)	(287.110.983)
CASH FLOWS FROM FINANCIAL ACTIVITIES		835.204.267	361.294.593
Capital increase	19	379.823.000	83.634.700
Cash Inflows from Borrowing	6,26	479.109.048	288.581.125
Interest Paid/Received	25	(23.727.781)	(10.921.232)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		69.056.378	83.469.555
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		101.809.923	18.340.368
END OF THE PERIOD CASH AND CASH EQUIVALENTS		170.866.301	101.809.923

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

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
DATED AS OF DECEMBER 31ST 2021
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
(Amounts expressed in Turkish Lira (“TL”) unless otherwise stated).

NOTE 1 – THE GROUP’S ORGANISATION AND SUBJECT OF ACTIVITIES

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

Across Turkey; Biotrend, which has investments in biomass, domestic solid waste separation, gasification - incineration and ADF production, biomethanization, landfill operation, biomass incineration plant and waste heat, biological waste fuel and supply facilities, 15 biogas, 2 biomass and 1 waste fuel preparation and supply facility operates with a total of 18 active facilities.

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 headquarters of the group is Kavacık Mah. Erturk Sk. No: 3/1 Interior Door No: 1 Beykoz/Istanbul address.

The company is registered with the Capital Markets Board (“CMB”) and its shares are traded on Borsa Istanbul A.Ş. (“BIST”) (formerly “Istanbul Stock Exchange”) under the name BIOEN since 28.04.2021. As of 31 December 2021, the Company's free float rate is 21.25%.

As of 31 December 2021, the number of Biotrend personnel is 50 (31 December 2020: 24) and the number of personnel employed within the Group is 428 (31 December 2020: 241).

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

Bogazkoy was purchased on 17.10.2017. Its main field of activity is the electric power generation. It’s head office address is Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. It has a production facility in Amasya that was sold on February 29th, 2020.

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

Doğustar was purchased on 17.10.2017. Its main field of activity is the electric power generation. It’s head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. There are 2 production facilities in Malatya and 1 production facility in Bursa İnegöl.

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

Nov Energy was purchased on 17.10.2017. Its main field of activity is the electric power generation. It’s head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. There is a production facility in Sivas.

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

Novtek was purchased on 17.10.2017. Its main field of activity is the electric power generation. It’s head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. It has production facilities in Bursa İnegöl and Hatay İskenderun.

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NOTE 1 – THE GROUP’S ORGANISATION AND SUBJECT OF ACTIVITIES

Yarcan Elektrik Üretim A.Ş. (Yarcan):

Yarcan was purchased on 17.10.2017. There is no production facility. It’s head office address is Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara that was sold on 01.04.2020.

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

Mersin Electric was purchased on 17.10.2017. Its main field of activity is electric power generation. Head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. The production facility is at the investment stage and is located in Çanakkale Ezine.

Yılbatu Elektrik Üretim A.Ş. (Yılbatu):

Yılbatu was purchased on 17.10.2017. Its main field of activity is electric power generation. It’s head office address is Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. The production facility is at the investment stage and is located in İzmir Menderes.

İlda Elektrik Üretim A.Ş. (İlda):

It was purchased in the province on 16.10.2018. Its main field of activity is electric power generation. It’s head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. It does not have a production facility and owns 50% of Landfill (Balıkesir).

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

Ulubey was purchased on 15.05.2018. Its main field of activity is the electric power generation. It’s head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. The production facility is located in Aydın Çine.

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

Izmir Novtek was established on 30.05.2018. Its main field of activity is electric power generation. It’s head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. It has a production facility in Izmir-Harmandalı.

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

Uşak was established on 06.07.2018. Its main field of activity is electric power generation. It’s head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. It has a production facility in Uşak Ovacemirler.

Ordu Yenilenebilir Enerji Elektrik Üretim San.Ve Tic.A.Ş. (Ordu):

Ordu was established on 31.01.2018. Its main field of activity is electric power generation. It’s head office address is Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. It has a production facility in Ordu. Its shares were transferred on 10.02.2020.

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 1 – THE GROUP'S ORGANISATION AND SUBJECT OF ACTIVITIES

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

Biyomek was purchased on 16.04.2019. Its main field of activity is the electric power generation. It's head office address is 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 established on 27.09.2019. Its main field of activity is electric power generation. It's head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. The production facility is at the investment stage and its location is Aksaray.

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

Afyon was established on 05.03.2019. Its main field of activity is the electric power generation. It's head office address is Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. It has a production facility in Afyon. Its shares were transferred to Yarcan on 10.02.2020. Yarcan's shares were sold on 01.04.2020.

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

İzmir Doğu Star was established on 18.09.2019. Its main field of activity is electric power generation. It's head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. It has a production facility in İzmir-Bergama.

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

Karya was purchased on 01.07.2020. Its main field of activity is electric power generation. It's head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. There is no production facility.

Serenti Enerji A.Ş. (Serenti):

Serenti was established on 13.08.2020. Its main field of activity is electric power generation. Head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. The production facility is at the investment stage and its location is Giresun.

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

Maven Tarım was purchased on 16.01.2019. The main field of activity is vegetable seedlings, fruit seedlings, etc. for planting. is upbringing. It's head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. Although the production facility is not active yet, its location is in Sivas.

Biotrend Ayvacık Yenilenebilir Enerji Elektrik Üretim Sanayi ve Ticaret A.Ş. (Biotrend Ayvacık):

Biotrend Ayvacık was established on 29.04.2021. Its main field of activity is electric power generation. Head office address is Kavacık Mah. Erturk Sk. No: 3/1 Inner Door No: 1 is Beykoz/Istanbul. The production facility is at the investment stage and its location is Çanakkale.

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 1 – THE GROUP'S ORGANISATION AND SUBJECT OF ACTIVITIES(Continued)

The number of employees is given below.

Firms	Employee Information		
	31.12.2021	31.12.2020	31.12.2019
Boğazköy (*)	--	--	5
Doğu Star	77	51	39
Nov Enerji	13	12	13
Novtek	19	23	14
Mersin	14	1	--
Yılbatu	2	4	--
İlda	--	--	--
Ulubey	14	--	--
İzmir Novtek	67	57	51
Uşak	36	15	14
Biyomek	39	13	--
Maven Tarım	--	--	--
MD Biyokütle	7	1	--
Afyon (*)	--	--	2
İzmir Doğu Star.	51	19	4
Karya	--	--	--
Serenti	14	--	--
Landfill	23	21	23
Biotrend	50	24	32
Biotrend Ayvacık	2	--	--
Total	428	241	197

(*)Sold in 2020.

BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 1 – THE GROUP'S ORGANISATION AND SUBJECT OF ACTIVITIES (Continued)

Subsidiaries	Main activity	Purchased date	Licensed Power	Installed Power	Total Installed Power	Facilities
Boğazköy Enerji Elektrik Üretim A.Ş. (*)(***)	Electrical energy production	17.10.2017	-	-	-	Amasya
Doğu Star Elektrik Üretim A.Ş. (*)	Electrical energy production	17.10.2017	-	2,464 MWm / 2,400 MWe	7,832 MWm / 7,628 MWe	Malatya Unlicensed
	Electrical energy production		2,464 MWm / 2,400 MWe	2,464 MWm / 2,400 MWe		Malatya-1 (Licensed)
	Electrical energy production		4,928 MWm / 4,800 MWe	1,453 MWm / 1,414 MWe		Malatya-2 (Licensed)
	Electrical energy production		14,51 MWm / 14,14 MWe	1,451 MWm / 1,414 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 Çöp Gaz
Novtek Enerji Elektrik Üretim A.Ş. (*)	Electrical energy production	17.10.2017	4,353 MWm / 4,242 MWe	4,353 MWm / 4,239 MWe	6,817 MWm / 6,639 MWe	İskenderun Çöp Gaz
	Electrical energy production		2,464 MWm / 2,400 MWe	2,464 MWm / 2,400 MWe		İnegöl Çöp Gaz
Yarcan Elektrik Üretim A.Ş. (*) (**)	Electrical energy production	17.10.2017	-	-	-	Ayfon %100 partnership
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 Biyokütle
Yılbata Elektrik Üretim A.Ş. (*)	Electrical energy production	17.10.2017	-	-	-	Menderes Biyokütle
İlda Elektrik Üretim A.Ş. (*)	Electrical energy production	16.10.2018	-	-	-	Landfill % 50 Ortağı
Ulubey Elektrik Üretim Ve Enerji Yatırımları A.Ş. (*)	Electrical energy production	15.05.2018	-	-	-	Çine Yakıt Hazırlama
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 Çöp Gaz
Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. (*)	Electrical energy production	6.07.2018	6,160 MWm / 6,000 MWe	2,464 MWm / 2,400 MWe	2,464 MWm / 2,400 MWe	Uşak Çöp Gaz
Ordu Yenilenebilir Enerji Elektrik Üretim San. Ve Tic. A.Ş. (*) (**)	Electrical energy production	31.01.2018	-	-	-	Ordu
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 Enr. Sant.
Maven Tarım Seracılı ve Hayvancılık San. Ve Tic. A.Ş. (*)	Agriculture, greenhousing, livestock	16.01.2019	-	-	-	Sivas Greenhouse Opration Installation
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 Çöp Gaz
Afyon Yenilenebilir Enerji Elektrik Üretim A.Ş. (*) (**)	Electrical energy production	5.03.2019	-	-	-	Afyon
İzmir Doğu Star Elektrik Üretim A.Ş. (*)	Electrical energy production	18.09.2019	10,157 MWm / 9,898 MWe	4,353 MWm / 4,242 MWe	4,353 MWm / 4,242 MWe	İzmir Bergama Çöp Gaz
Karya Yenilenebilir Kaynaklar Elektrik Üret. San. Tic. Ltd. St. (*)	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 Çöp Gaz
Biotrend Ayvacık Yenilenebilir Enerji Elektrik Üretim A.Ş. (*)	Electrical energy production	29.04.2021	4,365 MWm / 4,242 MWe	-	-	Çanakkale Çöp Gaz

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BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 1 – THE GROUP'S ORGANISATION AND SUBJECT OF ACTIVITIES (Continued)

(*) It is consolidated using the full consolidation method.

(**) Sold in 2020.

Financial Investments Valued by Equity Method

Financial Investments valued by equity method	Main activity	Purchased date	Licensed Power	Installed Power	Total Installed Power	Facilities
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 Çöp Gaz

Landfill Enerji A.Ş. (Landfill):

The company was purchased on 16.10.2018. Its main field of activity is Electric Power Generation. It's head office address is Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. The production facility is in Balıkesir.

Approval of consolidated financial statements

Consolidated financial statements for the accounting period 1 January - 31 December 2021 were approved at the Board of Directors meeting dated 09 February 2022. Consolidated financial statements will be finalized after their approval at the General Assembly.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Fundamentals 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 13 June 2013 and numbered 28676. It has been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards (TMS/TFRS), which was put into effect by the Accounting and Auditing Standards Authority (“KGK”), 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 KGK.

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.

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Adjustment of Financial Statements in High Inflation Periods

In accordance with the CMB's decision dated March 17th, 2005 and numbered 11/367, the application of inflation accounting was terminated, effective from January 1st 2005, for companies operating in Turkey and preparing financial statements in accordance with CMB Accounting Standards. Therefore, starting from January 1st, 2005, the standard No. 29 "Financial Reporting in High Inflation Economies" (IAS 29) published by the IASB has not been applied in the financial statements.

Consolidation Principles

Consolidated financial statements include the Company, its subsidiaries and associates accounted for using the equity method. The control is achieved by having control over the financial and operational policies of an enterprise 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 acquisition date or up to the date of disposal.

If necessary, accounting policies have been adjusted in the financial statements of 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.

Subsidiaries are consolidated using the full consolidation method.

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Subsidiaries	The Group's share in the capital (%)			
	December 31st 2021	December 31st 2020	December 31st 2019	December 31st 2018
Boğazköy	-	-	100%	100%
Doğu Star	100%	100%	100%	100%
Nov Enerji	100%	100%	100%	100%
Novtek	100%	100%	100%	100%
Yarcan	-	-	100%	100%
Mersin	100%	100%	100%	100%
Yılbatu	100%	100%	100%	100%
İlida	100%	100%	100%	100%
Ulubey	100%	100%	100%	75%
İzmir Novtek	100%	100%	67%	51%
Uşak	100%	100%	100%	100%
Ordu	-	-	51%	51%
Biyomek	85%	85%	85%	-
Maven Tarım	100%	100%	100%	-
MD Biyokütle	100%	100%	100%	-
Afyon	-	-	100%	-
İzmir Doğu Star.	100%	100%	100%	-
Karya	100%	100%	-	-
Serenti	100%	100%	-	-
Biotrend Ayvacık	100%	-	-	-

Financial Investments Valued by Equity Method	The Group's share in the capital (%)			
	December 31st 2021	December 31st 2020	December 31st 2019	December 31st 2018
Landfill	50%	50%	35%	35%

Business continuity

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

Comparative information and restatement of previous period's 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 Company. 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.

NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Changes in Turkish Financial Reporting Standards

New and revised standards and interpretations

The accounting policies used in the preparation of the consolidated financial statements for the accounting period ending as of December 31st 2021 have been applied consistently with those used in the previous year, except for the new and amended TFRS and TFRS interpretations valid as of January 1st 2021, which are summarized below. The effects of these standards and interpretations on the Group's financial position and performance are explained in the relevant paragraphs.

i) New standards, amendments and interpretations effective from January 1st 2021

Benchmark Interest Rate Reform - Phase 2 - Amendments to TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16

In December 2020, POA introduced the Benchmark Rate Reform – Phase 2- TFRS 9, TAS 39, TFRS 7, TFRS 4 and TFRS 16, which introduced temporary exemptions in order to eliminate the effects on Financial reporting of replacing the benchmark interest rate (IBOR) with an alternative reference interest rate. It has published its changes. Businesses will apply these changes for annual accounting periods beginning on or after January 1st, 2021. Early application is permitted. The changes cover the following topics:

Facilitating practice for changes in the basis for determining contractual cash flows as a result of the IBOR reform

The changes include a facilitating practice to treat contractual changes or changes in cash flows directly required by the reform as changes in a floating interest rate equivalent to a move in the market rate. If the interest rates applicable to financial instruments within the scope of this facilitating practice change as a result of the interest rate reform, the said situation is not considered as a derecognition or contract change; instead, cash flows are expected to continue to be determined using the original interest rates of the financial instrument.

The facilitating application is mandatory for companies applying TFRS 4 Insurance Contracts Standard by exempting TFRS 9 Financial Instruments (and therefore TAS 39 Financial Instruments: Classification and Measurement) standard, and for the implementation of TFRS 16 Leases standard for lease changes stemming from the IBOR Reform.

Privileges on termination of the hedge accounting relationship

- The amendments allow revisions to the hedge accounting setup and documentation required due to the IBOR reform, without terminating the hedging relationship.
- The accumulated amount in the cash flow hedge fund is assumed to be based on the alternative reference interest rate.
- In the alternative interest rate transition period, companies may choose to reset the accumulated fair value changes in each hedging relationship when evaluating retrospective effectiveness tests in accordance with TAS 39.
- The amendments provide an exemption from changing the items identified as the subject of the grouping approach (for example, those that are part of the macro hedging strategy) due to the revisions required by the IBOR reform. The relevant exemption allows the hedging strategy to be maintained and continued uninterrupted.
- In the alternative reference interest rate pass, the hedging relationship may be revised more than once. Phase 2 exemptions apply to all revisions to the hedging relationship resulting from the IBOR reform.

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BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Separate identification of risk components

The amendments provide companies with a temporary exemption to meet the criterion that risk components must be defined separately where the alternative reference interest rate is determined as a risk component in the hedging relationship.

Additional explanations

Changes Within the scope of TFRS 7 Disclosures on Financial Instruments standard; requires additional footnote obligations, such as the entity's transition to alternative reference interest rates and how it manages the risks arising from the transition, quantitative information about the financial instruments that will be affected by the IBOR transition, even if the transition has not yet occurred, and disclosure of this change if the IBOR reform has led to any change in the risk management strategy.

These changes are mandatory and early implementation is permitted. While the practice is retrospective, companies are not required to restate past periods.

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

TFRS 16 Amendments - Change in Concessions Granted in Rent Payments Related to Covid-19

In June 2020, POA has amended the TFRS 16 Leases standard in order to exempt the lease concessions granted to the lessees due to the COVID-19 outbreak to evaluate whether there has been a change in the lease. On April 7, 2021, POA made an amendment to extend the exemption to include concessions that cause a decrease in rental payments due on or before 30 June 2022.

Tenants will apply this change in annual accounting periods beginning on or after April 1, 2021. Early application is permitted.

The effects of the change on the financial position and performance of the Group are being evaluated.

ii) Published but not yet effective and not early adopted standards

The new standards, interpretations and amendments published as of the approval date of the consolidated financial statements but not yet effective for the current reporting period and not early adopted by the Group are as follows. Unless stated otherwise, the Group will make the necessary changes that will affect its consolidated financial statements and footnotes after the new standards and interpretations become effective.

TFRS 10 and TAS 28 Amendments: Asset Sales or Contributions by an Investor to an Associate or Joint Venture

POA has indefinitely postponed the validity date of the amendments made in TFRS 10 and TAS 28 in December 2017, to be changed depending on the ongoing research project outputs related to the equity method. However, it still allows for early application. The Group will evaluate the effects of these changes after the aforementioned standards are finalized.

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BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

TFRS 3 Amendments – Amendment to References to the Conceptual Framework

POA made changes to the TFRS Business Combinations standard in July 2020. The change was made with the intent to replace the reference to the old version of the Conceptual Framework (the 1989 Framework) with a reference to the current version (Conceptual Framework) released in March 2018, without materially changing the requirements of TFRS 3. However, a new paragraph has been added to TFRS 3 to define contingent assets that do not meet the recognition criteria at the acquisition date. The amendment will be applied prospectively for annual accounting periods beginning on or after January 1st, 2022. Early application is permitted if the entity implements all changes in IFRS standards that refer to the Conceptual Framework (2018 Edition) at the same time or earlier.

The effects of the change on the financial position and performance of the Group are being evaluated.

TAS 16 Amendments - Adaptation for intended use

In July 2020, POA made changes to TAS 16 Tangible Fixed Assets standard. With the amendment, companies do not allow revenues from the sale of manufactured products to be deducted from the cost of the tangible fixed asset item, while making a tangible asset fit for its intended use. Companies will now recognize such sales revenue and related costs in profit or loss. The amendment will be applied for annual accounting periods beginning on or after January 1st 2022. Changes may be applied retrospectively only for items of property, plant and equipment that are made available at the beginning or after the earliest presented period in comparison with the accounting period in which the entity first applied the change. There is no exemption for those who will apply TFRS for the first time.

The effects of these changes on the financial position and performance of the Group are being evaluated.

TAS 37 Amendments - Disadvantageous contracts - Costs of fulfilling the contract

In July 2020, POA made amendments to TAS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendment made in TAS 37, which will be applied for annual accounting periods beginning on or after January 1st, 2022, has been made to determine the costs to be taken into account when evaluating whether a contract is economically “disadvantaged” or “disadvantaged” and includes 'directly related costs'. includes the implementation of the approach. Changes should be applied prospectively for contracts for which the entity has not fulfilled all of its obligations at the beginning of the annual reporting period (first application date) in which the changes will be applied for the first time. Early application is permitted.

The effects of the change on the financial position and performance of the Group are being evaluated.

TFRS 17 – New Insurance Contracts Standard

In February 2019, POA published TFRS 17, a comprehensive new accounting standard covering recognition and measurement, presentation and disclosure for insurance contracts. TFRS 17 introduces a model that provides both the measurement of liabilities arising from insurance contracts with current balance sheet values and the recognition of profits throughout the period in which the services are provided. TFRS 17 will be applied for annual accounting periods beginning on or after 1 January 2023. Early application is permitted.

The standard does not apply to the Group and will not have an impact on the Group's financial position or performance.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

TAS 1 Amendments - Classification of liabilities as short-term and long-term

In January 2021, POA made changes to the “TAS 1 Presentation of Financial Statements” standard. These amendments, which are effective for the annual reporting periods beginning on or after 1 January 2023, clarify the criteria for long and short term classification of liabilities. Changes made should be applied retrospectively according to TAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. Early application is permitted.

The effects of the said change on the financial position and performance of the Group are being evaluated.

TAS 8 Amendments – Definition of Accounting Estimates

In August 2021, POA published amendments to TAS 8 that introduce a new definition for "accounting forecasts". The amendments published for TAS 8 are valid for annual accounting periods beginning on or after January 1st, 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. In addition, the amended standard clarifies that the effects of a change in input or a change in a measurement technique on the accounting estimate are changes in accounting estimates unless they result from a correction for prior period errors. The previous definition of change in accounting estimate indicated that changes in accounting estimates could result from new information or new developments. Therefore, such changes are not considered as corrections of errors. This aspect of the definition has been preserved by the UPS. Changes will apply to accounting estimates or accounting policy changes that occur on or after the effective date, with early application permitted.

The amendment does not apply to the Group and has no impact on its financial position or performance.

TAS 1 Amendments – Disclosure of Accounting Policies

In August 2021, POA published amendments to TAS 1 where it provides guidance and examples to help businesses apply materiality estimates to accounting policy disclosures. The amendments published in TAS 1 are valid for annual accounting periods beginning on or after 1 January 2023. Due to the lack of a definition of the term "significant" in TFRS, POA has decided to replace this term with "significant" in the context of disclosing accounting policy information. 'Significant' is a term defined in TFRS and is widely understood by users of financial statements according to POA. In assessing the materiality of accounting policy information, entities need to consider both the size of transactions, other events or conditions, and their nature. In addition, examples of situations in which the entity may consider accounting policy information to be important are included.

The amendment does not apply to the Group and has no impact on its financial position or performance.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

TAS 12 Amendments – Deferred Tax on assets and liabilities arising from a single transaction

In August 2021, POA published amendments to TAS 12 that narrows the scope of the initial recognition exemption and thus ensures that the exemption is not applied to transactions that result in equal taxable and deductible temporary differences. Amendments to TAS 12 are valid for annual accounting periods beginning on or after 1 January 2023. Changes require a judgment (given applicable tax law) whether such deductions are attributable for tax purposes to the recognized liability (and interest expense) or related asset component (and interest expense) where payments made on a liability are tax deductible. clarifies that it is an issue. This judgment is important in determining whether there is any temporary difference in initial recognition of the asset and liability. Changes apply to transactions that occur at or after the beginning of the earliest period presented comparatively. In addition, at the beginning of the earliest comparative period presented, deferred tax asset (provided there is sufficient taxable income) and deferred tax liability are recognized for all deductible and taxable temporary differences related to leases and decommissioning, restoration and similar liabilities.

The effects of the said change on the financial position and performance of the Group are being evaluated.

Annual Improvements - 2018-2020 Period

"Annual Improvements to TFRS standards / 2018-2020 Period" was published by the POA in July 2020, with the following changes:

- TFRS 1- First Adoption of International Financial Reporting Standards – Associate as First Adoptive: The amendment allows a subsidiary to measure accumulated currency translation differences using the amounts reported by the parent. The amendment also applies to the subsidiary or joint venture.
- TFRS 9 Financial Instruments - Fees taken into account in the '10% test for derecognition of financial liabilities: The amendment clarifies the fees that an entity considers when assessing whether the terms of a new or modified financial liability differ materially from the terms of the original financial liability. These fees include only fees paid or received between the borrower and the lender, including fees paid by the parties on behalf of each other.
- TAS 41 Agricultural Activities – Taxes in determining fair value: With the amendment made, the provision in TAS 41 paragraph 22 that the cash flows made for taxation are not taken into account in determining the fair value of companies' assets within the scope of TAS 41 has been removed.

All of the improvements made will be applied for annual accounting periods beginning on or after 1 January 2022. Early application is permitted.

The effects of these improvements on the financial position and performance of the Group are being evaluated.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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.

Significant changes in accounting policies and significant accounting errors are applied retrospectively and the prior period financial statements are restated. Changes in accounting estimates are applied prospectively in the current period if 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 of 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.

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 short-term and high liquidity that are easily convertible into cash, with an insignificant risk of change in value and with a maturity of less than three months.

Trade Receivables

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 as 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 aside 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 reduced cost representing their fair value. 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 found are shown in financial income in the financial statements.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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.

Inventories are reflected by deducting the financing costs included due to forward purchases.

Investment properties

Instead of being used in the production, supply of goods and services, for administrative purposes innated of being sold in the normal course of business, lands or building are held (by the owner or rather by the lessee according to the financial leasing agreement) to earn rental income alternatively for capital appreciation or both. some or both are classified as investment property.

An investment property is recognized 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.

Property, plant and equipments

Tangible fixed assets excluding machinery, plant and equipment are presented at cost less accumulated depreciation and provision for impairment. When tangible fixed assets are sold, the income or expense incurred after deducting the cost and accumulated depreciation from the related accounts is included in the income statement.

Cost value of 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 life of tangible fixed assets. The amortization periods are as follows:

Buildings	10-50 years
Property, plant and equipments	10 years
Vehicles	4-5 years
Assets	3-10 years
Special costs	5 years

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Normal maintenance and repair expenses incurred on a property, plant and equipment are recognized as an expense. 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.

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 in the “value increase 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 fluctuations 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.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Credits obtained and borrowing costs

Bank loans are recorded with their values after the transaction costs are deducted from the loan amount on the received date. 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 value 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.

Fixed assets held for sale

Assets held for sale are classified as held for sale mainly when their carrying amount is recovered in a sale transaction and sale is probable. Assets are classified as held for sale when the carrying amount is considered to be recovered through a sale transaction rather than use.

Assets can be a business unit, sales group, or a separate tangible asset. The sale of assets held for sale is expected to occur within 12 months after the balance sheet date. Various events or circumstances may extend the completion time 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 held-for-sale assets.

Assets held for sale 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, at which date its carrying amount is less than its fair value. There is no amortization for these assets.

Financial Instruments

TFRS 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 TFRS 9. The latest version of TFRS 9 includes applications published in previous versions of TFRS 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. TFRS 9 is valid for annual accounting periods beginning on or after January 1st, 2018.

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 for financial assets held to maturity, loans and receivables and financial assets available for sale have been removed.

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.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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 recognized if both of the following conditions are met and the fair value difference is recognized in profit or loss.

If it's not classified at the measured cost, it is calculated at the amortized cost:

- 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 arise 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 be made to 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 that 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.

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

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

- Lifetime ECLs: are 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 analysis 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.

Other Financial Liabilities

Other financial liabilities, including financial liabilities, are initially recognized at fair value net of transaction costs.

Other financial liabilities 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; The rate that exactly discounts estimated future cash payments over the expected life of the financial instrument or, where appropriate, a shorter period of time, to the net present value of the financial liability.

Recording revenues

When the Group fulfills or 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 (or when) control of an asset is acquired by the customer.

The Group records revenue in its financial statements in line with the following basic principles:

- (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

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Sales revenues are recognized on an accrual basis over the fair value of the consideration received or receivable 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.

Currency Transactions

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

As of 31 December 2021, 31 December 2020 and 31 December 2019, the buying rates determined by the Central Bank of the Republic of Turkey are as follows:

	December 31st 2021	December 31st 2020	December 31st 2019
USD/TL	13,3290	7,3405	5,9402
EURO/TL	15,0867	9,0079	6,6506

Earnings per share

Earnings per share stated in the consolidated income statement is determined by dividing the consolidated net profit of the parent 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 occurred after the balance sheet date

In the event that requires adjustments 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 footnotes of the consolidated financial statements.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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. If there is a possibility of disposal of resources that provide economic benefits, it is determined as a contingent liability. 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, except when a reliable estimate cannot 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.

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, which envisage the transfer of all 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 are still recognized 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).

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

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 is easily determinable.

Cash flow statement reporting

Cash and cash equivalents in the consolidated statement of cash flows include cash on hand and in banks, highly liquid investments with an original maturity 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 to be related to the Group if one of the following criteria is met:

- (a) Directly or indirectly through one or more of the intermediaries of that party:
 - (i) Controls, is controlled by, or is under common control with the Group (including parents, subsidiaries and subsidiaries in the same line of business);
 - (ii) has an interest that will enable it to have significant influence over the Group; or
 - (ii) 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 parent;
- (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.

Transaction with related parties is the transfer of resources, services or obligations between related parties, regardless of whether they are paid for.

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NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (CONTINUED)

Taxes calculated 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.

Deferred 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 on the condition that it is highly probable to benefit from these differences by generating taxable profit in the future. The said assets and liabilities are not recognized if they arise from the initial recognition of the temporary difference, goodwill or other assets and liabilities 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 value of the deferred tax asset is reduced to the extent that it is not probable that a financial profit will be obtained 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 significantly 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, 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 levied by the same tax authority, or if the Group intends to settle current tax assets and liabilities on a net basis, is deducted.

Corporate tax and deferred tax for the period are recognized as expense or income in the income statement, excluding those associated with items receivable or payable directly in equity (in which case deferred tax on related items is also recognized directly in equity) or arising from the initial recognition of business combinations. . In business combinations, tax effects are 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.

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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 has calculated the severance pay provision in the accompanying consolidated financial statements using the "Projection Method" and based on the Group's experience in completing the personnel service period and entitlement to severance pay, and discounted it with the government bond earnings ratio at the balance sheet date.

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 the 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 acquisition (merger) date. 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 (ie 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.

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BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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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 possible liabilities and commitments as of the balance sheet date, and income and expense amounts 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:

Deferred 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 fact that they take place in 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.

Useful life:

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

Severance pay:

Provision for severance pay, personnel turnover rate has been reduced to its value at the balance sheet date by calculating the turnover rate in line with previous years' experiences and expectations.

Litigation provisions:

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.

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NOTE 3 – BUSINESS COMBINATIONS

2017:

-Boğazköy, Doğu Star, Novtek and Nov Enerji were purchased on October 17, 2017 and the goodwill accounts are disclosed in Note 15.

- Novas was purchased on 17.10.2017 and sold on January 10, 2018.

- The disposal process of Novas Energy's assets was initiated and the company was sold in 2018. In this context, Novas Energy was classified as a discontinued operation in 2017 in accordance with TFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”.

2018:

Novas was sold on January 10, 2018.

- İlda and Ulubey were included in the consolidation in 2018 within the scope of the merger of enterprises or businesses under common control. İzmir Novtek, Uşak and Ordu were established by the parent company in 2018 and are included in the consolidation.

2019:

-Biyomek and Maven Tarım were included in the consolidation in 2019 within the scope of the merger of enterprises or businesses subject to joint control. MD Biomass, Afyon and İzmir Doğu Star were established by the parent company in 2019 and included in the consolidation.

2020:

-Karya and Serenti are included in the consolidation in 2020.

-Karya has been included in the consolidation in 2020 within the scope of the merger of enterprises or enterprises subject to common control. It was established by Serenti subsidiary in 2020 and included in the consolidation.

-Boğazköy, Yarcan, Afyon and Ordu were sold in 2020 and are excluded from the scope of consolidation.

2021:

None.

NOTE 3 – BUSINESS COMBINATIONS

The details of the merger account of the undertakings or businesses subject to common control are given below.

	December 31 st 2021	December 31 st 2020	December 31 st 2019
Opening balance	(21.579.143)	(8.970.144)	(8.899.258)
Yarcan	--	129.775	--
Maven Tarım	--	--	(35.002)
Biyomek	--	--	(35.884)
Karya	--	(892.157)	--
İzmir Novtek	--	(11.846.617)	--
Closing balance	(21.579.143)	(21.579.143)	(8.970.144)

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 4 – Cash and Cash equivalence

	December 31st 2021	December 31st 2020
Cash desk	3.854	15.224
Banks	170.861.277	101.761.896
- Demand deposit (*)	170.541.277	36.774.185
- Term deposit (**)	320.000	64.987.711
Liquid funds	1.170	1.170
Other literals	--	31.633
	170.866.301	101.809.923

(*) As of December 31st 2021, there is a blockage for loans amounting to 24.073.233 TL in demand deposits (on December 31st 2020: 16.547.430 TL is blocked).

(**) Interest rates are between 13.00% - 17.60% and the maturity period is up to 1 to 34 days (on December 31st 2020: 10.00% - 15.50% and maturity periods vary from 1 - 4 days).

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

NOTE 5 – RELATED PARTIES DISCLOSURES

a) Receivables/payables from related parties:

Receivables from related parties	December 31st 2021	December 31st 2020
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş	9.594.734	4.979.748
Doğanlar Yatırım Holding A.Ş.	3.759.411	1.471.970
Doğu Star Elektrik Üretim A.Ş. - Mimsan Endüstri Kazanları A.Ş. Adi Ortaklığı	54.401	49.560
Taş Maden Grup Yapı A.Ş.	650.000	650.000
Korad Gayrimenkul Yatırım İnşaat Anonim Şirketi	22.906	6.032
Maven Enerji Elektrik Üretim San. Ve Tic.A.Ş.	1.129.804	--
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	25.155	--
İlhan Doğan	774.010	--
Adnan Doğan	160	--
Osman Nuri Vardı	600.000	--
	16.610.581	7.157.310

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 5 – RELATED PARTIES DISCLOSURES (Continued)

	December 31 st 2021	December 31 st 2020
Due to related parties		
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş	11.825.151	11.105.638
Landfill Enerji Sanayi Ticaret A.Ş.	2.919.271	2.941.642
Doğanlar Yatırım Holding A.Ş.	21.661.042	1.074.442
İlhan Doğan	901.803	1.201.162
Maven Enerji Elektrik Üretim San. Ve Tic.A.Ş.	--	381.164
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	155.144	57.158
DM Yatırım İnş. San Ve Tic A.Ş.	--	18.581
Osman Nuri Vardı	--	7.591
Ufuk Doğan	--	4.067
Ogün Doğan	--	1.000
Korad Gayrimenkul Yatırım İnşaat Anonim Şirketi	22.906	--
Doğan Ali Doğan	8.866	--
Ertegün Ünal	107.000	--
Mustafa Abak	107.000	--
Mustafa Üretmen	107.000	--
	37.815.183	16.792.445

b) Purchased Goods and Services

Receivables from related parties	January 1st – December 31st 2021	January 1st – December 31st 2020
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş. (*)	17.159.946	26.995.459
Doğanlar Yatırım Holding A.Ş. (**)	7.821.909	1.956.910
Landfill Enerji Sanayi Ticaret A.Ş.	199.600	270.185
DM Yatırım İnş. San Ve Tic A.Ş.	--	46.024
Korad Gayrimenkul Yatırım İnşaat Anonim Şirketi	--	6.348
Maven Enerji Elektrik Üretim San. Ve Tic.A.Ş.	--	1.162
	25.181.455	29.276.088

(*) Consists of construction contracting invoices.

(**) Consists of consultancy invoices.

Due to related parties	January 1st – December 31st 2021	January 1st – December 31st 2020
Landfill Enerji Sanayi Ticaret A.Ş.(*)	6.055.633	5.780.206
Korad Gayrimenkul Yatırım İnşaat Anonim Şirketi	14.300	11.460
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş	80.240	1.195
Doğanlar Yatırım Holding A.Ş.	20.122.125	142.621
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	18.228	--
Başköy Enerji Elektrik Üretim A.Ş.	27.751	--
	26.318.277	5.935.482

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NOTE 5 – RELATED PARTIES DISCLOSURES (Continued)

* 6.055.633 TL results from gas engine sales (whereas from January 1st – December 31st 2020: 5.636.426 TL gas engine).

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

	January 1st - December 31st 2021	January 1st - December 31st 2020
Remuneration and similar benefits paid to senior management	7.055.362	2.829.907
	7.055.362	2.829.907

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

NOTE 6 – FINANCIAL BORROWINGS

	December 31st 2021	December 31st 2020
Short term borrowings		
TL denominated bank borrowings	66.178	105.756
	66.178	105.756

	December 31st 2021	December 31st 2020
Short-term section of long-term borrowings		
TL denominated bank borrowings	21.306.709	13.748.608
USD denominated bank borrowings	80.097.038	33.188.662
EUR denominated bank borrowings	83.000.635	36.210.416
TL denominated financial leasing	1.779.219	424.408
EUR denominated financial leasing	2.962.896	1.128.848
	189.146.497	84.700.942

	December 31st 2021	December 31st 2020
Long-term bank borrowings		
TL denominated bank borrowings	39.437.714	49.680.466
USD denominated bank borrowings	347.818.402	134.851.185
EUR denominated bank borrowings	309.308.644	144.513.974
TL denominated financial leasing	5.523.492	885.226
EUR denominated financial leasing	3.296.273	2.054.471
	705.384.525	331.985.322

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NOTE 6 – FINANCIAL BORROWINGS (CONTINUED)

Interest rates	December 31st 2021	December 31st 2020
TL denominated bank borrowings	17,35 – 27,48	7,50 - 28,85
USD denominated bank borrowings	5,00 – 7,25	6,00 - 9,75
EUR denominated bank borrowings	4,35 – 6,50	3,50 - 5,75

The breakdown of financial borrowings is as follows:

	December 31st 2021	December 31st 2020
0-3 months	43.404.357	18.368.152
3-12 months	141.066.204	64.885.290
1-5 year	555.675.480	293.861.628
More than 5 years	140.889.279	35.183.997
	881.035.320	412.299.067

The breakdown of financial borrowings is as follows:

	December 31st 2021	December 31st 2020
0-3 months	1.784.021	493.636
3-12 months	2.958.094	1.059.620
1-5 years	8.819.765	2.939.697
	13.561.880	4.492.953

CPMs given for financial liabilities are disclosed in Note 16.

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

	December 31st 2021	December 31st 2020
Short term trade receivables		
Trade receivables	103.958.591	27.851.409
Checks and notes receivable	411.177	2.510.000
Rediscount of receivables (-)	--	(159.838)
Total trade receivables	104.369.768	30.201.571

The Group's trade receivables consist of the receivables from the facilities within the scope of the Electricity Market Renewable Energy Resources Support Mechanism (YEKDEM) following the agreements made with the municipalities, and the maturity periods for these receivables vary between 7 and 30 days (2020: 7 to 30). The maturities of the checks and bills received are between 3 and 6 months (2020: 3 to 6 months).

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

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BIOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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NOTE 7 – TRADE RECEIVABLES AND PAYABLES (Continued)

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

Aging of trade receivables	December 31st 2021	December 31st 2020
Not overdue	104.369.768	30.201.571
	104.369.768	30.201.571

	December 31st 2021	December 31st 2020
Short term trade borrowings		
Suppliers	216.642.967	68.819.067
Notes payables	1.032.474	20.235.911
Debt rediscount (-)	--	(627.120)
Total short term trade borrowings	217.675.441	88.427.858

A part of the Group's trade payables, the remaining portion of the lease fees arising from the agreements with the municipalities, consists of the payments made to suppliers, and the maturity period of the trade payables is on average 45 days. (2020: 45).

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

Other receivables	December 31st 2021	December 31st 2020
Other receivables from related parties (Note: 5)	16.610.581	7.157.310
Deposits and guarantees given	1.013.039	747.770
Other	5.309.950	467.251
	22.933.570	8.372.331

Short term other borrowings	December 31st 2021	December 31st 2020
Other payables to related parties (Note: 5)	37.815.183	16.792.445
Taxes, duties and fees payable	2.613.032	6.453.602
Restructured tax obligations	2.193.969	3.254.439
Other debts	1.482.160	585.338
	44.104.344	27.085.824

Long term other borrowings	December 31st 2021	December 31st 2020
Restructured tax obligations	2.651.429	5.302.867
	2.651.429	5.302.867

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NOTE 9 –INVENTORIES

	December 31st 2021	December 31st 2020
Inventories of raw materials (*)	27.277.724	4.416.684
Other inventories	36.381.809	--
	63.659.533	4.416.684

(*) Raw material stocks will be used for production at the facilities of Mersin, Ulubey and Biomek.

NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOME

Prepaid expenses	December 31st 2021	December 31st 2020
Order advances given (*)	240.194.554	62.849.081
Prepaid expenses	2.494.890	1.032.477
	242.689.444	63.881.558

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

Short-term deferred income	December 31st 2021	December 31st 2020
Received advances	248.137	5.178.027
Income for upcoming months (*)	2.484.131	2.484.131
	2.732.268	7.662.158

(*) Result from the sale of Novtek İskenderun leaseback.

Long-term deferred income	December 31st 2021	December 31st 2020
Income for upcoming years	--	2.484.132
	--	2.484.132

(*) Result from the sale of Novtek İskenderun leaseback.

NOTE 11 – FIXED ASSETS/LIABILITIES CLASSIFIED FOR SALE

None as of December 31st 2021 (December 31st 2020: None).

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NOTE 12 – INVESTMENT PROPERTIES

	January 1 st 2021	Additions	December 31 st 2021
Lands of Çanakkale	2.381.356	--	2.381.356
Lands of Sivas	910.500	--	910.500
Net book value	3.291.856	--	3.291.856
	January 1 st 2020	Additions	December 31 st 2020
Lands of Çanakkale	1.810.156	571.200	2.381.356
Lands of Sivas	775.312	135.188	910.500
Net book value	2.585.468	706.388	3.291.856

Collateral, pledge, mortgage and surety information are explained in Note 16.

NOTE 13 – TANGIBLE ASSETS

	January 1 st 2021	Additions	Outputs	Valuation	December 31 st 2021
Costs					
Lands	32.000	--	--	--	32.000
Underground and above ground layouts	--	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
Flooring and fixtures	6.446.944	6.454.740	(12.580)	--	12.889.104
Ongoing investments	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 above ground layouts	--	68.504	--	--	68.504
Buildings	324.795	676.549	--	--	1.001.344
Machinery, plant and devices vehicles	25.592.809	23.106.006	--	--	48.698.815
	1.404.091	1.836.908	(46.222)	--	3.194.777
Flooring and 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 ongoing investments, 44 million TL will go to Mersin, 8 million TL to Doğu Star, 9 million TL to Biotrend Ayvacık, 5 million TL to Biomek and the remaining balance will be transferred to Mersin. Serenti is owned by Maven Tarım, İzmir Doğustar, İzmir Novtek and Ulubey and the investments are planned to be completed in 2022.

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NOTE 13 – TANGIBLE ASSETS (Continued)

	January 1st 2020	Additions	Outputs	Transfers	December 31st 2020
Costs					
Lands	43.000	--	(11.000)	--	32.000
Buildings	6.656.117	251.494	(1.421.208)	--	5.486.403
Machinery, plant and devices	176.695.768	56.537.593	(7.092.814)	7.876.584	234.017.131
Vehicles	3.120.498	836.390	(151.420)	--	3.805.468
Flooring and fixtures	1.910.435	4.728.335	(191.826)	--	6.446.944
Ongoing investments (*)	2.682.230	219.677.898	--	(7.876.584)	214.483.544
	191.108.048	282.031.710	(8.868.268)	--	464.271.490
Birikmiş amortisman					
Buildings	309.601	136.295	(121.101)	--	324.795
Machinery, plant and devices	14.943.766	13.262.446	(2.613.403)	--	25.592.809
Vehicles	999.555	555.956	(151.420)	--	1.404.091
Flooring and fixtures	332.446	589.898	(55.648)	--	866.696
	16.585.368	14.544.595	(2.941.572)	--	28.188.391
Net book value	174.522.680				436.083.099

(*) Of the ongoing investments, 134 million TL will go to Biomek, 30 Million TL to Doğu Star, 18 Million TL to Uşak, 13 Million TL to İzmir Doğu Star, 7 Million TL portion belongs to Serenti and the remaining balance belongs to Yılbatu, Mersin, Ulubey, MD Biomass and Nov Energy. The investments are planned to be completed in 2021.

As of 31 December 2021, the Group has operational pledges on its tangible assets (31 December 2020: Operating pledge and mortgage).

Collateral, pledge, mortgage and surety information are explained in Note 16.

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NOTE 14 – INTANGIBLE ASSETS

	January 1st 2021	Additions	Outputs	Transfers	December 31st 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

	January 1st 2020	Additions	Outputs	Transfers	December 31st 2020
Costs					
Rights	327.068	474.205	--	--	801.273
Licenses	74.295.821	4.605.068	(3.155.000)	--	75.745.889
	74.622.889	5.079.273	(3.155.000)	--	76.547.162
Accumulated depreciation					
Rights	115.805	123.936	--	--	239.741
License	11.779.947	6.764.155	(613.474)	--	17.930.628
	11.895.751	6.888.091	(613.473)	--	18.170.369
Net book value	62.727.138				58.376.793

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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. (“Purchased”), 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 Environment and Energy Investments 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 September 30th,2017 provided by the Company Management.
- All studies in this calculation (due to data quality and accessibility) were made on September 30th 2017. Although the transaction date is October 17, 2017, September 30th, 2017 has been determined as the technical valuation date. It has been concluded that between October 17, 2017 and September 30th 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 September 30, 2017.

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

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NOTE 15 – GOODWILL (CONTINUED)

	Boğazköy	Doğu Star	Novenerji	Toplam
Prepaid for purchase	1.886.000	28.713.000	35.348.000	65.947.000
Money payable 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 these assets	(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
				31.12.2017
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:

Balance sheet dated as of September 30th, 2017	Before PPA correction	PPA correction	After PPA correction
Cash and cash equivalents	1.151	--	1.151
Commercial debts	3.172	--	3.172
Other receivables	5.858	--	5.858
Other current assets	760	--	760
Tangible assets	29.614	10.104	39.718
Intangible assets	573	74.712	75.285
Other fixed 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 obligations	8.495	--	8.495
Deferred tax liability	76	16.963	17.039
Toplam Debts	34.148	16.963	51.111
Total Equity	7.540	67.853	75.393
Total Debts and Equity	41.688	84.816	126.504
Fair value of net asset acquired			75.393

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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 found 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	December 31st 2021	December 31st 2020
Litigation	9.470.873	4.254.107
	9.470.873	4.254.107
Short-Term Provisions for Employee Benefits	December 31st 2021	December 31st 2020
Leave provisions	1.109.054	439.184
	1.109.054	439.184

Controversy and litigation

Lawsuits filed by the Group and enforcement proceedings

The lawsuit filed by the Group is approximately equal to 6,047,891 TL (on December 31st 2020: None).

Ongoing lawsuits filed against the company

The lawsuit filed against the Group is approximately equal to 22.608.665 TL (on December 31st 2020: 6.954.107 TL).

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

Guarantees and sureties given/received:

Given GPMs:

Given GPMs by the company	December 31st 2021	December 31st 2020
A. Total Amount of GPMs Given on behalf of His Own Legal Entity	528.212.766	394.797.192
B. Total Amount of GPMs Given in Favor of Partnerships Included in the Scope of Full Consolidation	27.320.250	622.000
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	809.783.016	649.669.192

Genre	To whom	December 31st 2021	December 31st 2020
Share Pledge	To banks	154.271.796	126.951.546
Commercial Business Pledge	To banks	338.310.330	210.960.330
Assignment of Receivables	To banks	254.250.000	254.250.000
Mortgage	To banks	--	2.900.000
Letter of Guarantee	To the customs office	--	438.692
Letter of Guarantee	To suppliers	16.953.337	9.430.338
Letter of Guarantee	To municipalities	45.997.553	44.738.286
Total		809.783.016	649.669.192

Genre	To whom	December 31st 2021	December 31st 2020
Bails	To banks	1.671.192.489	884.564.838
Total		1.671.192.489	884.564.838

The ratio of other CPMs given by the Group to the Group's equity is 41% as of December 31st 2021 (on December 31st 2020: 127%).

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

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

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

As of December 31st, 2021, the Group has operational pledges on its tangible assets (on December 31st 2020: Operating pledge and mortgage).

All electricity shares from the Group’s companies Nov Enerji, Novtek Enerji, Doğustar, İzmir Doğustar, MD Biyokütle and Mersin Elektrik are pledged to TSKB, all of the shares of Biyomek company’s to Halbank, Uşak and İzmir Novtek’s shares to Denizbank. 165,555,555 TL of the shares of Biotrend company were pledged to TSKB and 59,149,419 TL to the European Bank for Reconstruction and Development.

December 31st, 2021

Genre	Time	Reason given	To whom	Total
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	Executives	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	Diğer	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

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

December 31st 2020

Genre	Time	Reason Given	To whom	Total
Letter Of Guarantee	Indefinite	Usage of the distribution system	Gdz Elektrik	2.514.969
Letter Of Guarantee	Indefinite	Security deposit	Epdk	5.975.441
Letter Of Guarantee	Indefinite	Security deposit	Fırat Edaş	522.436
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	31.178.416
Letter Of Guarantee	Indefinite	Field mangement	Bursa Büyükşehir Belediyesi	7.795.223
Letter Of Guarantee	Indefinite	Security deposit	Uludağ Elektrik	253.513
Letter Of Guarantee	Indefinite	Security deposit	Sivas Belediye Başkanlığı	36.060
Letter Of Guarantee	Indefinite	Solid waste management	Uşak Çevre Birliği Başkanlığı	580.000
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	19.890
Letter Of Guarantee	Indefinite	Breaker Purchase Letter of Credit	Shangai Hilton	510.883
Letter Of Guarantee	Indefinite	Security deposit	İzmir Gümrük Müdürlüğü	438.692
Letter Of Guarantee	Indefinite	C/H	Otokoç Otomotiv	60.000
				54.607.316

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

The guarantees received by the Company from its customers are as follows;

Genre	December 31 st 2021	December 31 st 2020
Letter of guarantee	96.259.994	12.666.339
Guarantee bond	3.649.660	1.749.660
guarantee voucher	71.429.144	15.907.964
Total	171.338.798	30.323.963

NOTE 17 – EMPLOYEE BENEFITS

Short Term	December 31 st 2021	December 31 st 2020
Tax debts payable	471.663	308.346
Wages to be paid to staff	2.892.824	1.732.668
Social security premiums payable	586.098	684.143
	3.950.585	2.725.157

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 2021 has been calculated from the ceiling of 8,285 TL (31 December 2020: 7,117 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:

	December 31 st 2021	December 31 st 2020
Annual discount rate (%)	3,42%	3,38%
Probability of retirement (%)	100,00%	100,00%

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

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NOTE 17 – EMPLOYEE BENEFITS (Continued)

	December 31st 2021	December 31st 2020
Severance Pay		
Balance at the beginning of the period	764.132	459.249
Payments	--	(244.651)
interest cost	25.002	15.391
current service cost	809.532	379.022
Actuarial (gain) /loss	144.285	155.121
	1.742.951	764.132

NOTE 18 – OTHER ASSETS AND LIABILITIES

Other current assets	December 31st 2021	December 31st 2020
Transferred VAT	58.035.176	25.068.385
business advances	573.711	249.660
Firm commitment positive differences (*)	16.787.383	2.495.844
Other	645.220	275.044
	76.041.490	28.088.933
Other fixed assets	December 31st 2021	December 31st 2020
Firm commitment positive differences (*)	59.500.988	10.873.509
	59.500.988	10.873.509

(*) 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. 2020: 98%; 94%).

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NOTE 18 – OTHER ASSETS AND LIABILITIES (Continued)

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 YEKDEM 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 YEKDEM with a high probability of realization.

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 31.12.2021, the free float rate of the company was 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.

	December 31st 2021		December 31st 2020	
	Ratio	Total	Ratio	Total
Doğanlar Yatırım Holding A.Ş.	33,39%	166.939.195	50%	64.000.000
Maven Enerji Elektrik Üretim San. Ve Tic A.Ş.	39,45%	197.268.658	50%	64.000.000
European Bank For Reconsttruction And Development	5,91%	29.574.693	--	--
Other	21,25%	106.217.454	--	--
	100%	500.000.000	100%	128.000.000

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 2021 (2020: None).

Profit/Loss On Previous Years

The Group has retained earnings of TL 37.517.917 (on December 31st, 2020: TL 5.761.975).

Defined Benefit Plans Remeasurement Gains (Losses)

The Group has remeasurement losses of defined benefit plans amounting to TL 408.400 (on December 31st, 2020: TL 284.644).

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NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS

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)

	December 31st 2021	December 31st 2020
Premiums on shares / (discounts)	374.000.000	43.387.800
Expenses of public offering transactions	(16.177.000)	--
Amount added to capital	(331.281.627)	(43.387.800)
	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 October 17th, 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 (on December 31st 2020: TL 37.786.461).

Non-controlling interests

	December 31st 2021	December 31st 2020
Beginning of the term	(173.609)	12.193.546
Consolidation effect	--	(11.814.213)
Net profit/loss for the period	(2.546.910)	(552.942)
	(2.720.519)	(173.609)

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NOTE 20 – REVENUE AND COST OF SALES

Sales	01.01- 31.12.2021	01.01- 31.12.2020
Electricity production and wholesale revenue	426.747.791	241.636.482
Gas engine sales revenue	12.280.759	5.636.426
Waste disposal revenues	4.020.614	4.895.402
Other	2.365.076	42.219
Discounts and discounts from sales	(17.710.393)	(6.909.248)
	427.703.847	245.301.281
Cost of sales	01.01- 31.12.2021	01.01- 31.12.2020
Cost of sales	298.656.423	172.700.443
Gas engine sales expenses	5.711.043	4.814.606
	304.367.466	177.515.049
	01.01- 31.12.2021	01.01- 31.12.2020
Rental expenses (*)	186.934.686	111.614.564
Depreciation and amortization expenses	28.309.422	20.398.859
Gas engine sales expenses	5.711.043	4.814.606
personnel expenses	22.898.938	12.489.152
Maintenance and repair expenses	10.268.749	6.769.760
Fuel expenses	12.368.689	6.230.278
Consulting expenses	3.913.421	2.007.522
electricity expenses	4.023.895	1.651.492
Security service expenses	4.344.959	2.671.194
Insurance expenses	998.022	596.575
System usage fee	3.722.632	2.383.930
Shipping Costs	4.348.313	--
Burned Product Costs	8.466.077	--
Other	8.058.620	5.887.117
	304.367.466	177.515.049

(*) Rental expenses consist of lease payments that are excluded from the scope of TFRS 16 “Leases” as they have variable lease liabilities.

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NOTE 21 - OPERATING EXPENSES

General and administrative expenses	01.01- 31.12.2021	01.01- 31.12.2020
Personnel expense	11.830.380	8.258.369
Consulting expense	4.644.392	2.346.053
Legal and consultancy expenses	2.060.575	840.878
Representation and hospitality expenses	294.430	784.492
depreciation expense	4.657.521	2.017.470
travel expenses	1.267.711	428.640
Room and subscription expenses	258.661	403.539
Fuel expenses	937.303	155.289
Communication expenses	193.894	145.517
Other	13.765.345	5.440.648
	39.910.212	20.820.895

Marketing expenses	01.01- 31.12.2021	01.01- 31.12.2020
Advertising, advertisement and promotion expenses	2.481.894	1.059.683
Other	76.500	57.053
	2.558.394	1.116.736

NOTE 22 – EXPENSES ACCORDING TO THEIR QUALITIES

Personnel expenses	01.01- 31.12.2021	01.01- 31.12.2020
Cost of sales	22.898.938	12.489.152
General and administrative expenses	11.830.380	8.258.369
	34.729.318	20.747.521

Amortization expenses	01.01- 31.12.2021	01.01- 31.12.2020
Cost of sales	28.309.422	20.398.859
General and administrative expenses	4.657.521	2.017.470
	32.966.943	22.416.329

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NOTE 22 – EXPENSES ACCORDING TO THEIR QUALIFICATIONS (Continued)

Fees for Services Obtained from Independent Auditor/Independent Audit Firm:

The Group's explanation regarding the fees for services rendered by independent audit firms based on the KGK's Board Decision published in the Official Gazette on March 30, 2021, is as follows:

	01.01.- 31.12.2021	01.01.- 31.12.2020
Independent audit fee for the reporting period	160.000	120.000
Total	160.000	120.000

NOTE 23 - OTHER INCOME AND EXPENSES FROM OPERATING OPERATIONS

	01.01.- 31.12.2021	01.01.- 31.12.2020
Rediscount revenues	159.838	555.810
Foreign exchange gains	5.636.128	65.094.045
Stocktaking surplus income	13.982.432	--
Other	2.453.999	1.461.639
	22.232.397	67.111.494
	01.01.- 31.12.2021	01.01.- 31.12.2020
Litigation Provisions	(5.221.777)	(4.242.607)
Rediscount expenses	(627.120)	(530.865)
Currency difference expenses	(38.045.655)	(34.757.980)
Expenses of public offering transactions	(5.337.718)	--
donations	--	(1.715.895)
Other	(2.984.580)	(2.457.065)
	(52.216.850)	(43.704.412)

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NOTE 24 – INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

Income from investment activities	01.01- 31.12.2021	01.01- 31.12.2020
Fixed asset sales profits (*)	3.342.198	2.499.005
Share sales earnings (**)	--	24.645.985
	3.342.198	27.144.990

(*) 2,484,132 TL of the related amount arises from the sale and lease back transaction of Novtek İskenderun (on December 31st, 2020: 2,484,132 TL).

(**) It is the profit resulting from the sale of subsidiaries Boğazköy, Yarcan, Afyon and Ordu in 2020.

Expenses from investment activities	01.01- 31.12.2021	01.01- 31.12.2020
Fixed asset sales/losses	--	(684.983)
	--	(684.983)

NOTE 25 - FINANCIAL INCOME AND EXPENSES

Financial Income	01.01- 31.12.2021	01.01- 31.12.2020
Foreign exchange gains	34.137.668	14.937.603
Interest income	5.267.623	1.324.647
Adat revenues	14.041.055	--
	53.446.346	16.262.250

Financial Income	01.01- 31.12.2021	01.01- 31.12.2020
Foreign exchange expenses	(79.043.686)	(46.431.310)
Interest expenses (*)	(28.995.404)	(12.245.879)
Bank and letter of guarantee commissions	(2.459.367)	(3.108.124)
Interest expenses related to lease liabilities	(2.555.273)	(1.914.058)
	(113.053.730)	(63.699.371)

(*) The Group's ongoing investments include capitalized financial expenses.

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NOTE 26 – RENTAL TRANSACTIONS

Usage Rights Assets

	1.01.2021	Inputs	Outputs	31.12.2021
Electricity production 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 amortization

	1.01.2021	Inputs	Outputs	31.12.2021
Electricity production 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

Usage Rights Assets

	1.01.2020	Inputs	Outputs	31.12.2020
Electricity production facility	15.890.111	20.218.004	--	36.108.115
Vehicles	690.956	2.200.135	--	2.891.091
	16.581.067	22.418.139	--	38.999.206

Minus : Accumulated amortization

	1.01.2020	Inputs	Outputs	31.12.2020
Electricity production facility	(373.503)	(467.448)	--	(840.951)
Vehicles	(199.142)	(516.195)	--	(715.337)
	(572.645)	(983.643)	--	(1.556.288)

Net book value

16.008.422

37.442.918

Kiralama işlemlerinden kaynaklanan yükümlülükler

December 31st 2021

December 31st 2020

Short Term Lease Obligation	2.255.955	1.043.758
Long Term Lease Obligation	72.951.553	36.420.571
	75.207.508	37.464.329

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NOTE 27 – INCOME TAXES (INCLUDING DEFERRED 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.

The corporate tax rate applied in 2021 is about 25% (in 2020: 22%).

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 2021 corporate earnings as of the temporary tax periods is 25% (in 2020: 22%). 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 15%.

In Turkey, tax legislation, parent company and consolidation scope do not allow companies to file consolidated tax returns. Therefore, the tax provision reflected in the consolidated financial statements has been calculated on a company-by-company basis.

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

Current tax liability	December 31st 2021	December 31st 2020
Corporation tax	11.392.504	7.358.470
Prepaid taxes and funds	(8.120.934)	(2.326.162)
Corporate tax payable	3.271.570	5.032.308

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

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

Tax expenses/(income)	January 1st - December 31st 2021	January 1st - December 31st 2021
Current corporate tax	(11.392.504)	(7.358.470)
Deferred tax (income) / expenses	(7.728.410)	(2.139.154)
	(19.120.914)	(9.497.624)

Assets related to current period tax consist of prepaid taxes and funds. The balance on December 31st 2021 was about 2.366.103 TL (on December 31st 2020: 76.427 TL)

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 TMS/TFRS. The income and expense items related to themain 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% (in 2020: 20%).

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

	December 31st 2021	December 31st 2020
Adjustments to accounts receivable	--	27.716
Tangible / intangible asset adjustments	(16.455.898)	(15.957.900)
Unused leave allowances	181.853	87.836
Adjustments related to financial liabilities	4.540.615	576.849
Severance pay	348.590	152.827
Adjustments to accounts payable	--	445.875
Rental Transactions	610.312	58.671
Litigation	1.887.176	850.821
Hedge accounting adjustment	(15.761.296)	(2.673.871)
Available financial loss	8.455.131	--
Other	(74.985)	100.375
	(16.268.502)	(16.330.801)

Transaction table:	December 31st 2021	December 31st 2020
As of January 1	(16.330.801)	(14.397.646)
Deferred tax expense/(income) recognized in the profit or loss statement	(7.728.410)	(2.139.154)
reflected in equity	7.790.709	205.999
	(16.268.502)	(16.330.801)

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NOTE 28 – EARNINGS/ (LOSS) PER SHARE

	01.01- 31.12.2021	01.01- 31.12.2020
Shares available during the period	178.505.495	128.000.000
on average (exact value)	3.786.438	50.474.315
Earning per share/(loss)	0,021	0,394

NOTE 29 – ANALYSIS OF OTHER COMPREHENSIVE INCOME ELEMENTS

Other Comprehensive Income	01.01- 31.12.2021	01.01- 31.12.2020
Not to be reclassified in profit or loss	35.157.583	128.016
- Increase/decrease in value of tangible and intangible assets	44.101.674	315.141
-Deferred tax on tangible and intangible assets value	(8.820.335)	(63.028)
increase/decrease		
-Remeasurement Gains/Losses of Defined Benefit Plans	(154.695)	(155.121)
- Defined Benefit Plans Remeasurement Gains/Losses	30.939	31.024
Deferred Tax Expenses/Income		
To be reclassified in profit or loss	(62.903.286)	--
-Hedging gains/losses	(79.483.350)	--
-Hedging gains/losses deferred tax	16.580.064	--

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

Financial risk management

The Company is exposed to various financial risks, including the effects of changes in debt and equity market prices, exchange rates and interest rates. The Company's wholesale risk management program focuses on the unpredictability of financial markets and aims to minimize potential adverse effects on the Company'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 company 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 company management monitors the credibility of its customers by taking into account their financial positions (maturity risk, check risk). The Company has policies adopted for the sale of goods and services to its customers with certain credit limits. The company constantly monitors the status of its financial assets in order to determine the losses arising from the collection problem.

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

(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.

December 31 st 2020	Commercial debts		Other Receivables		In banks	Other
	Other	Related	Other	Other	Deposit	
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	30.201.571	--	1.215.021	7.157.310	101.761.896	62.849.081
The amount of maximum risk secured by collateral, etc.	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired (2)	30.201.571	--	1.215.021	7.157.310	101.761.896	62.849.081
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.

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

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 company aimed for flexibility in funding by keeping credit lines ready. The Company'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:

December 31st 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-Derivative 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
Debts from the rental business	75.207.508	75.207.508	494.240	1.761.716	12.577.538	60.374.015
Trade payables	217.675.441	217.675.441	217.675.441	--	--	--
Other debts	44.104.344	44.104.344	44.104.344	--	--	--

December 31st 2020

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-Derivative Financial Obligations	569.770.031	569.770.031	134.672.202	66.691.935	301.231.030	67.174.864
Finansal borçlar	416.792.020	416.792.020	18.861.788	65.944.910	296.801.325	35.183.997
Kiralama işlerinden borçlar	37.464.329	37.464.329	296.732	747.025	4.429.705	31.990.867
Ticari borçlar	88.427.858	88.427.858	88.427.858	--	--	--
Diğer borçlar	27.085.824	27.085.824	27.085.824	--	--	--

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.

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

Currency Risk

The Group's financial instruments denominated in foreign currency are exposed to currency risk due to currency fluctuations.

December 31 st 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 derivative instruments (19a-19b)	--	--	--
19a. Amount of off-balance sheet foreign currency derivative products with active character	--	--	--
19b. Amount of derivative products denominated in off-balance sheet foreign currency with passive character	--	--	--
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 hedged currency	--	--	--
23. Amount of hedged foreign currency assets	--	--	--
24. Amount of hedged foreign currency liabilities	--	--	--
25. Exports	--	--	--
26. Imports	--	--	--

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

Exchange rate sensitivity analysis table					
December 31 st 2021					
	Profit/Loss before tax			Equities	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency	
If the USD changes by % 10:					
1-	USD net asset / liability	(36.329.509)	36.329.509	(29.063.607)	29.063.607
2-	USD hedged amount (-)	--	--	--	--
3-	USD net effect (1+2)	(36.329.509)	36.329.509	(29.063.607)	29.063.607
If the EURO changes by % 10:					
4-	EURO net asset / liability	(29.293.107)	29.293.107	(23.434.486)	23.434.486
5-	EURO hedged amount (-)	--	--	--	--
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

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

December 31 st 2020	Currency position table		
	TL equivalent (functional currency unit)	USD	EURO
1. Trade receivables	--	--	--
2a. Monetary financial assets (including cash, bank accounts)	23.034.577	2.724.650	336.847
2b. Non monetary financial assets	50.264.483	3.883.372	2.415.501
3. Other	--	--	--
4. Current assets (1+2+3)	73.299.060	6.608.022	2.752.348
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)	73.299.060	6.608.022	2.752.348
10. Trade payables	(10.962.174)	(127.911)	(1.112.717)
11. Financial liabilities	(70.527.929)	(4.521.308)	(4.145.169)
12.a Other monetary obligations	--	--	--
12.b. Other non-monetary obligations	--	--	--
13. Short-term liabilities (10+11+12)	(81.490.103)	(4.649.219)	(5.257.886)
14. Trade payables	--	--	--
15. Financial liabilities	(281.419.630)	(18.370.845)	(16.271.100)
16.a. Other monetary obligations	--	--	--
16.b. Other non-monetary obligations	--	--	--
17. Long-term liabilities (14+15+16)	(281.419.630)	(18.370.845)	(16.271.100)
18. Total liabilities (13+17)	(362.909.733)	(23.020.064)	(21.528.986)
19. Net asset/(liability) position of off-balance sheet foreign currency derivative instruments (19a-19b)	--	--	--
19a. Amount of off-balance sheet foreign currency derivative products with active character	--	--	--
19b. Amount of derivative products denominated in off- balance sheet foreign currency with passive character	--	--	--
20. Net foreign currency asset/(liability) position(9+18+19)	(289.610.673)	(16.412.042)	(18.776.638)
21. Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)	(339.875.156)	(20.295.414)	(21.192.139)
22. Total fair value of financial instruments used for hedged currency	--	--	--
23. Amount of hedged foreign currency assets	--	--	--
24. Amount of hedged foreign currency liabilities	--	--	--
25. Exports	--	--	--
26. Imports	--	--	--

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

Exchange rate sensitivity analysis table					
December 31st 2020					
	Profit/Loss before tax			Equities	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency	
If the USD changes by % 10:					
1-	USD net asset / liability	(12.047.259)	12.047.259	(9.637.807)	9.637.807
2-	USD hedged amount (-)	--	--	--	--
3-	USD net effect (1+2)	(12.047.259)	12.047.259	(9.637.807)	9.637.807
If the EURO changes by % 10:					
4-	EURO net asset / liability	(16.913.808)	16.913.808	(13.531.046)	13.531.046
5-	EURO hedged amount (-)	--	--	--	--
6-	EURO net effect (1+2)	(16.913.808)	16.913.808	(13.531.046)	13.531.046
Total (3+6)		(28.961.067)	28.961.067	(23.168.853)	23.168.853

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;

	December 31st 2021	December 31st 2020
Fixed rate financial instruments		
Financial assets	320.000	64.987.711
Financial liabilities	(461.402.678)	(219.190.262)
Variable rate financial instruments		
Financial liabilities	(433.194.522)	(197.601.758)

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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
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**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 Company'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 found 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 found by adding net debt to equity shown on the balance sheet.

	2021	2020
Total debt	1.272.781.727	614.764.877
Cash and cash equivalents	(170.866.301)	(101.809.923)
Net debt (A)	1.101.915.426	512.954.954
Equities	553.302.180	199.985.355
Equities + net debt (B)	1.655.217.606	712.940.309
Net debt / (Equities + net debt) ratio (A / B)	67%	72%

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NOTE 31 – INVESTMENTS ACCOUNTED BY THE EQUITY METHOD

	December 31 st 2021		December 31 st 2020	
	Total	Ratio	Total	Ratio
Landfill	51.044.936	50%	25.302.630	50%
	51.044.936		25.302.630	

	December 31 st 2021	December 31 st 2020
As of January 1st	25.302.630	12.314.744
Changes in capital	--	1.847.458
Profits / losses of shares	25.742.306	11.140.428
	51.044.936	25.302.630

	December 31 st 2021	December 31 st 2020
Total assets	115.328.187	50.014.281
Total liabilities	(22.198.233)	(8.368.939)
Net asset	93.129.954	41.645.342

	December 31 st 2021	December 31 st 2020
Total sales revenues	63.599.993	40.584.890
Profit/ (loss) for the period (net)	51.484.612	22.280.855

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 OCCURED AFTER THE REPORTING PERIOD

On 28.01.2022, the Ministry of Energy and Natural Resources carried out a partial acceptance process to increase the installed power of the Uşak Biogaz Electricity Generation Facility, which is operated by the Group's subsidiary Uşak Yenilenen Enerji Elektrik Üretim A.Ş., from 2,400 MWe to 4,084 MWe. Our facility, which currently has an installed power capacity of 2,400 MWe, has reached an installed power capacity of 4,084 MWe as a result of the acceptance process.