

**ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ
VE LOJİSTİK HİZMETLER A.Ş.
FINANCIAL STATEMENTS
AT 31 DECEMBER 2021 TOGETHER
WITH AUDITOR'S REPORT
(CONVENIENCE TRANSLATION INTO
ENGLISH OF THE INDEPENDENT
AUDITORS' REPORT AND
FINANCIAL STATEMENTS
ORIGINALLY ISSUED IN TURKISH)**



(Convenience translation of a report and financial statements originally issued in Turkish).

INDEPENDENT AUDITOR'S REPORT

Eren Bağımsız Denetim A.Ş.
Maslak,Eski Büyükdere Cad.
No.14 Kat :10
34396 Sarıyer /İstanbul,Turkey

T + 90 212 373 00 00
F + 90 212 291 77 97
www.grantthornton.com.tr

**To the General Assembly of
Ünsped Gümrük Müşavirliği ve Lojistik Hizmetler A.Ş.
Istanbul, Turkey**

A) REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

1) Opinion

We have audited the accompanying statement of financial position of Ünsped Gümrük Müşavirliği ve Lojistik Hizmetler A.Ş. (the Company) as at 31.12.2021 and the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and explanatory notes.

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

2)Basis for Opinion

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

(Convenience translation of a report and financial statements originally issued in Turkish).

3) Key Audit Matters

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

<i>Key audit matters</i>	<i>How our audit addressed the key audit matter</i>
<p><i>Recoverability of trade receivables</i></p> <p>As of 31.12.2021, the Company has receivables amounting to TL 111.632.242. Due to the importance in terms of the Company's financial statements, it is considered as a key audit matter. However, provision for impairment is accounted by using estimations such as the past payment performances and credibility of the customers and the maturity analysis of the receivable balances. These estimates are very sensitive to future market conditions. For these reasons, the recoverability of these receivables is an important issue for our audit.</p> <p>Disclosures related to the Company's accounting policies and amounts related to trade receivables are presented in note 4.</p>	<p>During our audit, we performed the following procedures in relation to the recoverability of trade receivables:</p> <ul style="list-style-type: none"> -Understanding and evaluating the customer collections process run by the management, -Testing the aging of receivables, -Inquiries with management in relation to any disputes with customers or distributors and written inquiries with the Company's legal counsels on outstanding litigation in relation to trade receivables, -Testing receivables from third parties by obtaining confirmation letters from customers, -Testing collections in the subsequent period from selected customers, <p>As a result of these studies on recoverability of trade receivables, we did not find any significant findings.</p>
<p><i>Bank loans</i></p> <p>As of 31.12.2021, the Company has borrowings to financial institutions by the amount of TL 68.490.037 short-term, by the amount of TL 3.170.126 long-term. Due to the importance in terms of the Company's financial statements, it is considered as a key audit matter.</p> <p>Disclosures related to the Company's accounting policies and amounts related to bank loans are presented in note 10.</p>	<p>We performed the following procedures in relation to the borrowings:</p> <ul style="list-style-type: none"> -During the period, interest payments were controlled by using sampling methodology, -Amortisation of borrowings were recalculated by using effective interest rate and reconciled with the records, -Reclassification of short-term and long-term borrowings were reviewed, -Foreign exchange revaluation of borrowings was recalculated and reconciled with the records, -Direct confirmations were obtained by using sampling methodology and reconciled with the records, <p>As a result of these studies on bank loans, we did not find any significant findings.</p>

(Convenience translation of a report and financial statements originally issued in Turkish).

<i>Key audit matters (Continued)</i>	<i>How our audit addressed the key audit matter</i>
<p>External confirmations - COVID 19 effect</p> <p>Auditors believe that the audit evidence have been obtained is sufficient and appropriate to provide a basis for opinion. As of the report date, due to the COVID-19 outbreak, a “Pandemic” has been declared by the World Health Organization. Due to restrictions of travelling, mobility and customer visits, these audit evidences could not be obtained on planned timing and quality. In that case, alternative procedures have been developed to obtain sufficient appropriate audit evidence.</p>	<p>We performed the following procedures in relation to obtain the external confirmations:</p> <ul style="list-style-type: none"> -Electronic confirmation procedure was chosen as the most effective communication method by the audit team and external confirmations were provided by this method. -Engagement team has considered inspection would be an appropriate response which requires the engagement team to examine subsequent cash receipts, shipping documentation, and sales near the period end. <p>As a result of these alternative procedures about external confirmations, we have had no significant findings.</p>

(Convenience translation of a report and financial statements originally issued in Turkish).

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SIAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

(Convenience translation of a report and financial statements originally issued in Turkish).

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

(Convenience translation of a report and financial statements originally issued in Turkish).

B) Other Responsibilities Arising From Regulatory Requirements

1) No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that Company's bookkeeping activities concerning the period from 1 January to 31 December 2021 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.

2) In accordance with subparagraph 4 of Article 402 of TCC, the Board of Directors submitted the necessary explanation to us and provided the documents required within the context of our audit.

The engagement partner on the audit resulting in this independent auditor's report is Aykut Halit.

EREN Bağımsız Denetim A.Ş.
Member Firm of GRANT THORNTON International



Aykut Halit
Partner

İstanbul, 05.04.2022

CONTENTS**PAGE**

STATEMENTS OF FINANCIAL POSITION	1-2
STATEMENTS OF COMPREHENSIVE INCOME.....	3
STATEMENTS OF CHANGES IN EQUITY.....	4
STATEMENTS OF CASH FLOW	5

NOTES TO FINANCIAL STATEMENTS

NOTE 1	ORGANIZATION AND NATURE OF ACTIVITIES.....	6
NOTE 2	BASES OF PRESENTATION OF FINANCIAL STATEMENTS.....	6-15
NOTE 3	CASH AND CASH EQUIVALENTS	16
NOTE 4	TRADE RECEIVABLES	16
NOTE 5	OTHER RECEIVABLES AND OTHER PAYABLES	17
NOTE 6	FINANCIAL INVESTMENTS.....	17
NOTE 7	RIGHT OF ASSETS.....	18
NOTE 8	PROPERTY, PLANT AND EQUIPMENT.....	19
NOTE 9	INTANGIBLE ASSETS	20
NOTE 10	FINANCIAL LIABILITIES	21
NOTE 11	TRADE PAYABLES	21
NOTE 12	EMPLOYEE TERMINATION BENEFITS	21-23
NOTE 13	OTHER SHORT-TERM LIABILITIES AND DEFERRED INCOME.....	23
NOTE 14	TAX ASSET AND LIABILITIES.....	24-26
NOTE 15	EQUITY	26
NOTE 16	COMMITMENTS AND CONTINGENCIES.....	27
NOTE 17	REVENUE AND COST OF SALES	27
NOTE 18	NATURE OF EXPENSES	28
NOTE 19	INCOME FROM INVESTING ACTIVITIES	28
NOTE 20	OTHER OPERATING INCOME AND EXPENSES	28
NOTE 21	FINANCIAL INCOME AND EXPENSES	29
NOTE 22	RELATED PARTY DISCLOSURE	29
NOTE 23	NATURES AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS.....	30-36

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
STATEMENTS OF FINANCIAL POSITION
AS AT 31.12.2021 AND 31.12.2020

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

ASSETS	Note	31.12.2021	31.12.2020
Current assets			
Cash and cash equivalents	3	24.683.384	14.469.180
Trade receivables			
- Related parties	22	24.993	17.431
- Third parties	4	111.607.249	77.684.687
Other receivables			
- Related parties	22	12.063.949	8.918.836
- Third parties	5	446.719	409.316
Inventories		122.119	
Prepaid expenses			
- Third parties	6	2.637.028	2.148.829
Other current assets			
- Third parties		921.236	289.652
Total current assets		152.506.677	103.937.931
Non-current assets			
Other Receivable			
- Other receivables from third parties	5	2.000.000	--
Right of assets	7	18.570.641	20.721.072
Property, plant and equipment	8	22.324.283	13.530.775
Intangible assets	9	9.486.194	5.916.568
Prepaid expenses			
- Third parties	6	117.301	131.774
Deferred tax assets	14.b	3.416.061	2.022.411
Total non-current assets		55.914.480	42.322.600
Total assets		208.421.157	146.260.531

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

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
STATEMENTS OF FINANCIAL POSITION
AS AT 31.12.2021 AND 31.12.2020

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

LIABILITIES	Note	31.12.2021	31.12.2020
Current liabilities			
Short term financial liabilities			
- Bank loans	10	32.614.335	41.014.505
Short term portion of long-term financial liabilities			
- Bank loans	10	35.875.702	9.226.495
- Lease liabilities	10	7.661.592	3.798.464
Trade payables			
- Related parties	22	1.490.473	341.907
- Third parties	11	24.538.121	11.247.372
Employee benefit obligations	12.a	17.479.172	9.325.352
Other payables			
- Related parties	22	508	--
- Third parties	5	926.000	806.000
Deferred income			
- Third parties	13	21.575.180	10.670.756
Taxation on income	14.a	3.620	2.070
Short term provisions			
- Other short-term provisions	12.b	3.538.214	2.146.918
Other current liabilities			
- Third parties	13	10.642.119	6.340.503
Total current liabilities		156.345.036	94.920.342
Non-current liabilities			
Long term financial liabilities			
- Bank loans	10	3.170.126	7.131.452
- Lease liabilities	10	12.697.785	18.199.568
Long term provisions			
- Provision for employment termination benefits	12.c	14.966.376	10.473.372
Total non-current liabilities		30.834.287	35.804.392
EQUITY			
Paid in capital	15.a	5.000.000	3.440.000
<i>Other comprehensive income / (expense)</i>			
<i>not to be reclassified to profit or loss</i>			
- Actuarial gain/loss arising from defined benefit plans		(6.901.950)	(7.033.754)
Restricted reserves	15.b	8.521.320	6.415.230
Previous years' gains		(4.233.929)	2.496.133
Net profit for the year		18.856.393	10.218.188
Total equity		21.241.834	15.535.797
Total liabilities and equity		208.421.157	146.260.531

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

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31.12.2021 AND 31.12.2020

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

	Note	01.01.- 31.12.2021	01.01.- 31.12.2020
Revenue	17	294.458.422	193.852.890
Cost of sales (-)	17	(135.207.566)	(81.262.972)
Gross profit		159.250.856	112.589.918
Research and Development Expenses		(1.106.931)	--
Marketing, selling and distribution expenses (-)		(4.034.340)	(3.095.581)
General administrative expenses (-)		(124.821.778)	(90.733.761)
Other operating income	20	19.056.638	8.872.947
Other operating expenses (-)	20	(7.183.765)	(4.975.976)
Operating profit		41.160.680	22.657.547
Expense from investment activities	19	(85.750)	(7.058)
Operating profit before financing expenses		41.074.930	22.650.489
Financial income	21	1.418.139	1.047.163
Financial expenses (-)	21	(17.175.097)	(10.744.935)
Profit before taxation		25.317.972	12.952.717
Current tax charge (-)	14.a	(7.894.599)	(3.083.019)
Deferred tax income / (expense)	14.a	1.433.020	348.490
Net profit for the year		18.856.393	10.218.188
Other comprehensive income not to be reclassified to profit or loss			
- Actuarial gains / (losses)	12.c	171.174	1.166.165
- Tax effect	14.b	(39.370)	(256.556)
Total comprehensive income for the year		18.988.197	11.127.797

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

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31.12.2021 AND 31.12.2020

(All amounts in Turkish Lira ('TL')) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

	Paid in capital	Other comprehensive income / (expense) not to be reclassified to profit or loss	Actuarial gain/loss arising from defined benefit plans	Restricted reserves	Retained earnings		Total equity
					Previous years' gains	Net profit for the year	
Balances at 01.01.2020	3.440.000	(7.943.363)		6.375.526	1.616.542	5.324.212	8.812.917
Transfers	--	--	--	--	5.324.212	(5.324.212)	--
Merger effect	--	--	39.704		(4.444.621)	--	(4.404.917)
Total comprehensive income	--	909.609		--	--	10.218.188	11.127.797
Balances at 01.01.2021	3.440.000	(7.033.754)		6.415.230	2.496.133	10.218.188	15.535.797
Increase in share capital	1.560.000	--	--	--	(1.560.000)	--	--
Transfers	--	--	2.106.090		8.112.098	(10.218.188)	--
Dividend paid	--	--	--		(13.282.160)	--	(13.282.160)
Total comprehensive income	--	131.804		--	--	18.856.393	18.988.197
Balances at 31.12.2021	5.000.000	(6.901.950)		8.521.320	(4.233.929)	18.856.393	21.241.834

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

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
STATEMENTS OF CASH FLOW
FOR THE YEARS ENDED 31.12.2021 AND 31.12.2020

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)

(Convenience translation into English of the financial statements originally issued in Turkish)

	Note	01.01.- 31.12.2021	01.01.- 31.12.2020
Net profit for the year		18.856.393	10.218.188
Amortization and depreciation expense of right of assets	7,8,9	19.807.179	15.853.402
Profit on sale of property, plant and equipment	19	85.750	7.058
Provision for employee termination benefits	10.c	5.889.638	4.123.436
Provision for vacation liabilities	12.b	1.391.296	176.185
Provision (release from) for doubtful receivables, net	4	346.902	237.057
Interest expense	21	16.498.131	10.111.055
Interest income	21	(1.418.139)	(1.047.163)
Adjustments to the tax expense / income	14.a	6.461.579	2.734.529
Operating profit before changes in working capital		67.918.729	42.413.747
Changes in trade receivables from related parties		(2.877)	(853)
Changes in trade receivables from third parties		(34.274.149)	(8.010.456)
Changes in other receivables from related parties		(3.145.113)	300.425
Changes in other receivables from third parties		(2.037.403)	110.476
Changes in inventories		(122.119)	--
Changes in other current assets		(631.584)	2.312.472
Changes in trade payables to related parties		561.897	(131.798)
Changes in trade payables to third parties		13.877.418	243.631
Changes in other payables		120.508	(1.980.921)
Changes in liabilities for employee termination benefits		8.153.820	2.243.356
Changes in other current liabilities		4.301.616	2.694.587
Changes in prepaid expenses		(473.726)	(460.748)
Changes in deferred income		10.904.424	2.765.865
Changes in capital		(10.685.918)	(2.977.185)
Taxes paid		(7.893.049)	(3.272.298)
Employee termination benefits payments	12.c	(3.701.366)	(2.538.820)
Net cash used in operating activities		42.871.108	33.711.480
Cash flows from investing activities			
Changes in financial investments			--
Purchases of property, plant and equipment	8	(14.615.146)	(4.130.971)
Purchases of intangible assets	8	(4.804.568)	(3.011.793)
Proceeds from sale of property, plant and equipments		--	7.328
Net cash used in investing activities		(19.419.714)	(7.135.436)
Cash flows from financing activities			
Proceeds from bank loans		104.454.476	131.560.790
Repayments of bank loans		(90.166.765)	(130.938.378)
Repayments of lease liabilities		434.392	(414.121)
Payment of lease liabilities from right of assets		(2.073.047)	(7.885.719)
Dividend paid		(13.282.160)	--
Interest paid		(14.022.225)	(8.907.298)
Interest received	22	1.418.139	1.047.163
Net cash provided by financial activities		(13.237.190)	(15.537.563)
Changes in cash and cash equivalents		10.214.204	11.038.481
Cash and cash equivalents at the beginning of the year		14.469.180	3.430.699
Cash and cash equivalents at the end of the year	3	24.683.384	14.469.180

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

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

1. ORGANISATION AND NATURE OF ACTIVITIES

Ünsped Gümrük Müşavirliği ve Lojistik Hizmetler A.Ş. (“Ünsped” or “Company”), was established in 1981 and operates as a customs consultancy company. As of 31 December 2021, the total number of employees of the Company is 1.475 (31 December 2020: 1.359).

The Company is registered in Turkey and the registered address is as follows:

Mahmutbey Mahallesi 2655 Sokak No:3 34218 Bağcılar / Istanbul / Turkey.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 Basis of Presentation

The accompanying financial statements have been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards, (“TAS/IFRS”) and interpretations as adopted in line with international standards by the Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”).

The Company maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the “TCC”), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. The financial statements, except for the financial asset and liabilities presented with their fair values, are maintained under historical cost convention in TL. These financial statements are based on the statutory records, which are maintained under historical cost conversion, with required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the TAS/IFRS.

The financial statements are presented in accordance with “Announcement regarding with IFRS Taxonomy” which was published on 15 April 2019 by POA and the format and mandatory information recommended by CMB.

2.2. Measurement currency and reporting currency

The accompanying financial statements are presented in Turkish Lira (“TL”) which is the Company’s functional and reporting currency.

2.3. Comparable financial information and reclassification of prior period financial statements

The financial position with the accompanying notes as of 31.12.2021 and 31.12.2020 and statement of comprehensive income, cash flow and changes in equity with the accompanying notes as of 31.12.2021 and 31.12.2020 are presented as comparatively. For the compatibility of the current financial statements these financial statements are reclassified if necessary, and material differences are disclosed.

2.4. Restatement and errors in the accounting estimates

Major changes in accounting policies are applied retrospectively and any major accounting errors that have been detected are corrected and the financial statements of the previous period are restated. Changes in accounting policies resulting from the initial implementation of a new standard, if any, are implemented retrospectively or prospectively in accordance with the transition provisions. If the changes in accounting estimates only apply to one period, then they are applied in the current period in which the change occurred; if the changes also apply to future periods, they are applied in both the period of change and in the future periods, prospectively.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

2.5. New and amended standards and interpretations

The accounting policies adopted in preparation of the financial statements as at December 31, 2021 are consistent with those of the previous financial year, except for the adoption of new and amended Turkish Accounting Standards (“TAS”)/IFRS and IFRS interpretations effective as of January 1, 2021. The effects of these standards and interpretations on the Company’s financial position and performance have been disclosed in the related paragraphs.

Standards issued but not yet effective and not early adopted

A number of new standards, interpretations of and amendments to existing standards are not effective at reporting date and earlier application is permitted; however the Company has not early adopted are as follows.

COVID-19-Related Rent Concessions beyond 30 June 2021 (the 2021 amendment)

International Standard Board (IASB) has extended the practical expedient by 12 months – permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022. The original amendment was issued in May 2020 to make it easier for lessees to account for covid-19-related rent concessions, such as rent holidays and temporary rent reductions, while continuing to provide useful information about their leases to investors. Related changes were published by POA as Amendments to IFRS 16 on June 5, 2020.

The amendment is effective for annual reporting periods beginning on or after 1 April 2021. Lessees are permitted to apply it early, including in financial statements not authorised for issue as of 31 March 2021 the date of publication of this amendment. In other words, if the financial statements for the accounting periods before the date of publication of the amendment have not yet been issued, it is possible to apply this amendment for the relevant financial statements. The 2021 amendments are applied retrospectively with the cumulative effect of initially applying it being recognised in opening retained earnings.

The original version of the practical expedient was, and remains, optional. However, the 2021 amendments are, in effect, not optional. This is because a lessee that chose to apply the practical expedient introduced by the 2020 amendments has to consistently apply the extension to eligible contracts with similar characteristics and in similar circumstances.

This means that lessees will need to reverse previous lease modification accounting if a rent concession was ineligible for the original practical expedient under the 2020 amendments but becomes eligible as a result of the extension.

Reference to the Conceptual Framework (Amendments to IFRS 3)

In May 2020, IASB issued Reference to the Conceptual Framework, which made amendments to IFRS 3 Business Combinations.

The amendments updated IFRS 3 by replacing a reference to an old version of the Board’s Conceptual Framework for Financial Reporting with a reference to the latest version, which was issued in March 2018. And then, IFRS 3 amendment was issued on 27 July 2020 by POA to reflect these amendments.

The Company shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted.

Property, Plant and Equipment—Proceeds before Intended Use (Amendments to IAS 16)

In May 2020, IASB issued Property, Plant and Equipment—Proceeds before Intended Use, which made amendments to IAS 16 Property, Plant and Equipment.

The amendments improve transparency and consistency by clarifying the accounting requirements—specifically, the amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss. And then, IAS 16 amendment was issued on 27 July 2020 by POA to reflect these amendments.

The Company shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. The amendments apply retrospectively, but only to items of Property, Plant and Equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
 (Convenience translation into English of the financial statements originally issued in Turkish)

Onerous Contracts—Cost of Fulfilling a Contract (Amendments to TAS 37)

In May 2020, IASB issued Onerous Contracts—Cost of Fulfilling a Contract, which made amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. And then, TAS 37 amendment was issued on 27 July 2020 by POA to reflect these amendments.

IASB developed amendments to TAS 37 to clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The Company shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated.

TFRS 17 – Insurance Contracts

On 16 February 2019, POA issued IFRS 17 Insurance Contracts. This first truly globally accepted standard for insurance contracts will help investors and others better understand insurers’ risk exposure, profitability and financial position. TFRS 17 replaces TFRS 4, which was brought in as an interim Standard in 2004. TFRS 4 has given companies dispensation to carry on accounting for insurance contracts using national accounting standards, resulting in a multitude of different approaches. As a consequence, it is difficult for investors to compare and contrast the financial performance of otherwise similar companies. TFRS 17 solves the comparison problems created by TFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner, benefiting both investors and insurance companies. Insurance obligations will be accounted for using current values – instead of historical cost. The information will be updated regularly, providing more useful information to users of financial statements. TFRS 17 has an effective date of 1 January 2023 but companies can apply it earlier.

The Company does not expect that application of TFRS 17 will have significant impact on its financial statements.

Initial Application of TFRS 17 and TFRS 9—Comparative Information (Amendment to TFRS 17)

In December 2021, IASB issued Initial Application of IFRS 17 and IFRS 9—Comparative Information (Amendment to IFRS 17). Related changes were published by POA as Amendments to TFRS 17 on 31 December 2021.

The amendment is a transition option relating to comparative information about financial assets presented on initial application of TFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. TFRS 17 incorporating the amendment is effective for annual reporting periods beginning on or after 1 January 2023.

The Company does not expect that application of these amendments to TFRS 17 will have significant impact on its financial statements.

Amendments to TFRS 4: Applying TFRS 9 Financial Instruments with TFRS 4 Insurance Contracts

TFRS 4 has also been amended by POA within the amendments issued by IASB in order to reduce the impact of the differing effective dates of the new insurance contracts standard and TFRS 9. These amendments to TFRS 4 provide two optional solutions for insurers to reduce concerns about implementations: i) when applying TFRS 9 by insurers to its financial assets, an insurer will be permitted to reclassify the difference between profit or loss and other comprehensive income and the amounts recognised in profit or loss under TFRS 9 and those that would have been reported under TAS 39; or ii) an optional temporary exemption from applying TFRS 9 for companies whose activities are predominantly connected with insurance before January 1, 2021. These companies will be permitted to continue to apply existing requirements for financial instruments in TAS 39.

The Company does not expect that application of these amendments to TFRS 4 will have significant impact on its financial statements.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Classification of Liabilities as Current or Non-current (Amendments to TAS 1)

On 23 January 2020, IASB issued “Classification of Liabilities as Current or Non-Current” which amends IAS 1 Presentation of Financial Statements to clarify its requirements for the presentation of liabilities in the statement of financial position which are issued by POA on 12 March 2020 as amendments to TAS 1.

The amendments clarify one of the criteria in TAS 1 for classifying a liability as non-current—that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments include:

- a. Specifying that an entity’s right to defer settlement must exist at the end of the reporting period;
- b. Clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement;
- c. Clarifying how lending conditions affect classification; and
- d. Clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The Company shall apply retrospectively these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. However, IASB decided to defer the effective date of IAS 1 until 1 January 2023 with the amendment published on 15 July 2020, and the amendment was issued by POA on 15 January 2021.

The Company does not expect that application of these amendments to IAS 1 will have significant impact on its financial statements.

Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to TAS 12 Income Taxes

In May 2021 IASB issued *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, which amended IAS 12 Income Taxes. Related changes were published by POA as Amendments to TAS 12 on 27 August 2021.

The amendments to TAS 12 Income Taxes clarify how companies should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions.

The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

The amendments clarify that the exemption does not apply to transactions such as leases and decommissioning obligations. These transactions give rise to equal and offsetting temporary differences.

For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. If a company previously accounted for deferred tax on leases and decommissioning liabilities under the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

The Company does not expect that application of these amendments to Amendments to TAS 12 will have significant impact on its financial statements.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Definition of Accounting Estimates (Amendments to TAS 8)

The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty which is issued by IASB on 12 February 2021. Related changes were published by POA as Amendments to TAS 8 on 11 August 2021.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

Developing an accounting estimate includes both:

- selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and
- choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying TAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

The Company does not expect that application of these amendments to Amendments to TAS 8) will have significant impact on its financial statements.

Disclosure of Accounting Policies (Amendments to TAS 1)

IASB has issued amendments to IAS 1 Presentation of Financial Statements and an update to IFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures on 12 February 2021. Among these amendments, the ones related to TAS 1 were published by POA as Amendments to TAS 1 on 11 August 2021.

The key amendments to TAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company’s financial statements.

The amendments are effective from 1 January 2023, but companies can apply it earlier.

The Company does not expect that application of these amendments to Amendments to TAS 1) will have significant impact on its financial statements.

Annual Improvements to TFRS Standards 2018–2020 Improvements to TFRSs

For the current standards, "Annual Improvements in TFRSs / 2018-2020 Cycle" published by POA on 27 July 2020 is presented below. The amendments are effective as of 1 January 2022. Earlier application is permitted. The Company does not expect that application of these improvements to TFRSs will have significant impact on its financial statements.

TFRS 1 First-time Adoption of International Financial Reporting Standards

This amendment simplifies the application of TFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent – i.e. if a subsidiary adopts TFRS Standards later than its parent and applies TFRS 1.D16(a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent’s date of transition to TFRSs. This amendment will ease transition to TFRS Standards for subsidiaries applying this optional exemption by i) reducing undue costs; and ii) avoiding the need to maintain parallel sets of accounting records.

TFRS 9 Financial Instruments

This amendment clarifies that – for the purpose of performing the “10 per cent test” for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
 (Convenience translation into English of the financial statements originally issued in Turkish)

TAS 41 Agriculture

This amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in TAS 41 with those in TFRS 13 Fair Value Measurement. The amendments provide the flexibility to use either, as appropriate, in line with TFRS 13.

Amendments are effective on 1 January 2021

Changes that have become effective and have been adopted for annual periods beginning on or after 1 January 2021:

Interest Rate Benchmark Reform – Phase 2 – Amendments to TFRS 9 Financial Instruments, TAS 39 Financial Instruments: Recognition and Measurement, TFRS 7 Financial Instruments: Disclosures, TFRS 4 Insurance Contracts and TFRS 16 Leases.

2.6 Critical accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with TFRS requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and as adjustments become necessary, they are reported in earnings in the periods in which they become known.

The key assumption concerning the future and other key sources of estimation uncertainty at the financial position date and the significant judgments are set out below:

- Allowance for doubtful debts reflect the amount set aside for the losses in the future related to receivables which exist the financial position date but which, in the opinion of the management carry the risk of collection due to current economic conditions. When evaluating whether receivables has suffered a loss in value the past performance of the debtors, their credibility in the market and their performance between the financial position date and report date together with changed circumstances are taken in the considerations. In addition, the collaterals existing at financial position date together with new collaterals obtained between the balance date and report date are also taken into consideration. The allowance for doubtful receivables as of the financial position dates are explained under note 4.
- Deferred tax asset is recognized to the extent that taxable profit will be available against which the deductible temporary differences can be utilized. When taxable profit is probable deferred tax asset is recognized for all temporary differences. For the year ended 31.12.2020, since the assumptions related to the Company’s future taxable profit generation are considered reliable, adequate, deferred tax asset is recognized (note 15).
- Property, plant and equipment and intangible assets held for use in the production or supply of goods or services, or for administrative purposes, are stated in the financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The Company estimates that the useful lives of tangible and intangible assets. Depreciation is charged using the straight-line basis over the useful lives which depend on the best estimation of the management. Useful lives of property, plant and equipment and intangible assets are reviewed at each financial position dates and make changes if necessary.
- The main estimates used in the calculation of employee termination benefits are the probability of the employees leaving the job voluntarily and the discount factor. The discount rate and probabilities used in the calculation of the employee termination benefits are explained under note 13.

2.7 Offsetting

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

2.8 Going Concern

The Company prepared financial statements in accordance with the going concern assumption.

2.9. Summary of Significant Accounting Policies

The significant accounting policies followed in the preparation of the accompanying financial statements are summarized below:

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Foreign currency transactions

Transactions in foreign currencies during the periods have been translated at the exchange rates prevailing at the dates of these transactions. Financial position items denominated in foreign currencies have been translated at the exchange rates prevailing at the financial position dates. Exchange gains or losses arising from settlement and translation of foreign currency items have been included in the financing income or expense accounts as appropriate.

As of the financial position dates, the major foreign exchange rates used by the Company and its subsidiaries established in Turkey against Turkish Lira are given below:

	31.12.2021	31.12.2020
USD	12,9775	7,3405
EUR	14,6823	9,0079
GBP	17,4530	9,9438

Property, plant and equipment

Property and equipment are carried at cost less accumulated depreciation (Note 9). Depreciation is calculated using the straight-line method based on the useful lives of the property, plant and equipment. The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	Year
Infrastructure and land improvements	20
Motor vehicles	2-5
Furniture and fixtures	3-15
Leasehold improvements	5-10
Other tangible assets	15

In case of any indication regarding to impairment of an asset, the net realizable value is reestimated and provision of impairment is recognized in the financial statements. An impairment loss is recognized for the amount when the carrying amount of the asset exceeds its recoverable amount. Recoverable amount of the property and equipment is the higher of future net cash flows from the utilization of this property and equipment or fair value less cost to sell. The recoverable value is considered either the net cash flow to be caused by the current use of the respective tangible assets or the net sales price, whichever is higher.

The profit or loss arising from the disposal of the tangible fixed assets is reflected to the income and expense accounts of the investment activities in the current period.

Intangible assets

Intangible assets are carried at cost less accumulated depreciation and any accumulated impairment losses. Intangible assets are capitalized if the economic benefits can be obtained in the future and the cost can be determined accurately.

The useful lives of the intangible assets are as follows:

	Year
Rights	3
Computer software	3

Right of use asset

The right of use asset is initially recognized at cost comprising. The Company re-measure the right of use asset after netting-off depreciation and reducing impairment losses from right of use asset and adjusted for certain re-measurements of the lease liability recognized at the present value

The Company applies TFRS 16 “Property, Plant and Equipment” to amortize the right of use asset and to asses for any impairment.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Lease Liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. Lease liabilities are discounted to present value by using the interest rate implicit in the lease if readily determined or with the Company’s incremental borrowing rate.

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

- a) fixed payments, including in-substance fixed payments;
- b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as the commencement date,
- c) the exercise price under a purchase option that the Company is reasonably certain to exercise,
- d) lease payments in an optional renewable period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain to terminate early.

After initial recognition, the lease liability is measured:

- a) increasing the carrying amount to reflect interest on lease liability
- b) reducing the carrying amount to reflect the lease payments made and

remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

Bank borrowings

Interest-bearing bank loans and overdrafts are recognized at fair value at initial recognition which equate to the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accruals basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Borrowing cost

Borrowing cost directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs of qualifying assets are not added to the cost of those assets for the period during which construction to get them ready for their intended use or sale is suspended. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. Other borrowing costs are expensed in the period in which they are incurred and reported in “financing expense”.

Employee termination benefits

a) Provision for employee benefits

Under Turkish Labour Law, the Company is required to pay termination benefits to each employee who has completed one year of service and whose employment is terminated without due cause, or who retires in accordance with social insurance regulations, is called up for military service or dies.

b) Vacation provision

In accordance with the existing labour law in Turkey, the Company is also required to pay to the employee, whose employment is terminated due to any reasons, or to its inheritors, the wage of the deserved and unused vacation days over the prevailing wage at the date the contract is terminated. Vacation pay liability is the total undiscounted liability of the deserved and unused vacation days of all employees.

Revenue recognition

The Company recognizes revenue when the goods or services is transferred to the customer and when performance obligation is fulfilled. Goods is counted to be transferred when the control belongs to the customer. Company recognizes revenue based on the following main principles:

- Identification of customer contracts
- Identification of performance obligations

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

- Determination of transaction price in the contract
- Allocation of price to performance obligations
- Recognition of revenue when the performance obligations are fulfilled.

Revenue from sale of goods is recognized when all the following conditions are satisfied:

- a) The parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations,
- b) Company can identify each party’s rights regarding the goods or services to be transferred,
- c) Company can identify the payment terms for the goods or services to be transferred,
- d) The contract has commercial substance,

It is probable that Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity shall consider only the customer’s ability and intention to pay that amount of consideration when it is due.

Revenue from service sold

The Company gives custom brokerage service to customers under legal rights indicated in the customs law and custom regulations with the capacity of indirect representations on behalf of legal persons within Customs Territory of Turkey and in free zones. Revenue is recorded after the transfer of service risk to the customers.

Related parties

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

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

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

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

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

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Trade receivables

Trade receivables that are created as a result of providing products or services to the buyer are presented as net of unaccrued financial income. Trade receivables that are not accrued after the unearned finance income are calculated by discounting the amounts to be obtained in the subsequent periods from the original invoice amount. Short-term receivables with no stated interest rate are measured at the original invoice amount unless the effective interest rate is significant.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
 (Convenience translation into English of the financial statements originally issued in Turkish)

The Company has preferred to apply the “simplified approach” in TFRS 9 Standard in the calculation of the impairment of trade receivables, which is not accounted for at amortized cost in the financial statements and which does not include a significant financing component.

TFRS 9, in accordance with the “simplified approach” measures provisions for losses against trade receivables equal to expected life-on-loan losses where it is assumed that trade receivables are not impaired due to valid reasons, as set out in TFRS 9.

In accordance with TAS 39 “Financial Instruments: Recognition and Measurement”, which was in force before 1 January 2018, “Model of credit losses in TFRS 9,” Financial Instruments” standard is defined. Expected credit losses are a weighted estimate of credit losses that are likely to occur during the expected life of the financial instruments based on historical statistics. In the calculation of the expected loan losses, the Company's future forecasts are taken into consideration along with the past loan loss experiences.

When the Company's ordinary business cycle is taken into consideration, the commercial receivables will be subject to administrative and / or legal follow-up, whether it is an objective finding or not. and assesses whether or not to recognize expected loan loss provisions. The amount of this provision is the difference between the carrying amount of the receivable and the amount of the recoverable amount. The collectible amount is the present value of the receivable initially discounted based on the original effective interest rate.

The Company recognizes an expected credit loss provision for its trade receivables, which is equal to expected credit losses, in accordance with TFRS 9 in the event that its trade receivables are not impaired due to realized impairment losses. The expected credit loss provision is calculated based on the Company's past credit loss experience and the expected loan loss rate determined by the future macroeconomic indicators. If so, the change in expected loan loss provisions is recognized in other operating income and expenses.

In case of collecting all or part of the receivable amount that is impaired following the provision of provision for impairment, the collected amount is deducted from the main activities to other income account by deducting from the provision for impairment.

Trade payables

Trade payables are payments to be made arising from the purchase of goods and services from suppliers within the ordinary course of business. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. Short-term trade payables, which have not defined interest rate, are presented with original amount if the effect of interest accrual is not significant.

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognized in the statement of income and expenditures except to the extent that it relates to items recognized directly to equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Reporting of cash flows

Cash flows during the period are classified and reported by operating, investing and financing activities in the cash flow statements. Cash flows from operating activities represent the cash flows of the Company generated from operations. Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Company (capital expenditures and financial investments). Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Company and the repayments of these funds.

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Post balance sheet events

The Company retrospectively recognizes events after the financial position date if adjustment is required. If events after the financial position date do not require any adjustment, necessary disclosures are made in the notes of the financial statements.

Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, deposits with banks with the original maturity of three months or less.

2.10 Convenience Translation into English of Financial Statements

The accounting principles described in Note 2 (defined as Turkish Financial Reporting Standards) to the accompanying financial statements differ from International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board with respect to the application of inflation accounting, classification of some income statement items and also for certain disclosure requirements of the POA.

3. CASH AND CASH EQUIVALENTS

	31.12.2021	31.12.2020
Bank deposits		
- Demand deposits	10.491.300	6.185.360
- Time deposits	13.626.614	7.872.400
Other liquid assets	565.470	411.420
	24.683.384	14.469.180

As of 31.12.2021, the maturity period of time deposit is January 2022. As of the financial position date yearly interest rate on time deposit for USD is 0,10 % respectively. (31.12.2020: TL 16,00%, USD 3,15 %).

4. TRADE RECEIVABLES

Current trade receivables

Trade receivables		
- Related parties (note 22)	24.993	17.431
- Third parties	110.979.348	73.701.018
Notes receivables		
- Third parties	3.568.403	6.577.269
	114.572.744	80.295.718
Provision for doubtful receivables (-)	(2.940.502)	(2.593.600)
	111.632.242	77.702.118

Movement of doubtful receivables are given below:

	01.01.- 31.12.2021	01.01.- 31.12.2020
Opening balance, 01 January	2.593.600	2.356.543
Charge for the year	394.404	297.577
Proceeds from doubtful receivables (-)	(47.502)	(60.520)
Closing balance, 31 December	2.940.502	2.593.600

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

5. OTHER RECEIVABLES VE OTHER PAYABLES

	31.12.2021	31.12.2020
Short-term other receivables		
Related parties from other receivables, (note 22)	12.063.949	8.918.836
Deposits and guarantees given	446.719	409.316
	12.510.668	9.328.152
Short-term other payables		
Related parties to other payables, (note 22)	508	--
Deposits and guarantees received	926.000	806.000
	926.508	806.000

6. PREPAID EXPENSES

Prepaid expenses - short term		
Advances given	696.116	736.548
Prepaid expenses	1.940.912	1.412.281
	2.637.028	2.148.829
Prepaid expenses – non current		
Prepaid expenses	117.301	131.774

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

7. RIGHT OF USE ASSETS

	01.01.2021	Additions	31.12.2021
Cost			
Buildings	25.582.097	10.663.421	36.245.518
Motor Vehicles	15.736.462	22.497	15.758.959
	41.318.559	10.685.918	52.004.477
Accumulated depreciation (-)			
Buildings	10.421.096	7.589.735	18.010.831
Motor Vehicles	10.176.391	5.246.614	15.423.005
	20.597.487	12.836.349	33.433.836
Net book value	20.721.072		18.570.641

	01.01.2020	Additions	31.12.2020
Cost			
Buildings	23.548.661	2.033.436	25.582.097
Motor Vehicles	14.792.713	943.749	15.736.462
	38.341.374	2.977.185	41.318.559
Accumulated depreciation (-)			
Buildings	4.983.022	5.438.074	10.421.096
Motor Vehicles	4.930.904	5.245.487	10.176.391
	9.913.926	10.683.561	20.597.487
Net book value	28.427.448		20.721.072

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

8. PROPERTY, PLANT AND EQUIPMENT

	01.01.2021	Additions	Disposals	Transfer	Merger effect	31.12.2021
Cost						
Infrastructure and land improvements	23.970	--	--	--	--	23.970
Motor vehicles	965.358	439.932	(94.406)	--	--	1.310.884
Furniture and fixtures	11.069.511	5.866.645	(211.716)	--	--	16.724.440
Leasehold improvements	17.412.980	8.308.569	--	--	--	25.721.549
Construction in progress	--	--	--	--	--	--
Other tangible assets	32.600	--	--	--	--	32.600
	29.504.419	14.615.146	(306.122)	--	--	43.813.443
Accumulated depreciation (-)						
Infrastructure and land improvements	3.124	1.198	--	--	--	4.322
Motor vehicles	705.938	177.742	(91.873)	--	--	791.807
Furniture and fixtures	6.450.159	2.000.525	(128.499)	--	--	8.322.185
Leasehold improvements	8.804.859	3.487.912	--	--	--	12.292.771
Other tangible assets	9.564	68.511	--	--	--	78.075
	15.973.644	5.735.888	(220.372)	--	--	21.489.160
Net book value	13.530.775					22.324.283
	01.01.2020	Additions	Disposals	Transfer	Merger effect	31.12.2020
Cost						
Infrastructure and land improvements	23.970	--	--	--	--	23.970
Motor vehicles	960.526	4.832	--	--	--	965.358
Furniture and fixtures	8.935.647	2.052.546	(46.896)	--	128.214	11.069.511
Leasehold improvements	15.207.734	2.051.593	--	135.500	18.153	17.412.980
Construction in progress	135.500	--	--	(135.500)	--	--
Other tangible assets	10.600	22.000	--	--	--	32.600
	25.273.977	4.130.971	(46.896)	--	146.367	29.504.419
Accumulated depreciation (-)						
Infrastructure and land improvements	1.926	1.198	--	--	--	3.124
Motor vehicles	513.293	192.645	--	--	--	705.938
Furniture and fixtures	4.927.114	1.428.326	(32.510)	--	127.229	6.450.159
Leasehold improvements	6.318.058	2.468.696	--	--	18.105	8.804.859
Other tangible assets	5.558	4.006	--	--	--	9.564
	11.765.949	4.094.871	(32.510)	--	145.334	15.973.644
Net book value	13.508.028					13.530.775

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

9. INTANGIBLE ASSETS

	01.01.2021	Additions	Disposals	Transfer	31.12.2021
Cost					
Rights	307.204	--	--	5.947.568	6.254.772
Development expenses	3.799.880	4.031.076	--	(5.947.568)	1.883.388
Computer software and server systems	5.769.303	773.492	--	--	6.542.795
	9.876.387	4.804.568	--	--	14.680.955
Accumulated amortization (-)					
Rights	247.445	258.011	--	--	505.456
Computer software and server systems	3.712.374	976.931	--	--	4.689.305
	3.959.819	1.234.942	--	--	5.194.761
Net book value	5.916.568				9.486.194

	01.01.2020	Additions	Disposals	Merger effect	31.12.2020
Cost					
Rights	307.204	--	--	--	307.204
Development expenses	1.504.117	2.295.763	--	--	3.799.880
Computer software and server systems	4.908.738	716.030	--	144.535	5.769.303
	6.720.059	3.011.793	--	144.535	9.876.387
Accumulated amortization (-)					
Rights	145.054	102.391	--	--	247.445
Computer software and server systems	2.595.260	972.579	--	144.535	3.712.374
	2.740.314	1.074.970	--	144.535	3.959.819
Net book value	3.979.745				5.916.568

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

10. FINANCIAL LIABILITIES

	31.12.2021	31.12.2020
Short term financial liabilities		
Bank loans		
- TL	32.614.335	41.014.505
Short term portion of long term financial liabilities		
Bank loans		
- TL	35.875.702	9.226.495
Lease liabilities		
- USD	--	48.615
- EUR	--	826.352
- TL	7.661.592	2.923.497
	43.537.294	13.024.959
Long term financial liabilities		
Bank loans		
- TL	3.170.126	7.131.452
Lease liabilities		
- USD	--	316.577
- EUR	--	5.391.780
- TL	12.697.785	12.491.211
	15.867.911	25.331.020

11. TRADE PAYABLES

	31.12.2021	31.12.2020
Current trade payables		
- Related parties (note 22)	1.490.473	341.907
- Third parties	13.526.813	7.527.585
Notes receivables		
- Third parties	11.011.308	3.719.787
	26.028.594	11.589.279

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

12. EMPLOYEE TERMINATION BENEFITS

12.a Employee benefit obligations

	31.12.2021	31.12.2020
Payables to personnel	9.780.679	7.001.200
Wage and Premium Accruals	4.000.000	--
Social security premiums payable	3.698.493	2.324.152
	17.479.172	9.325.352

12.b Short-term provisions for employee benefits

Provision for unused vacations	3.538.214	2.146.918
--------------------------------	------------------	------------------

Movement of unused vacations are given below:

	01.01.- 31.12.2021	01.01.- 31.12.2020
Opening balance, 01 January	2.146.918	1.970.733
Charge for the year	1.391.296	176.185
Closing balance, 31 December	3.538.214	2.146.918

12.c Long-term provisions for employee benefits

	31.12.2021	31.12.2020
Severance pay provision	14.966.376	10.473.372

In accordance with existing social legislation in Turkey, the Company is required to make lump-sum termination indemnities to each eligible employee who has completed one year of service with the Company, and whose employment is terminated due to retirement or for reasons other than resignation or misconduct.

The amount of indemnity is the equivalent of one month’s salary for each year of service subject to a ceiling which is TL 10.848,59 as of 31.12.2021 (31.12.2020: TL 7.638,96) on historical cost basis.

The Company has no other obligation for employee termination other than the retirement pay above.

The provision is calculated by estimating the present value of the future obligation of the company arising from retirement of employees. Turkish Accounting Standards No: 19 (“Employee Benefits”) requires actuarial valuation methods to be developed to estimate the enterprise’s obligation under defined employee plans. Accordingly, actuarial assumptions were used in the calculation of the total liability which is described below:

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. Consequently, in the accompanying financial statements as at 31.12.2021 the provision is calculated by estimating the present value of the future obligation of the company arising from retirement of employees. As of 31.12.2021 the liability for employment termination benefits was calculated based on an annual real discount rate of 3,90 % (31.12.2020: 4,70 %).

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

The movements in the severance pay provision during the year are as follow:

	01.01- 31.12.2021	01.01- 31.12.2020
Opening balance, 01 January	10.473.372	8.851.164
Service cost	5.889.638	4.123.436
Interest expense	2.475.906	1.203.757
Actuarial gain/loss	(171.174)	(1.166.165)
Payments (-)	(3.701.366)	(2.538.820)
Closing balance, 31 December	14.966.376	10.473.372

13. OTHER SHORT-TERM LIABILITIES AND DEFERRED INCOME

	31.12.2021	31.12.2020
Other short-term liabilities		
Taxes, duties and charges payable	10.623.656	6.329.465
Other	18.463	11.038
	10.642.119	6.340.503
	31.12.2021	31.12.2021
Deferred income		
Advances received	21.575.180	10.670.756

14. TAX ASSET AND LIABILITIES

14.a Current taxation

In Turkey, the corporation tax rate is 25 % effective from 1 January 2021.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses and by deducting other exempt income. In addition to corporate taxes, companies should also calculate income withholding taxes on any dividends distributed at the rate of 15%, except for companies receiving dividends who are resident companies in Turkey. Undistributed dividends incorporated in share capital are not subject to income withholding taxes.

In Turkey, advance tax returns are filed on a quarterly basis at the rate of 25 %, until the 17 th day of the following month and paid until the 17 th day. Advance tax returns files within the year are offset against corporate income tax calculated over the annual taxable corporate income.

According to the Corporate Tax Law, 50% of the capital gains arising from the sale of tangible assets and 75% investments in equity shares owned for at least two years are exempted from corporate tax on the condition that such gains are reflected in the equity with the intention to be utilized in a share capital increase within five years from the date of the sale.

Under the Turkish taxation system, tax losses can be carried forward to be offset against future taxable income for up to five years. Tax losses cannot be carried back.

The Turkish Tax Procedural Law does not include a procedure for formally agreeing tax assessments. Tax returns must be filed within three and half months of the year-end and may be subject to investigation, together with their underlying accounting records, by the tax authorities at any stage during the following five years. Taxes included in the financial position are shown below:

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

	31.12.2021	31.12.2020
Corporation tax payable	7.894.599	3.083.019
Prepaid taxes (-)	(7.890.979)	(3.080.949)
Current income tax liability, net	3.620	2.070
Deferred tax assets	(3.416.061)	(2.022.411)
	(3.412.441)	(2.020.341)
	01.01- 31.12.2021	01.01- 31.12.2020
Profit or loss		
Deferred tax income / (expense)	1.433.020	348.490
Current tax charge	(7.894.599)	(3.083.019)
	(6.461.579)	(2.734.529)

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”)) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

14.b Deferred tax

The Company recognizes deferred tax assets and liabilities based upon temporary differences between its financial statements as reported for TAS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IAS and tax purposes.

The composition of cumulative temporary differences and the related deferred tax assets/liabilities in respect of items for which deferred tax has been provided at the financial position dates using the expected future tax rates were as follows:

	Deferred tax asset		Deferred tax liabilities		Net	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Employee termination benefits	3.442.266	2.304.142	--	--	3.442.266	2.304.142
Unused vacations	813.789	472.322	--	--	813.789	472.322
Temporary differences arising from restating non-monetary assets	--	--	983.598	821.719	(983.598)	(821.719)
Right of assets	17.798	--	--	39.455	17.798	(39.455)
Provision for doubtful receivables	236.095	182.881	--	--	236.095	182.881
Bank loans	--	--	110.289	75.760	(110.289)	(75.760)
	4.509.948	2.959.345	1.093.887	936.934	3.416.061	2.022.411
Net-off (-)	(1.093.887)	(936.934)	(1.093.887)	(936.934)	--	--
Deferred tax assets, net	3.416.061	2.022.411	--	--	3.416.061	2.022.411

ÜNŞPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Movement of deferred tax is given below:

	01.01- 31.12.2021	01.01- 31.12.2020
Opening balance, 01 January	2.022.411	1.930.477
Deferred tax income / (expense)	1.433.020	348.490
Actuarial gain / loss	(39.370)	(256.556)
Closing balance, 31 December	3.416.061	2.022.411

15. EQUITY

15.a Paid in capital

As of 31 December 2021, the approved and paid in capital of the Company consists of 200.000 shares with a nominal value of TL 25 each. The paid in capital amount is TL 5.000.000.

As of 31 December 2021, and 2020, the Company’s shareholders and their shareholding structure are as follows:

	Shareholding percentage %		Shareholding amount (TL)	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Yusuf Bulut Öztürk	99,93%	99,95%	4.996.475	3.438.375
Other	0,07%	0,05%	3.525	1.625
			5.000.000	3.440.000

15.b Restricted reserves (“Legal reserves”)

The legal reserves consist of first and second legal reserves set aside out of profits in accordance with the Turkish Commercial Code. The first legal reserve is appropriated out of the statutory profits at the rate of 5%, until the total reserve reaches a maximum of 20% of the Company’s share capital. The second legal reserve is appropriated at the rate of 10% of all distributions in excess of 5% of the Company’s share capital. The first and second legal reserves are not available for distribution unless they exceed 50% of the share capital but may be used to absorb losses in the event that the general reserve is exhausted.

	31.12.2021	31.12.2020
Legal reserves	8.521.320	6.415.230

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

16. COMMITMENTS AND CONTINGENCIES

16.a Collaterals, Pledges, Mortgages

The Company’s collaterals, pledges and mortgages contract (CPM) position are shown below:

	31.12.2021		31.12.2020	
	Foreign currency amount	TL equivalent	Foreign currency amount	TL equivalent
A. On behalf of its own legal entity			--	--
-TL	17.511.980	17.511.980	14.827.363	14.827.363
-USD	150.000	1.946.625	150.000	1.101.075
-EUR	566.972	8.324.449	566.972	5.107.227
B. On behalf of fully subsidiaries	--	--	--	--
C. CPM's given on behalf of third parties for ordinary course of business	--	--	--	--
D. Total amount of other CPM's given	--	--	--	--
i. Given on behalf of shareholders	--	--	--	--
ii. Given on behalf of related parties except B and C	--	--	--	--
iii. Given on behalf of third parties except C	--	--	--	--
		27.783.054		21.035.665

17. REVENUE AND COST OF SALES

	01.01.- 31.12.2021	01.01.- 31.12.2020
Domestic sales	283.888.908	185.529.368
Overseas sales	12.198.421	9.041.874
Gross sales	296.087.329	194.571.242
Sale returns and discounts (-)	(1.628.907)	(718.352)
Net sales	294.458.422	193.852.890
Cost of sales (-)	(135.207.566)	(81.262.972)
Gross profit	159.250.856	112.589.918

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

18. NATURE OF EXPENSES

Natures of expenses consist of cost of sales, research and development cost and selling, general and administrative expenses.

	01.01.- 31.12.2021	01.01.- 31.12.2020
Personnel expenses	183.000.968	120.475.693
Depreciation and amortization expense	19.807.179	15.853.402
Transportation expenses	2.514.387	2.070.788
Energy expenses	2.877.890	2.314.692
Outsourcing expenses	22.143.573	10.133.033
Licence expenses	10.176.763	6.459.078
Communication expenses	1.159.660	1.097.672
Provision for unused vocation	1.391.296	176.185
Provision for employee termination benefits	2.188.272	1.584.616
Tax expenses	4.491.153	3.679.466
Office expenses	11.772.803	7.318.403
Other	3.646.671	3.929.286
	265.170.615	175.092.314

19. INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Expense from investment activities		
Gain (loss) from the sale of tangible assets	85.750	7.058

20. OTHER OPERATING INCOME AND EXPENSE

Other operating income		
Foreign exchange gains resulting from trading	16.484.624	6.601.851
Provision released	47.502	60.520
Other income	2.524.512	2.210.576
	19.056.638	8.872.947
Other expenses		
Foreign exchange loss resulting from trading	6.788.110	4.665.760
Provision for doubtful receivables	394.404	297.577
Other expenses	1.251	12.639
	7.183.765	4.975.976

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

21. FINANCIAL INCOME AND EXPENSES

	01.01.- 31.12.2021	01.01.- 31.12.2020
Financial income		
Interest income	1.418.139	1.047.163
Financial expenses		
Interest expenses	16.498.131	10.111.055
Letters of guarantee expenses	283.394	278.676
Bank commission expenses	393.572	355.204
	17.175.097	10.744.935

22. RELATED PARTY DISCLOSURE

	31.12.2021	31.12.2020
a) Trade receivables from related parties		
Trade receivables		
Öztürk Yatçılık- Yusuf Bulut Öztürk	18.518	17.431
Unsped Dış Ticaret Ve Lojistik Danışmanlık Hizmetleri Anonim Şirketi	6.475	4.685
	24.993	22.116
b) Other receivables from related parties		
Dividend advances given to shareholders	6.762.381	2.728.324
Other receivable from related parties	5.301.568	6.190.512
	12.063.949	8.918.836
c) Trade payables to related parties		
ÜnspeD Global Lojistik Ticaret A.Ş.	1.490.473	341.907
d) Other payables to related parties		
Other	508	-

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

23. NATURES AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result both from its operating and investing activities. The Company’s risk management is coordinated at its headquarters, in close co-operation with the board of directors, and focuses on actively securing the Company’s short to medium term cash flows by minimizing the exposure to financial markets. Long term financial investments are managed to generate lasting returns.

Credit risk

The Company is exposed to credit risk arising from trade receivables, other receivables and deposits with banks.

Being an owner of the financial assets conveys the risk of non-obeying the contract of the other party. Trade receivables are monitored by the management of the Company regarding past experience and current economic situation. If necessary, provision for trade receivables are recognized and netted off with trade receivables. For banks, the ratings of the independent rating institutions are taken into consideration.

The Company has preferred to apply the “simplified approach” in TFRS 9 Standard in the calculation of the impairment of trade receivables, which is not accounted for at amortized cost in the financial statements and which does not include a significant financing component. TFRS 9, in accordance with the “simplified approach” measures provisions for losses against trade receivables equal to expected life-on-loan losses where it is assumed that trade receivables are not impaired due to valid reasons, as set out in TFRS 9.

Exposure to credit risks with financial instruments is shown below:

	Receivables					
	Trade receivables		Other receivables		Bank deposits	Other
	Related parties	Third Parties	Related parties	Third Parties		
31.12.2021						
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	24.993	113.607.249	12.063.949	446.719	24.117.914	565.470
B. Carrying amount of assets that are overdue but not impaired	--	--	--	--	--	--
C. Carrying amount of assets that are overdue but not impaired	--	--	--	--	--	--
D. Carrying amount of assets that are impaired	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	2.940.502	--	--	--	--
- Impairment (-)	--	(2.940.502)	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--
E. Credit risk issues out of balance sheet	--	--	--	--	--	--
As of 31.12.2021 maximum exposure to credit risk (A+B+C+D+E)	24.993	113.607.249	12.063.949	446.719	24.117.914	565.470

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

31.12.2020	Receivables					
	Trade receivables		Other receivables		Bank deposits	Other
	Related parties	Third Parties	Related parties	Third Parties		
- Secured portion of maximum credit risk with collateral	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	17.431	77.684.687	8.918.836	409.316	14.057.760	411.420
B. Carrying amount of assets that are overdue but not impaired	--	--	--	--	--	--
C. Carrying amount of assets that are overdue but not impaired	--	--	--	--	--	--
D. Carrying amount of assets that are impaired	--	2.593.600	--	--	--	--
- Overdue (gross carrying amount)	--	(2.593.600)	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--
E. Credit risk issues out of balance sheet	--	--	--	--	--	--
As of 31.12.2020 maximum exposure to credit risk (A+B+C+D+E)	17.431	77.684.687	8.918.836	409.316	14.057.760	411.420

Liquidity risk

Liquidity risk comprises the risk that the Company becomes unable to find its payment requirements.

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments and trade payables as well as cash-outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection

The breakdown of liabilities according to their contractual maturity is based on the maturity dates from the date of the balance sheet is given below:

31.12.2021	Book value	Contractual cash flows	Until 3 months	3-12 months	1-5 years	More than 5 years
Contractual cash flows						
Bank borrowings	71.660.163	78.855.527	21.279.797	53.501.731	4.073.999	--
Lease liabilities	20.359.377	20.281.993	1.367.868	6.293.724	12.620.401	--
Non-derivative financial liabilities	92.019.540	99.137.520	22.647.665	59.795.455	16.694.400	--

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

31.12.2021	Book value	Contractual cash flows	Until 3 months	3-12 months	1-5 years	More than 5 years
Expected maturities						
Trade payables	26.028.594	26.028.594	26.028.594	--	--	--
Other payables	926.508	926.508	926.508	--	--	--
Other liabilities	10.642.119	10.642.119	10.642.119	--	--	--
Non-derivative financial liabilities	37.597.221	37.597.221	37.597.221	--	--	--

31.12.2020	Book value	Contractual cash flows	Until 3 months	3-12 months	1-5 years	More than 5 years
Contractual cash flows						
Bank borrowings	57.372.452	60.920.332	13.181.362	39.232.497	8.506.473	--
Lease liabilities	21.998.032	22.177.375	1.941.972	1.856.492	18.378.911	--
Non-derivative financial liabilities	79.370.484	83.097.707	15.123.334	41.088.989	26.885.384	--

31.12.2020	Book value	Contractual cash flows	Until 3 months	3-12 months	1-5 years	More than 5 years
Expected maturities						
Trade payables	11.589.279	11.589.279	11.589.279	--	--	--
Other payables	806.000	806.000	806.000	--	--	--
Other liabilities	6.340.503	6.340.503	6.340.503	--	--	--
Non-derivative financial liabilities	18.735.782	18.735.782	18.735.782	--	--	--

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Foreign currency risk

The Company’s exposure to foreign currency risk arising from its foreign currency (mainly USD, EUR and GBP) assets and liabilities which are sensitive to changes in foreign currency exchange rates.

As of the financial position dates, the foreign currency amount of the Company and foreign currency assets and liabilities are shown below:

31.12.2021	USD	EUR	GBP	TL equivalent
1. Trade receivables	502.031	34.319	--	7.209.332
2a. Monetary financial assets (including cash and bank accounts)	1.506.825	136.943	39	22.151.189
2b. Non-monetary financial assets	--	--	--	--
3. Other	196.950	3.023	--	2.670.754
4. Current assets (1+2+3)	2.205.806	174.285	39	32.031.275
5. Trade receivables	--	--	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
8. Non-current assets (5+6+7)	--	--	--	--
9. Total assets (4+8)	2.205.806	174.285	39	32.031.275
10. Trade payables	217.684	44.499	--	3.579.288
11. Financial liabilities	--	--	--	--
12a. Other monetary liabilities	465.365	8.897	--	6.348.487
12b. Other non-monetary liabilities	--	--	--	--
13. Short term liabilities (10+11+12)	683.049	53.396	--	9.927.775
14. Trade payables	--	--	--	--
15. Financial liabilities	--	--	--	--
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	--	--	--	--
18. Total liabilities (13+17)	683.049	53.396	--	9.927.775
19. Off balance sheet derivative instruments/net assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
20. Net foreign currency position (9-18+19)	1.522.757	120.889	39	22.103.497
21. Net foreign currency monetary asset/ (liability) Position (=1+2a+5+6a-10-11-12a-14-15-16a)	--	--	--	--
22. Fair value of currency derivatives held for hedging	--	--	--	--
23. Exports	--	--	--	--
24. Imports	--	--	--	--

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

31.12.2020	USD	EUR	GBP	TL equivalent
1. Trade receivables	832.362	232.359	--	8.203.020
2a. Monetary financial assets (including cash and bank accounts)	1.066.620	45.433	48.188	8.717.952
2b. Non-monetary financial assets	--	--	--	--
3. Other	98	--	--	719
4. Current assets (1+2+3)	1.899.080	277.792	48.188	16.921.691
5. Trade receivables	--	--	--	--
6a. Monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
8. Non-current assets (5+6+7)	--	--	--	--
9. Total assets (4+8)	1.899.080	277.792	48.188	16.921.691
10. Trade payables	181.619	18.637	--	1.501.055
11. Financial liabilities	6.623	91.736	--	874.967
12a. Other monetary liabilities	246.490	2.862	--	1.835.140
12b. Other non-monetary liabilities	--	--	--	--
13. Short term liabilities (10+11+12)	434.732	113.235	--	4.211.162
14. Trade payables	--	--	--	--
15. Financial liabilities	43.128	598.561	--	5.708.357
16a. Other monetary liabilities	--	--	--	--
16b. Other non-monetary liabilities	--	--	--	--
17. Long term liabilities (14+15+16)	43.128	598.561	--	5.708.357
18. Total liabilities (13+17)	477.860	711.796	--	9.919.519
19. Off balance sheet derivative instruments/net assets (liabilities) position (19a-19b)	--	--	--	--
19a. Total asset amount of hedge	--	--	--	--
19b. Total liabilities amount of hedge	--	--	--	--
20. Net foreign currency position (9-18+19)	1.421.221	(434.004)	48.188	7.002.172
21. Net foreign currency monetary asset/ (liability) Position (=1+2a+5+6a-10-11-12a-14-15-16a)	1.421.123	(434.003)	48.188	7.001.453
22. Fair value of currency derivatives held for hedging	--	--	--	--
23. Exports	--	--	--	--
24. Imports	--	--	--	--

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

The net currency position of the Company as of the financial position dates are shown below:

	Profit / (Loss)		Equity	
	Increase in foreign currency rate	Decrease in foreign currency rate	Increase in foreign currency rate	Decrease in foreign currency rate
31.12.2021				
Change of USD against TL at 10%:				
USD denominated net assets/liabilities	2.028.043	(2.028.043)	2.028.043	(2.028.043)
Hedged amount against USD risk (-)	--	--	--	--
Net effect of USD	2.028.043	(2.028.043)	2.028.043	(2.028.043)
Change of EUR against TL at 10%:				
EUR denominated net assets/liabilities	182.236	(182.236)	182.236	(182.236)
Hedged amount against EUR risk (-)	--	--	--	--
Net effect of EUR	182.236	(182.236)	182.236	(182.236)
Change of GBP against TL at 10%:				
GBP denominated net assets/liabilities	70	(70)	70	(70)
Hedged amount against GBP risk (-)	--	--	--	--
Net effect of GBP	70	(70)	70	(70)
Total effect	2.210.350	(2.210.350)	2.210.350	(2.210.350)
	Profit / (Loss)		Equity	
	Increase in foreign currency rate	Decrease in foreign currency rate	Increase in foreign currency rate	Decrease in foreign currency rate
31.12.2020				
Change of USD against TL at 10%:				
USD denominated net assets/liabilities	904.837	(904.837)	904.837	(904.837)
Hedged amount against USD risk (-)	--	--	--	--
Net effect of USD	904.837	(904.837)	904.837	(904.837)
Change of EUR against TL at 10%:				
EUR denominated net assets/liabilities	(392.551)	392.551	(392.551)	392.551
Hedged amount against EUR risk (-)	--	--	--	--
Net effect of EUR	(392.551)	392.551	(392.551)	392.551
Change of GBP against TL at 10%:				
GBP denominated net assets/liabilities	47.917	(47.917)	47.917	(47.917)
Hedged amount against GBP risk (-)	--	--	--	--
Net effect of GBP	47.917	(47.917)	47.917	(47.917)
Total effect	560.203	(560.203)	560.203	(560.203)

ÜNSPED GÜMRÜK MÜŞAVİRLİĞİ VE LOJİSTİK HİZMETLER A.Ş.
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(All amounts in Turkish Lira (“TL”) unless indicated otherwise.)
(Convenience translation into English of the financial statements originally issued in Turkish)

Capital Management Policies and Procedures

The Company’s capital management objectives are to ensure the Company’s ability to continue its operations, and to increase profitability by keeping balance between equity and liabilities.

The Company monitors capital on the basis of the carrying amount of equity plus its total of current and non-current financial liabilities less cash and cash equivalents as presented on the face of the financial position.

The Company sets the amounts of capital in proportion to its overall financing structure i.e. equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to the shareholders, return capital to shareholders to reduce debt.

The following table sets out the gearing ratios as of 31.12.2021 and 2020:

	31.12.2021	31.12.2020
Financial liabilities, note 11	92.019.540	79.370.484
Cash and cash equivalents, note 3 (-)	(24.683.384)	(14.469.180)
Net financial debt	67.336.156	64.901.304
Total equity	21.241.834	15.535.797
Overall financing	88.577.990	80.437.101
Net financial debt to overall financing ratio	%76	81%

Fair value of financial instruments

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

The estimated fair values of financial instruments have been determined by the Company using available market information, management’s judgment and appropriate valuation methodologies. However, judgment is required to interpret market data to estimate the fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize in a current market exchange.

The following methods and assumptions were used to estimate the fair value of the Company’s financial instruments:

Financial assets

The carrying amounts of foreign currency denominated monetary assets which are translated at year end exchange rates are considered to approximate their fair values.

The carrying values of cash and cash equivalents are estimated to be their fair values since they are short term.

The carrying values of trade receivables along with the related allowances for un-collectability are estimated to be their fair values.

The carrying amounts of financial assets are considered to approximate their fair values.

Financial liabilities

The carrying values of trade payables are estimated to be their fair values

The carrying values of bank borrowings which are denominated in foreign currencies and translated at year-end exchange rates are considered to approximate their fair values.