

**(Convenience translation of a report and  
interim condensed consolidated financial  
statements originally issued in Turkish)**

**REYSAŞ TAŞIMACILIK VE  
LOJİSTİK TİCARET A.Ş.  
INTERIM CONDENSED  
CONSOLIDATED  
FINANCIAL STATEMENTS FOR  
THE PERIOD  
JANUARY 1-JUNE 30, 2022  
TOGETHER WITH  
INDEPENDENT  
AUDITORS' REPORT**

**CONTENTS**

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

INTERIM CONSOLIDATED STATEMENT OF CASH FLOW

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF OPERATIONS .....	1
NOTE 2 – BASIS OF PRESENTATION OF FINANCIAL STATEMENTS .....	3
NOTE 3 - BUSINESS COMBINATIONS .....	17
NOTE 4 – SEGMENT REPORTING .....	18
NOTE 5 – RELATED PARTY TRANSACTIONS .....	22
NOTE 6 - CASH AND CASH EQUIVALENTS .....	24
NOTE 7 - FINANCIAL INVESTMENTS .....	25
NOTE 8 - FINANCIAL LIABILITIES .....	25
NOTE 9 –TRADE RECEIVABLES AND PAYABLES .....	27
NOTE 10 – OTHER RECEIVABLES AND PAYABLES .....	28
NOTE 11 – INVESMENT ACCOUNTED BY USING EQUITY METHOD .....	29
NOTE 12 – INVESTMENT PROPERTIES .....	30
NOTE 13 – PROPERTY, PLANT AND EQUIPMENT .....	31
NOTE 14 – INTANGIBLE ASSETS .....	34
NOTE 15 – INVENTORIES .....	35
NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES .....	36
NOTE 17 – COMMITMENTS .....	36
NOTE 18 – EMPLOYEE BENEFITS .....	38
NOTE 19 – PREPAID EXPENSES AND DEFERRED INCOME .....	39
NOTE 20 – OTHER ASSETS AND LIABILITIES .....	41
NOTE 21 – GOVERNMENT GRANTS AND INCENTIVES .....	41
NOTE 22 – CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS .....	42
NOTE 23 – REVENUE AND COST OF SALES .....	46
NOTE 24 – OTHER INCOME / (EXPENSES) FROM OPERATING ACTIVITIES .....	46
NOTE 25 – GAIN / (LOSSES) FROM INVESTING ACTIVITIES .....	47
NOTE 26 – FINANCIAL INCOME / (EXPENSES) .....	48
NOTE 27 – INCOME TAXES (DEFERRED TAX ASSETS AND LIABILITIES INCLUDED) .....	48
NOTE 28 – EARNINGS PER SHARE .....	51
NOTE 29 – NATURE OF LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS .....	52
NOTE 30 – FINANCIAL INSTRUMENTS (FAIR VALUE AND FINANCIAL RISK MANAGEMENT DISCLOSURES) .....	62
NOTE 31 – SUBSEQUENT EVENTS .....	63
NOTE 32 – OTHER MATTERS WHICH ARE SIGNIFICANT TO THE FINANCIAL STATEMENTS OR WHICH SHOULD BE DISCLOSED FOR THE PURPOSE OF TRUE AND FAIR INTERPRATION OF THE FINANCIAL STATEMENTS .....	63
ADDITIONAL NOTE: CONTROL OF COMPLIANCE WITH PORTFOLIO RESTRICTIONS .....	63

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS AS OF 30.06.2022 AND 31.12.2021**  
(All amounts in Turkish Lira ("TL") unless indicated otherwise.)

	<u>Note</u>	<u>Reviewed</u> <u>30.06.2022</u>	<u>Restated</u> <u>Audited</u> <u>31.12.2021</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	6	485.388.503	440.060.893
Financial Investment	7	4.982.15	
Trade Receivables			
- Trade receivables from related parties	5-9	85.678	1.156.635
- Trade receivables from third parties	9	105.058.31	109.960.96
Other Receivables			
- Other receivables from related parties	5-10	8.108.391	9.525.323
- Other receivables from third parties	10	5.885.167	9.133.476
Inventories	15	11.308.40	4.277.651
Prepaid Expenses			
- Prepaid expenses from related parties	5-19	--	
- Prepaid expenses from third parties	19	25.895.904	6.837.796
Assets related with current year tax		592.155	6.961.647
Other current assets	20	34.407.306	21.041.309
		<b>681.711.979</b>	<b>608.955.697</b>
<b>NON-CURRENT ASSETS</b>			
		<b>3.264.208.164</b>	<b>2.779.503.938</b>
Other Receivables			
- Other receivables from third parties	10	3.707.64	1.537.422
Inventories	15	34.978.515	29.773.907
Investment accounted by using equity method	11	72.092.480	77.159.566
Investment Properties	12	1.248.438.526	1.217.393.08
Tangible assets			
Intangible assets			
Prepaid expenses	19	46.841.167	34.254.518
<b>TOTAL ASSETS</b>		<b>3.945.920.142</b>	<b>3.945.920.142</b>

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

(\*): These consolidated financial statements have been approved for issue by the Board of Directors on 02/08/2022

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED FINANCIAL STATEMENTS AS OF 30.06.2022 AND 31.12.2021**  
(All amounts in Turkish Lira ("TL") unless indicated otherwise.)

	<u>Note</u>	<u>Reviewed</u> <u>30.06.2022</u>	<u>Restated</u> <u>Audited</u> <u>31.12.2021</u>
<b>LIABILITIES</b>			
<b>SHORT TERM LIABILITIES</b>			
Short-term borrowings		<b>846.599.067</b>	<b>1.066.139.409</b>
- Bank Loans	8	258.797.080	287.497.601
Short term portion of long-term borrowings			
- Bank Loans	8	423.465.423	651.842.468
- Leasing	8	43.137.257	27.513.995
Trade payables			
- Trade payables to related parties	5-9	6.812.568	7.673.632
- Trade payables to third parties	9	31.476.467	52.067.130
Payables related to employee benefits	18	3.624.594	2.674.875
Other Payables			
- Other payables to related parties	5-10	11.486.544	15.742.321
- Other payables to third parties	10	49.986.143	19.180.258
Deferred Income	19	1.476.908	758.727
Current tax liabilities	27	14.385.591	59.310
Short-term provisions			
- Short-Term provisions for employee benefits	16	1.950.493	1.129.092
- Other short-term provision		--	0
		<b>846.599.067</b>	<b>1.066.139.409</b>
<b>LONG-TERM LIABILITIES</b>			
		<b>1.607.124.522</b>	<b>1.155.866.979</b>
Long-term borrowings			
- Bank Loans	8	1.403.822.752	964.255.862
- Leasing	8		
Other Payables			
- Other payables to third parties	10	2.790.371	1.718.116
Deferred Income	19	21.338.6	13.670.44
Long-term provision			
- Long-term provisions for employee benefits	18	8.942.582	7.525.130
- Other Long-term provision	16	18.397.573	24.143.979
Deferred tax liability	27	151.687.394	144.495.234
		<b>1.607.124.522</b>	<b>1.155.866.979</b>
<b>EQUITY</b>			
		<b>1.492.196.555</b>	<b>1.166.453.247</b>
<b>Equity of Parent Company</b>			
Share Capital Paid	22	250.000.000	250.000.000
Inflation adjustment on equity items	22	--	40.859
Reacquired shares (-)	22	--	(1.201.938)
Share Premium	22	(5.964.030)	(5.964.030)
Effects of business combinations under common control	3	2.735.158	(2.391.837)
Other Comprehensive income or expenses that will not be reclassified subsequently to profit or loss			
- Revaluation and Measurement Gain / Loss	22	764.349.787	764.349.787
- Other Gain / Loss	22	(79.749)	(351.394)
Restricted Reserves	22	35.223.046	54.448.131
Retained Earnings / Loss	22	(128.916.833)	(93.661.923)
Net Profit / Loss for the Period	28	119.656.054	(57.678.957)
<b>TOTAL EQUITY OF PARENT COMPANY</b>			
		<b>1.151.772.638</b>	<b>934.348.604</b>
<b>Non-controlling Interest</b>	22	<b>340.423.917</b>	<b>232.104.643</b>
<b>TOTAL EQUITY</b>		<b>1.492.196.555</b>	<b>1.166.453.247</b>
<b>TOTAL LIABILITIES</b>		<b>3.945.920.143</b>	<b>3.388.459.635</b>

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

(\*) : These consolidated financial statements have been approved for issue by the Board of Directors on 02/08/2022

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME**  
**FOR THE PERIODS ENDED 01.01-30.06.2022 AND 01.01-30.06.2021**  
(All amounts in Turkish Lira ("TL") unless indicated otherwise.)

<b><u>CONTINUING OPERATIONS</u></b>	<b><u>Note</u></b>	<b><i>Reviewed</i></b> <b>01.01.- 30.06.2022</b>	<b><i>Reviewed</i></b> <b>01.01.- 30.06.2021</b>	<b><i>Reviewed</i></b> <b>01.04.- 30.06.2022</b>	<b><i>Reviewed</i></b> <b>01.04.- 30.06.2021</b>
Revenue	23	781.818.925	467.119.021	437.465.544	240.673.026
Cost of Sales (-)	23	(450.)	(335.)	(214.607.966)	(172.077.941)
<b>GROSS PROFIT/LOSS</b>		<b>331.531.945</b>	<b>131.297.664</b>	<b>222.857.579</b>	<b>68.595.085</b>
General Administrative Expenses (-)		(31.147.610)	(11.620.903)	(23.107.950)	(8.932.805)
Marketing, Selling and Distribution Expenses (-)		(1.855.324)	(1.096.759)	(937.810)	(559.085)
Other Operating Incomes	24	33.877.704	46.429.354	14.364.399	21.798.039
Other Operating Expenses (-)	24	(178.098.720)	(38.940.353)	(163.855.307)	(18.447.066)
<b>OPERATING PROFIT/LOSS</b>		<b>154.307.996</b>	<b>126.069.003</b>	<b>49.320.912</b>	<b>62.454.168</b>
Income from Investing Activities	25	3.781.804	1.204.539	2.240.348	1.004.719
Shares of Profits/Losses of Investments accounted by using Equity Method	11	5.427.302	237.223	--	764.469
<b>OPERATING PROFIT / LOSS BEFORE FINANCING EXPENSES</b>		<b>163.517.102</b>	<b>127.510.765</b>	<b>51.561.260</b>	<b>64.223.356</b>
Financial Expenses (-)	26	(178.757.413)	(184.492.734)	(42.413.852)	(89.464.811)
Financial Income	26	150.051.115	36.712.951	104.659.573	17.177.609
<b>PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS</b>		<b>134.810.804</b>	<b>(20.269.018)</b>	<b>113.806.980</b>	<b>(8.063.846)</b>
<b>Tax expense/ income from continued operations</b>		<b>(15.154.745)</b>	<b>1.962.697</b>	<b>(15.456.621)</b>	<b>5.626.066</b>
- Tax Expense / Income for the Period	27	(17.857.046)	(3.642.479)	(17.589.784)	(2.521.789)
- Deferred Tax Expense(-)/Income	27	2.702.301	5.605.176	2.133.163	8.147.855
<b>NET PROFIT/LOSS FOR THE PERIOD</b>		<b>119.656.059</b>	<b>(18.306.321)</b>	<b>98.350.359</b>	<b>(2.437.780)</b>
<b>Distribution of Profit / Loss for the Period</b>					
Non-controlling Interest	28	51.243.858	(7.839.858)	(8.393.314)	(305.984)
Equity Holders of Parent	28	68.412.201	(10.466.463)	89.957.045	(2.131.796)
<b>Earnings Per Share</b>					
Earnings Per Share From Continuing Operations	28	0,4786	(0,0732)	0,3934	0,0597
<b>Diluted Earnings Per Share</b>					
Diluted Earnings Per Share From Continuing Operations	28	0,4786	(0,0732)	0,3934	0,0597
<b>OTHER COMPREHENSIVE INCOME:</b>					
Other Comprehensive Income/ (Losses) not to be Reclassified Under Profit or Loss	18	(211.619.948)		426.557.480	366.839
- Deferred Tax Expense(-)/Income	27	5.451.736	(810.093)	3.899.003	(463.621)
<b>OTHER COMPREHENSIVE INCOME</b>		<b>(200.204.182)</b>	<b>(618.879)</b>	<b>(1.930.726.827)</b>	<b>(354.188)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(80.548.122)</b>	<b>(18.925.200)</b>	<b>(1.832.376.466)</b>	<b>(2.791.968)</b>
<b>Attributable to:</b>					
Non-Controlling Interests		(34.495.508)	(7.839.858)	(784.732.842)	(305.984)
Equity Holders of Parent		(46.052.614)	(11.085.342)	(1.047.643.624)	(2.485.984)

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

(\*): These consolidated financial statements have been approved for issue by the Board of Directors on 02/08/2022

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE PERIODS 01.01.-30.06.2022 AND 01.01.-30.06.2021**  
(All amounts in Turkish Lira ("TL") unless indicated otherwise.)

	Note	Capital Paid	Inflation adjustment on equity items	Reacquired shares	Share Premiums	Effects of business combinations under common contro	Other comprehensive loss not to be reclassified to profit or loss			Retained earnings		Equity Holders of the Parent	Non-controlling Interests	Total Equity
							Revaluation and Measurement Gain Loss	Other Gain / (Loss)	Restricted Reserves	Previous Year's Profit / (Loss)	Net Profit / Loss for the Period			
<b>Balance at 01 January 2021</b>		119.350.000	40.859	(2.177.230)	--	(780.673)	385.441.812	1.496.792	53.347.986	(98.670.106)	(20.702.370)	437.347.070	145.554.895	582.901.965
Change in non-controlling interests	22	--	--	--	--	--	--	41.097	--	83.526	--	124.623	(124.623)	--
Reacquired shares	22	130.650.000	--	--	--	--	--	--	--	--	--	130.650.000	--	130.650.000
Transfer to reserves and previous year's profits	22	--	--	--	671.943	--	--	--	--	--	--	671.943	--	671.943
Capital increase	22	--	--	(1.781.591)	--	--	--	--	--	--	--	(1.781.591)	--	(1.781.591)
Share premiums	22	--	--	--	--	--	--	--	1.781.591	(22.483.961)	20.702.370	--	--	--
Other		--	--	--	--	--	--	--	--	(216.777)	--	(216.777)	--	(216.777)
Total comprehensive income / (expenses)	28	--	--	--	--	--	--	(618.879)	--	--	--	(10.466.463)	(7.839.858)	(18.925.200)
<b>Balance at 30 June 2021</b>		250.000.000	40.859	(3.958.821)	671.943	(780.673)	385.441.812	919.010	55.129.577	(121.287.318)	(10.466.463)	555.709.926	137.590.414	693.300.340
<b>Balance at 01 January 2022</b>		250.000.000	614.260	(5.964.030)	--	(2.391.837)	764.349.787	25.794.252	54.448.131	(93.661.923)	(57.678.957)	935.509.683	--	935.509.683
Change in non-controlling interests	22	--	--	--	--	--	--	--	--	--	--	--	--	--
Reacquired shares	22	--	--	--	--	--	--	--	--	--	--	--	--	--
Transfer to reserves and previous year's profits / loss	22	--	--	--	--	--	--	--	--	--	--	--	--	--
Capital increase	22	--	--	--	--	--	--	--	--	--	--	--	--	--
Share premiums	22	--	--	--	--	--	--	--	--	--	--	--	--	--
Other		--	--	--	--	--	--	--	--	--	57.678.957	57.678.957	340.423.917	398.102.874
Total comprehensive income / (expenses)	28	--	75.988	--	--	5.126.995	--	88.204.950	(19.225.085)	(35.254.910)	119.656.059	158.583.998	--	158.583.998
<b>Balance at 30 June 2022</b>		250.000.000	690.248	(5.964.030)	--	2.735.158	764.349.787	113.999.200	35.223.046	(128.916.833)	119.656.059	1.151.772.638	340.423.917	1.492.196.555

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

(\*): These consolidated financial statements have been approved for issue by the Board of Directors on 02/08/2022

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE PERIODS ENDED 01.01.-30.06.2022 AND 01.01.-30.06.2021**  
(All amounts in Turkish Lira ("TL") unless indicated otherwise.)

	<u>Note</u>	<u>01.01.- 30.06.2022</u>	<u>01.01.- 30.06.2021</u>
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>127.812.328</b>	<b>36.748.824</b>
Profit / (loss) for the period	28	119.656.059	(18.306.321)
<b>Adjustments Regarding Profit/(Loss) for the Period</b>		<b>21.236.325</b>	<b>95.030.413</b>
Depreciation and amortization	13	14.682.998	36.542.134
Adjustments for Impairment/Cancellation			
Changes in other provisions			
- Provision for employment termination benefits	18	--	1.832.292
- Provisions for possible losses	8	--	123.409
- Provisions for court case expenses	18	11.947.820	1.678.998
Adjustments for Losses (Gains) on Disposal of Fixed Assets		--	(1.204.539)
Interest income and expenses			
- Interest income	24	--	1.169.412
- Interest expense	24	--	(907.806)
Adjustments for Unrealized Currency Translation Differences		--	58.213.210
Adjustments Regarding Retained Earnings of Investments Accounted by Using Equity Method			
- Adjustments Regarding Retained Profits of Subsidiaries	11	--	(237.223)
Tax income / (expenses)	27	(5.394.493)	(1.962.697)
Other Adjustments Regarding Profit/Loss Reconciliation		--	(216.777)
<b>Changes in Working Capital</b>		<b>(13.080.056)</b>	<b>(31.961.670)</b>
(Increase) / decrease in financial investments	7	--	(13.709)
(Increase) / decrease in inventories	15	(12.235.36)	1.820.646
Increase/(decrease) in trade receivables			
- Trade receivables from related parties	5	--	(2.040.570)
- Trade receivables from third parties	9	5.973.607	(10.976.239)
Increase/(decrease) in other receivables regarding operating activities			
- Other receivables from related parties	5	--	693.959
- Other receivables from third parties	10	2.495.01	368.206
(Increase) / decrease in prepaid expenses	19	--	(5.000.055)
(Increase) / decrease in trade payables			
- Trade payables to related parties	5	--	(21.079.672)
- Trade payables to third parties	9	(12.711.285)	(2.742.079)
Increase/(decrease) in other payables regarding operating activities			
- Other payables to related parties	5	--	8.967.670
- Other payables to third parties	10	26.637.116	4.455.395
(Increase) / decrease in deferred income	19	--	(7.418.17)
Increase/(decrease) in payables regarding employee benefits	16	--	(1.655.046)
Other increase/(decrease) in working capital		(23.239.14)	2.657.995
<b>Cash flow from provided operating activities</b>		<b>44.762.422</b>	<b>44.762.422</b>
Tax paid/ tax refund		--	(4.374.673)
Other Cash Inputs/Outputs	24	--	(3.638.925)
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		<b>(485.555.460)</b>	<b>(122.186.496)</b>
Cash inflow from sale of tangible and intangible assets	13, 14	--	10.506.276
Cash outflow from purchase of tangible and intangible assets	13, 14	(485.555.460)	(30.161.928)
Cash outflow from purchase of investment properties	12	--	(102.530.844)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>403.070.742</b>	<b>252.155.460</b>
Cash outflow from purchase of the Company's own shares	22	--	(1.781.591)
Cash Inflows Resulting From Loans Received	8	(28.700.521)	377.417.500
Cash Outflows Related to Debt Payments	8	226.813.107	(254.130.449)
Other Cash Inputs/Outputs	22		
<b>NET INCREASE DECREASE IN CASH AND CASH EQUIVALENTS BEFORE THE EFFECT OF CURRENCY TRANSLATION RESERVES</b>		<b>45.327.610</b>	<b>166.717.788</b>
<b>D. THE EFFECT OF CURRENCY TRANSLATION RESERVES ON CASH AND CASH EQUIVALENTS</b>			
<b>NET INCREASE /DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>45.327.610</b>	<b>166.717.788</b>
<b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	6	440.060.893	285.290.198
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	6	485.388.503	452.007.986

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

(\*): These consolidated financial statements have been approved for issue by the Board of Directors on 02/08/2022

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

#### NOTE 1 - GROUP'S ORGANIZATION AND NATURE OF OPERATIONS

The business area of Reysaş Taşımacılık Ve Lojistik Ticaret Anonim Şirketi ("Company") comprises land, sea and air transportation using all sorts of vehicles. The Company also provides warehousing services through the warehouses it owns.

As of 21 November 2016, the Company relocated its business premises from the address "Abdurrahmangazi Mah. Bahriye Sok. No:8 Sancaktepe İstanbul" to the address "Küçük Çamlıca Mahallesi Erkan Ocaklı Sokak No:13 Üsküdar/İstanbul". Arı Lojistik İnşaat San. ve Tic. A.Ş. which is subject to joint management carries on its activities at the address of Acıbadem Cad. Yaprak Sokak No: 5/7 Kadıköy İstanbul. The Company has 4 branches, including Istanbul Head Office, Adapazarı, Bursa and Adana provinces, within the borders of Republic of Turkey.

As of 30 June 2022, Reysaş Taşımacılık ve Lojistik Ticaret Anonim Şirketi is publicly quoted at the rate of 63,71 % (31 December 2021: 63,71 %).

The details of the shareholders of Reysaş Taşımacılık ve Lojistik Ticaret A.Ş are shown below.

	30.06.2022		31.12.2021	
	Share Amount	Share (%)	Share Amount	Share (%)
Public	159.271.030	63,71	159.271.030	63,71
Durmuş Döven	45.011.320	18,00	45.011.320	18,00
Rıfat Vardar	30.480.766	12,19	30.480.766	12,19
Others	15.236.884	6,09	15.236.884	6,09
<b>Total</b>	<b>250.000.000</b>	<b>100,00</b>	<b>250.000.000</b>	<b>100,00</b>

The business area of the Reymar Tütün Mamülleri Dağıtım Ve Pazarlama Ltd.Şti. ("Reymar"), a subsidiary of the Company, comprised the distribution and marketing of tobacco products.

The details of the shareholders of Reymar Tütün Mamülleri Dağıtım ve Pazarlama Ltd. Şti. are shown below.

	30.06.2022		31.12.2021	
	Share Amount	Share (%)	Share Amount	Share (%)
Reysaş Taşımacılık ve Lojistik Ticaret A.Ş.	25.492.500	99,00	25.492.500	99,00
Durmuş Döven	257.500	1,00	257.500	1,00
<b>Total</b>	<b>25.750.000</b>	<b>100,00</b>	<b>25.750.000</b>	<b>100,00</b>

The business area of the Reysaş Taşıt Muayene İstasyonları İşletim Anonim Şirketi ("Reysaş Vehicle Inspection"), a subsidiary of the Company comprises the operation of the vehicle inspection stations which were privatized.

Reysaş Taşıt Muayene A.Ş., a subsidiary of the Group, manages the operations of vehicle inspection stations in Karabük, Bartın, Kastamonu, Tosya, Karadeniz Ereğli, Zonguldak, Eskişehir and Sivrihisar regions.

The details of the shareholders of Reysaş Taşıt Muayene İstasyonları İşletim A.Ş. are shown below.

	30.06.2022		31.12.2021	
	Share Amount	Share (%)	Share Amount	Share (%)
Reysaş Taşımacılık ve Lojistik Ticaret A.Ş.(*)	26.418.800	75,48	26.418.800	75,48
Egemen Döven	8.576.200	24,50	8.576.200	24,5
Others	5.000	0,01	5.000	0,01
<b>Total</b>	<b>35.000.000</b>	<b>100,00</b>	<b>35.000.000</b>	<b>100,00</b>



(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

Reysaş Demiryolu Taşımacılığı A.Ş., (Reysaş Rail), a subsidiary of the Company, actively engages in railroad cargo transportation locally using the freight cars it owns.

The details of the shareholders of Reysaş Demiryolu Taşımacılığı A.Ş., are shown below.

	30.06.2022		31.12.2021	
	Share Amount	Share (%)	Share Amount	Share (%)
Reysaş Taşımacılık ve Lojistik Ticaret A.Ş.	5.700.000	100,00	5.700.000	100,00
<b>Total</b>	<b>5.700.000</b>	<b>100,00</b>	<b>5.700.000</b>	<b>100,00</b>

The business area of the Reysaş Gayrimenkul Yatırım Ortaklığı Anonim Şirketi ("Reysaş REIT"), a subsidiary of the Company is mainly investment in real estate, real estate-based capital market instruments, real estate projects and property-based interests, and engage in the purposes and subjects as stipulated in the regulations of the Capital Market Board with respect to the Real Estate Investment Trusts. The company was registered with the Istanbul Trade Registry on September 3, 2008 with the registration number 676891.

As of 2010, shares subject to the sale of Group B shares with a nominal value of TL 65.500.000, which were offered to the public by increasing the capital of the Company, were registered by the Capital Market Board on 6 July 2010. The said shares were offered to the public and started to be traded on Borsa İstanbul (BIST) as of 12 July 2010.

As of 30 June 2021 the percentage of the publicly quoted shares of the Company is 38.53 % (31 December 2020: 38.53%) and shares are traded at the National Market in Borsa İstanbul A.Ş. (BIST).

As of 30 June 2021 the average number of personnel employed at the Company is 36 (31 December 2020: 9).

The details of the shareholders of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş., are shown below.

	30 Haziran 2022	Share (%)	31 Aralık 2021	Share (%)
Reysaş Taşımacılık ve Lojistik Tic. A.Ş.	152.381.741	61,94	152.381.690	61,94
Public*	93.618.249	38,06	93.618.300	38,06
Others	11	0,00	11	0,00
<b>Total</b>	<b>246.000.001</b>	<b>100,00</b>	<b>246.000.001</b>	<b>100,00</b>

\* 8,08 % of the publicly traded shares belong to Egemen Döven.

Reysaş Tourism Investments and Trade Ltd. Co. (Reysaş Tourism)

In line with the Company's Board of Directors Decision dated 29.12.2017 and numbered 415; it has been decided to purchase the remaining 65.79% of the shares of Reysaş Turizm Yatırımları ve Tic.Ltd.Şti., which is a 34.21% owned subsidiary from Reysaş Taşımacılık ve Lojistik Tic.A.Ş. at a consideration of TL21.416.710 . This transaction, which is in the nature of a business combination subject to common control, has been accounted for using the "Pooling of Interest " method in accordance with the POA's principle decision numbered 2013-2. Therefore, Reysaş Tourism Investments and Trade. Ltd. Şti's assets and liabilities have been recorded with their cost values and the difference between the amount paid and the net book values was accounted for under "effect of merger involving businesses under common control".

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

	30.06.2022		31.12.2021	
	Share Amount	Share (%)	Share Amount	Share (%)
Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş.	38.000.000	100,00	38.000.000	100,00
<b>Total</b>	<b>38.000.000</b>	<b>100,00</b>	<b>38.000.000</b>	<b>100,00</b>

Reysaş Tourism purchased 100% of the shares of **Rey Otel Turizm İşletmeciliği ve Ticaret A.Ş.** (Rey Hotel), which is engaged in the operation of hotels and accommodation facilities, at TL 60,167 on the basis of the valuation report prepared by Bizim Menkul Değerler A.Ş. Rey Hotel is carrying out the operations of Erzincan hotel included in the portfolio of Reysaş REIT, and Erzincan hotels included in Reysaş Tourism.

This transaction in the nature of a combination of jointly controlled business is recognized through "Pooling of Interests" accounting pursuant to the Decision of the Public Oversight Agency numbered 2013-2. Accordingly assets and liabilities of Rey Hotel were recognized at cost and the difference between the consideration paid and the net assets amount was recognized under "Effect of Combination of Jointly Controlled Businesses".

	30.06.2022		31.12.2021	
	Share Amount	Share (%)	Share Amount	Share (%)
Reysaş Turizm Yatırımları ve Ticaret Limited Şirketi	610.000	100,00 %	610.000	100,00 %
<b>Total</b>	<b>610.000</b>	<b>100,00%</b>	<b>610.000</b>	<b>100,00%</b>

## NOTE 2 - PRINCIPLES OF PRESENTATION OF FINANCIAL STATEMENTS

### 2.1) Accounting Standards Applied

The accompanying consolidated financial statements of the Group have been prepared in accordance with the communiqué numbered II-14,1 “Communiqué on the Principles of Financial Reporting In Capital Markets” (“the Communiqué”) announced by Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”) on June 13, 2013 which is published in the Official Gazette numbered 28676 in order to comply with Turkish Accounting Standards / Turkish Financial Reporting Standards (“TFRS”) and interpretations prepared in compliance with international standards. These standards are updated in parallel to the changes made in International Financial Reporting Standards (“IFRS”).

Consolidated financial statements are presented in accordance with the formats specified in "Financial Statement Examples and User Manual" published by CMB as well as "Announcement on TAS Taxonomy" published by POA on 15 April 2019.

The financial statements were authorized for issue by the management on 18.08.2021. Although there is no such intention, the General Assembly and certain regulatory bodies have the power to amend the financial statements after issue.

The consolidated financial statements have been prepared on historical cost basis excluding the revaluation of land, buildings and vehicles presented in property plant and equipment, on the balance sheet date.

### 2.2) Functional Currency

The financial statements of the entities of the Group are presented in local currencies (“functional currency”) of the economic zones they operate in. The financial position and operational results of the entities are presented in Turkish Lira (“TL”) which is functional currency of the Company and the presentation currency in the condensed consolidated financial statements.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

---

#### 2.3) Changes and Errors in Accounting Estimates

The preparation of the consolidated financial statements requires the disclosure of the amounts of assets and liabilities reported as of the balance sheet date, the disclosure of contingent assets and liabilities, and the use of estimates and assumptions that may affect the amounts of income and expenses reported. Although these estimates are based on the best judgment and knowledge of the management, accounting estimates may not result in exactly the same amounts as the actual results due to their nature.

Between 2010 and 2016, Real Estate and land sales occurred between Group companies, for which sales profits were eliminated. The eliminations in said years were in excess of required amounts and Investment Properties were inadvertently understated by TL 51,196,238 than the required amounts.

As these errors did not affect the profit and loss statements of 2020 and 2019, some of them are based on estimations, and they had limited effect on the total assets, they are corrected via re-adjustment of the accumulated profits account. Accordingly, investment properties account increased by TL 51,196,238, and TL 31,470,327 for the parts of parent partnership were corrected in accumulated profits and losses, and TL 19,725,911 in the non-controlling shares account, at the opening.

#### 2.4) Going Concern

As of 30 June 2021, the Group's current assets are TL 590.478.475 (31 December 2020: TL 408.878.391), and its short-term liabilities are TL 948.857.315 (31 December 2020: TL 819.737.083) according to which short-term liabilities exceeded short-term assets by TL 358,378,840 (31 December 2020: TL 410,858,692). Although this situation shows the existence of uncertainty regarding the continuity of the business, the Group management has increased its paid-in capital from TL 119.350.000 to TL 250.000.000 by increasing its paid-in capital from 119.350.000 TL on 28.01.2021. The said capital increase was registered on 02.06.2021.

The consolidated financial statements have been prepared on a going concern basis.

#### 2.5) Comparative Information and Restatement of the Prior Period Financial Statements

The consolidated financial statements of the Group include comparative financial information to enable the determination of trends in the financial position and performance.

Comparative figures are reclassified where necessary, to conform to changes in presentation in the current period financial statements and the significant changes are explained.

As of 31.12.2020, non-trade payables amounting to TL 6,342,777 accounted under the "Trade Payables to Related Parties" account has been reclassified to "Other Payables to Related Parties".

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**2.6) Principles of Consolidation**

As of 30 June 2022 and 31 December 2021, the title of the subsidiaries consolidated according to the full consolidation method and the effective share ratios in this subsidiary are as follows:

<b>Title of Partnership</b>	<b>Share of Company in capital (%)</b>	<b>Share of Company in capital (%)</b>
	<b>30.06.2022</b>	<b>31.12.2021</b>
Reysaş Taşıt Muayene İstasyonları İşletim A.Ş.	75,48	75,48
Reymar Tütün Mamülleri Dağıtım ve Pazarlama Ltd. Şti.	99,00	99,00
Reysaş Demiryolu Taşımacılığı A.Ş.	100,00	100,00
Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş.	61,47	61,47
Reysaş Turizm Yatırımları ve Ticaret Ltd. Şti. (Etkin Oran)	61,47	61,47
Rey Otel Turizm İşletmeciliği ve Ticaret A.Ş. (Etkin Oran)	61,47	61,47

Consolidated financial statements include the financial statements of the Company and its Subsidiaries. The principles of preparation of consolidated financial statements are provided as follows;

- Subsidiaries represent the businesses which are controlled by Parent Company, directly or via other subsidiaries or affiliates, by holding more than 50% of the shares, voting rights under the capital and managerial relations, right to elect majority of the managers, or the managerial majority. Controlling power means the power of parent partnership to manage the financial and activity policies of the subsidiaries as well as to derive benefits from the activities.
- Subsidiaries are included in the scope of consolidation as of the date on which the control on their activities are transferred to Group and will be excluded from the consolidation as of the date on which such control ceases. Accounting policies implemented by subsidiaries are harmonized with the accounting policies implemented by the Group in order to ensure consistency
- Financial statements of the subsidiaries are consolidated using full consolidation method. In this context, registered value of the subsidiaries are netted off against their equities, and registered values of shares owned by Company and the dividends arising therefrom are netted off against the related equities and income statement accounts.
- Receivables and payables of subsidiaries under consolidation to each other, as well as goods and service sales among them, and incomes and expenses incurred due to transactions among them are set off against each other.
- The amounts that correspond to the shares other than parent partnership and subsidiaries shall be deducted from all equity account items including paid-in/issued capital of subsidiaries under consolidation, which will then be indicated in the "Minority Interests" account group in the equity account group of the consolidated balance sheet.

**Equity Method**

Financial statements include investments accounted for using the Equity Method. According to Equity Method, investment in a subsidiary is initially recognized at cost. After the date of acquisition, the carrying amount of the investment in associate is increased or decreased to recognize the share of investor in the profit or loss of the investee in the financial statements. The share of investor from profit or loss of the investee is recognized as profit or loss of investor. Distributions received from an investee (dividends, etc.) decreases the book value of the investment. Changes in the other comprehensive income of investee caused by amounts not yet reflected to the profit or loss of the investee are adjusted where necessary, in the book value of the investment in proportion to the share of investor in the investee. Such changes include changes due to revaluation of the tangible fixed assets, or foreign currency translation differences. The Group's share of these changes is recognized in the other comprehensive income of the Parent.

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

Arı Lojistik İnşaat San.ve Tic.A.Ş. was subject to proportional consolidation on and before 31 December 2012. With the Resolution of Board of Directors, Reysaş Taşımacılık ve Lojistik Ticaret A.Ş. has sold to Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. share with a total nominal value of TRY 3,050,000 which corresponds to 33.33% of the capital of its subsidiary Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. and its affiliate, Arı Lojistik İnşaat Sanayi ve Ticaret A.Ş. as of 28 March 2013 for a value of TRY 16,836,000 as assessed by an independent valuation company. Following this sales, Reysaş Logistics had no longer shares in Arı Lojistik İnş.San.ve Tic.A.Ş, and the share of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. has increased to 50%. As, after sales, Reysaş Taşımacılık ve Lojistik Ticaret has no longer shares in Arı Lojistik İnş.San.ve Tic.A.Ş. the scope of consolidation has changed. Due to this change, Arı Lojistik İnş. San.ve Tic. A.Ş. is included in the scope of consolidation by recognizing it in financial statements of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş., being a subsidiary, using equity method (Note 11).

#### Combinations of Jointly Controlled Businesses

A business combination which involve jointly controlled businesses or ventures is a business combination where all businesses or ventures being merged are controlled permanently by the same person(s) before and after the business combination.

Combinations of jointly controlled businesses are recognized via pooling of interests, and therefore, no goodwill is presented in the consolidated financial statements.

Shares acquired from the businesses under joint management are recognized at their book values. The difference between the sums paid and net book value of the assets acquired is recognized in the account "effect of combinations involving jointly controlled businesses".

#### 2.7) Summary of Significant Accounting Policies

Significant Accounting Policies, which are applied in the preparation of the accompanying consolidated financial statements are described below:

##### Revenue

Revenue is measured at the fair value of the consideration received or to be received. Estimated customer returns, discounts and provisions are deducted from the said amount.

Revenues from sales of goods are recognized once all of the conditions below are met:

- Transfer and pass of all important risks and gains in relation with ownership by Group to buyer,
- No administrative participation of Company exists which is ongoing and associated with the ownership as well as no effective control by Group exists on the goods sold,
- Reliable assessment of the amount of the proceeds,
- Likelihood of the economic benefits related with the transaction to flow towards the business.
- Reliable assessment of the costs incurred or to be incurred from the transaction.

The Company began to apply as of 1 January 2018 "TFRS 15 Revenue from Contracts with Customers" Standard which replaced the "TAS 18 Revenue" Standard. In this context, the first adoption of the standard does not have any retrospective material effects, therefore no cumulative effect method readjustment is recognized in the financial statements.

##### *Sale of real estate property*

In the event that the risk and benefit of the real estate property sold are transferred to the buyer and the income amount can be calculated reliably, income is deemed to have arisen when the title deed is transferred. Income is realized if it is considered probable for the economic benefits of this transaction to flow to the Company and the amount of this income can be measured reliably.

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

*Rent income*

Rental income from leased real estate is recorded on an accrual basis on a straight-line basis throughout the lease term. Benefits provided to lessees are recorded so as to reduce rental income during the lease term.

*Sale of services*

Revenue from the sale of a service is recognized when it reaches a measurable degree of completion. In cases where the income from the agreement cannot be measured reliably, the income is accepted as the recoverable amount of the expenses incurred.

*Interest income*

Interest income is recognized while the Group has future economic benefit and the income can be measured reliably. Interest income is accrued in the related period with the discounted amount of estimated cash inflows.

*Cost of sales*

In accordance with the principle of directly associating the expenses incurred with the relevant income accounts, it is the item that shows the costs of the revenue elements, which are reflected in the Statement of Profit or Loss and Other Comprehensive Income simultaneously with the recognition of the revenue. Cost of sales is presented separately as commercial activities and financial sector activities (Note 20).

**Related parties**

As part of this report, shareholders of Group, the subsidiaries and affiliates and other businesses which Group's shareholders are in a direct or indirect capital and management relationship, managerial staff such as board member, general manager of Group who are directly and indirectly authorized and responsible for planning, implementing and auditing the Group operations, as well as close family members of these persons and the companies under direct or indirect control of these persons are deemed as the related parties. Transactions with related parties are disclosed in the footnotes to consolidated financial statements (Note 5).

**Cash and cash equivalents**

Cash and cash equivalents consists in cash, cash deposited in banks, and deposits with a maturity of less than three months. Cash and cash equivalents are short-term, high-liquidity assets which are readily convertible to the cash, with a maturity less than three months, and not exposed to the risk of value loss. Cash and cash equivalents are accounted for at the sum of their acquisition values and occurred interests. Bank balances in a foreign currency are assessed in foreign exchange rate at the end of the period (Note 6).

**Trade receivables and allowance for doubtful receivables**

Account Receivables occurred when Group provides goods or services to a buyer are recognized, net of the deferred financing income.

Group preferred to adopt "simplified approach" as provided in the TFRS 9 Standard in the calculation of impairment of the accounts receivables which are recognized at the amortized cost and does not involve a material financing element.

TFRS 39 "Financial Instruments" Standard, effective prior to 1 January 2018, defined "projected credit losses model" to replace the "credit loss realization model" stipulated by the "TAS 39 "Financial Instruments: Recognition and Measurement" Standards. Projected credit losses is an estimate of financial instruments where potential credit loss during their projected useful life are weighted according to past statistics. Besides the past credit losses, Group's future estimates are taken into account the calculation of projected credit losses.

If entire or a part of doubtful receivables is collected after reserving provision for said doubtful receivable, then collected amount is deducted from the provision for said doubtful receivable and recognized as other incomes from core activities (Note 8).

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

**Account payables**

Account and other account payables are recognized at their discounted costs which represent the current value of the amount, invoiced or not, to be realized in the future with respect to good and service procurement (Note 8).

**Inventories**

Inventories are stated at the lower the cost or net realizable value. Inventories of the Group consist of fuel stocks, spare-parts inventory and other stocks. Cost of inventory items are assigned using the First In First Out (FIFO) formula. Cost of inventories includes all purchasing costs, conversion costs and other costs incurred to bring stocks in their existing condition and position.

Conversion costs of the inventories cover the costs directly related to the production, such as direct labor costs. These costs also consist in systematically distributed amounts from fixed and variable overhead expenses incurred during conversion of raw material and input into final product.

Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

Inventories are recorded net of financing costs incurred due to term purchases.

Order advances given are not in the nature of stock and are shown in "Prepaid Expenses" until the relevant stock invoice is received.

**Investments Accounted For by Using the Equity Method**

In accordance with IAS 28 Investments in Associates and Joint Ventures, affiliates and joint ventures accounted for using the equity method are shown in this item (Note 10).

As of 30 June 2022 and 31 December 2021, the share ratios of the Group's subsidiaries and associates are shown in the table below:

	<b>The Company's direct or indirect shares (%)</b>	
	<b>30.06.2022</b>	<b>31.12.2021</b>
Arı Lojistik	50,00	50,00

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

#### Investment properties

Investment properties represent properties not used in the good and service production of the Group, and are properties held to earn rentals or for capital appreciation and are accounted for using the cost model.

Investment properties are derecognized when they are no longer usable, or sold. Profit or loss from sales of these properties are accounted for on profit or loss and other comprehensive income statement.

#### Property, plant and equipment

Property, plant and equipment, except for lands, buildings and vehicles held for use purposes measured at their fair values pursuant to TAS 16 revaluation model, are recognized at cost less accumulated depreciation and accumulated impairment losses. Cost of a tangible fixed asset consists in the purchase price, non-refundable taxes, and costs incurred to bring the property, plant and equipment ready for use.

Except for lands and construction in progress depreciation is recognized pro-rata basis on straight line basis as per expected useful lives. Expected useful life, residual value and depreciation method are reviewed each year for the possible effects of changes in estimates, and they are recognized prospectively if there are any changes in estimates.

Estimated useful lives of said assets are provided below:

	<u>Years</u>
Land improvements	5-50
Buildings	10-50
Machinery and equipments	5-10
Motor vehicles	4-10
Furniture and fixtures and office equipment	5-10
Other fixed assets	5-10
Leasehold improvements	10-20

Costs incurred for replacement of any part of tangible fixed assets, including maintenance and repair costs, can be recognized as an asset, if they increase economic benefits of such asset in the future. All other costs, once occurred, are accounted for in cost items in profit or loss and other comprehensive income statement.

For impairment assessment purposes, in case of existence of conditions which indicate that tangible fixed assets might be impaired, an investigation is made to identify whether an impairment occurred, upon an impairment loss is recognized by which the carrying amount of fixed assets exceeds its recoverable amount, which is the higher fair value, less costs of disposal and value in use. To determine the value in use or recoverable value, management estimates expected future cash flows or, if higher, net sales price.

Profits and losses from the sales of the tangible fixed assets are included in investment incomes and expenses.

Effective from 31 December 2020, the Company decided to apply revaluation model for its lands, buildings and vehicles, and changed the accounting policy prospectively in line with TFRS. The works for determination of the fair value of the tangible fixed assets under the revaluation model were carried out by a property valuation company licensed and authorized by CMB. For the lands, buildings and vehicles, buildings and vehicles measured by revaluation model, the valuation differences between historical cost and fair value were accounted for in the account "Revaluation and Measurement Gains (Losses) of Tangible Fixed Asset" classified under shareholders equity in other comprehensive income/expense accounts, net of deferred tax.

Advances given for the purchases of tangible fixed assets are not shown in this item until the related asset is capitalized, but under the “Prepaid Expenses” item.

#### Intangible assets and related amortization

Intangible Fixed Assets are recognized in the financial statements according to the criteria such as being identifiable, existence of control on the related asset, and existence of a potential economic benefit in the future. Intangible Fixed



**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

Assets were accounted for at the value calculated by deducting accumulated amortization and, if any, permanent impairments from acquisition cost. For all intangible fixed assets, amortization was calculated on the pro-rata basis using linear amortization method. Acquired rights consist in information systems and computer software.

**Impairment of assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset’s fair value less costs to sell or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**Financial instruments**

*Classification and measurement*

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

(a) Financial assets measured at amortized cost

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

(b) Financial assets measured at fair value

When the 2 criteria above are not met, borrowing instrument is classified as "recognized at fair value through profit or loss". Group measures its financial investments as "recognized at fair value through profit or loss".

Regularly traded financial assets are recognized on the date of trading. Trading date is the date on which management promises to carry out the trading. Financial assets are derecognized when purchasing rights of cash flow arising out of financial assets are terminated, or Group has transferred all risks and proceeds.

During initial recognition, Group measures the financial asset at its fair value. Gains and losses arising out of a financial asset measured at its fair value and not being a part of financial hedging relationship are accounted for on the profit or loss in the period when they occurred. Group is only required to reclassify all financial assets which are affected by the change in management model.

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

***Financial Leasing***

If all benefits and risks are assumed by lessee in a leasing transaction, then such leasing transactions are classified by Group under financial leasing. Other leasing transactions are classified as operational leasing.

***Group as a Lessee***

Financial leasing transactions are recognized at the lower of market value of leased asset or present value of the minimum financial leasing payments. Lease payments are treated as if they include principal and interest. Principal lease payments are recognized as a liability in the balance sheet and decreased progressively as they are paid. Interest payments are recognized in the income statement during the financial leasing term. Tangible fixed assets acquired through financial leasing are amortized during the estimated useful life of the asset. Net book value of the assets subject to financial leasing are discussed .

***Company as a tenant***

Since rights to lands leased to develop investment property are classified as investment property, rights to these lands are accounted for in the same way as in finance leases. For this reason, the discounted values of the rents to be paid for these lands are accounted for in the “Financial borrowings” account as operating lease borrowings in the individual financial statements.

**Finance leases**

Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property after tax advantages or incentives have been deducted, or the present value of the minimum lease payments. Principal lease payments are recorded as a payable and are reduced as paid; the interest element is charged to the statement of income as expense during the lease period. Property, plant and equipment acquired under finance leases are depreciated over the estimated useful life of the asset (Note 6).

**Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a considerable 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. Investment income earned by the temporary investment of the part of the borrowing not yet used is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

**Corporate income tax**

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

The adjustments related to prior period tax liabilities are recognized in other operating expenses. Deferred income tax is recognized in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In case, when the tax is related to items recognized directly in equity or in other comprehensive income, the tax is also recognized in equity.

Deferred income tax is provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes with the enacted tax rates as of the balance sheet date.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

Deferred income tax assets or liabilities are reflected to the financial statements to the extent that they will provide an increase or decrease in the taxes payable for the future periods where the temporary differences will be reversed, using tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred income tax liabilities are recognized for all taxable temporary differences, where deferred income tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. To the extent that deferred income tax assets will not be utilized, the related amounts have been deducted accordingly.

**Employee benefits / retirement pay provision**

*Retirement pay provision*

Under the Turkish Labor Law and union agreements, severance payments are made to employees retiring or involuntarily leaving their companies. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard No: 19 (revised) “Employee Benefits” (“IAS 19”). The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses (Note 16).

*Unused leave rights*

The unused vacation rights accrued in the financial statements represent the estimated total provision for the possible future liabilities related to the unused vacation days of the employees as of the balance sheet date (Note 14).

**Operating expenses**

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin. Expenditure for warranties is recognized and charged against the associated provision when the related revenue is recognized.

**Offsetting**

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

**Foreign currency transactions**

Transactions in foreign currencies during the periods have been translated at the exchange rates prevailing at the dates of these transactions. Balance sheet items denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates. The foreign exchange gains and losses are recognized in the income statement.

The year-end rates are shown below:

	<b>30.06.2022</b>
<hr/>	
<i>Currency purchase</i>	
USD	16,6690
EURO	17,5221
<i>Currency sale</i>	
USD	16,6991
EURO	17,5536

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

**Provisions**

Provisions are recognized when, and only when the Group has a present obligation as a result of a past event and 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. Provisions are recognized by the amortized amount as of balance sheet date in case that the monetary loss is material. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate (Note 14).

**Commitments and contingencies**

Transactions that may give rise to contingencies and commitments are those where the outcome and the performance of which will be ultimately confirmed only on the occurrence or non-occurrence of certain future events, unless the expected performance is remote. Accordingly, contingent losses are recognized in the financial statements if a reasonable estimate of the amount of the resulting loss can be made. Contingent gains are reflected only if it is probable that the gain will be realized (Note 15).

**Statement of cash flows**

Cash flows during the period are classified and reported by operating, investing and financing activities in the consolidated cash flow statements. Cash flows from operating activities represent the cash flows of the Group generated from main activities. Cash flows related to investing activities represent the cash flows that are used in or provided from the investing activities of the Group (investments in property, plant and equipment and financial investments). Cash flows arising from financing activities represent the cash proceeds from the financing activities of the Group and the repayments of these funds. Cash and cash equivalents comprise cash on hand and bank deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash with maturities equal or less than three months and which are subject to an insignificant risk of changes in value.

**Subsequent Events**

Subsequent events cover any events which arise between the reporting date and balance sheet date, even if they occurred after any declaration of the net profit for the period or specific financial information publicly disclosed. Amounts recognized in the financial statements are adjusted to reflect adjusting subsequent events.

In the case that events require a correction to be made occur subsequent to the balance sheet date, the Group makes the necessary corrections to the financial statements. Moreover, the events that occur subsequent to the balance sheet date and not require a correction to be made are disclosed in accompanying notes, when they may affect decision of making of users of financial statements (Note 28).

**Repurchased shares**

In case the entity acquires its own shares within the scope of paragraph 33 of TAS 32, the purchase price of these shares is deducted from equity and shown in the “Repurchased Shares (-)” item. In case the shares are purchased by other parties included in the consolidation, the shares purchased are included in this scope, but these amounts are shown in the “Mutual Participation Capital Adjustment” item within the scope of TAS 32, the differences arising as a result of the purchase and sale of repurchased shares are not shown in profit or loss (Note 19).

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

**2.8) New and Revised Standards and Comments**

The accounting policies used in the preparation of the consolidated financial statements for the accounting period ending on 30 June 2021 have been applied consistently with those used in the previous year, except for the new and amended TAS / TFRS and TAS / TFRS interpretations valid as of 1 January 2020, which are summarized below.

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

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

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

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

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

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

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

Separate identification of risk components

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

Additional Remarks

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

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

---

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

The change in question did not have a material impact on the consolidated financial position or performance of the Group..

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

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

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

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

#### **ii) Standards published but not yet effective and not early adopted**

The new standards, interpretations and amendments that have been published as of the approval date of the financial statements but have not yet entered into force for the current reporting period and have not been implemented early by the Company are as follows. Unless stated otherwise, the company will make the necessary changes that will affect its financial statements and footnotes after the new standards and interpretations come into force.

#### **TFRS 10 and TAS 28: Asset Sales or Contributions by Investor Entities to Associates or Joint Ventures – Amendment**

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

#### **TFRS 17 – New Insurance Contracts Standard**

In February 2019, KGK published TFRS 17, a comprehensive new accounting standard covering recognition and measurement, presentation and disclosure for insurance contracts. TFRS 17 introduces a model that provides both the measurement of liabilities arising from insurance contracts with current balance sheet values and the recognition of profits throughout the period in which the services are provided. TFRS 17 will be applied for annual accounting periods beginning on or after 1 January 2023. Early application is permitted. It will not have an impact on the consolidated financial position or performance of the Group.

#### **Classification of liabilities as short-term and long-term (TMS 1 Amendments)**

On March 12, 2020, KGK made amendments to the “TMS 1 Presentation of Financial Statements” standard. These amendments, which are effective for the annual reporting periods beginning on or after January 1, 2023, clarify the criteria for long and short term classification of liabilities. Changes made should be applied retrospectively according to TMS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”. Early application is permitted. The effects of the said change on the consolidated financial position and performance of the Group are being evaluated.

#### **Changes to TFRS 3 – Change to References to the Conceptual Framework**

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

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

2018) at the same time or earlier. The effects of the said change on the consolidated financial position and performance of the Group are being evaluated.

**Changes in TMS 16 - Adaptation for intended use**

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

**Amendments to TAS 37 - Economically disadvantageous contracts - Costs of fulfilling the contract**

In July 2020, KGK made amendments to TMS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendment made in TMS 37, which will be applied for annual accounting periods beginning on or after January 1, 2022, has been made to determine the costs to be taken into account when assessing whether a contract is "disadvantaged" or "disadvantaged" from an economic point of view, and includes "directly related costs". includes the implementation of the approach. Changes should be applied retrospectively for contracts for which the entity has not fulfilled all of its obligations at the beginning of the annual reporting period (first application date) in which the changes will be applied for the first time.

Early application is permitted. The effects of the said change on the consolidated financial position and performance of the Group are being evaluated.

**Annual Improvements - 2018-2020 Period**

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

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

All of the improvements made will be applied for annual accounting periods beginning on or after January 1, 2022. Early application is permitted. The effects of these changes on the consolidated financial position and performance of the Group are being evaluated.

**iii) New and revised standards and interpretations published by the International Accounting Standards Institution (UMSK) but not by KGK**

The new standards, interpretations and amendments to existing IFRS standards listed below have been published by the UMSK but have not yet entered into force for the current reporting period. However, these new standards, interpretations and amendments have not yet been adapted/published to TFRS by KGK and therefore do not form a part of TFRS. The company will make the necessary changes in its financial statements and footnotes after these standards and interpretations become effective in TFRS.

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**IAS 8 Amendments – Definition of Accounting Estimates**

In February 2021, UMSK published amendments to UMS 8 that introduce a new definition for "accounting estimates". The amendments published for UMS 8 are valid for annual accounting periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and correction of errors. It also clarifies how businesses can use measurement techniques and inputs to improve accounting estimates. The amended standard clarifies that the effects of a change in input or a change in a measurement technique on the accounting estimate are changes in accounting estimates unless they result from a correction for prior period errors. The previous definition of change in accounting estimate stated that changes in accounting estimates could result from new information or new developments. Therefore, such changes are not considered as corrections of errors. This aspect of the definition has been preserved by the UMSK. Generally speaking, the Group does not expect a material impact on the consolidated financial statements.

**Amendments to IAS 1 and IFRS Application Notice 2 – Presentation of Accounting Policies**

In February 2021, UMSK published changes to UMS 1 and IFRS Application Notice 2 for Making Materiality Estimates, where it provides guidance and examples to help businesses apply materiality estimates to their accounting policy disclosures. The amendments published in UMS 1 are valid for annual accounting periods beginning on or after 1 January 2023. Due to the lack of a definition of the term "significant" in IFRS, UMSK has decided to replace this term with the term "significant" in the context of disclosure of accounting policy information. 'Significant' is a term defined in IFRS and is widely understood by financial statement users, according to the UMSK. When assessing the materiality of accounting policy information, entities need to consider both the size of transactions, other events or conditions, and their nature. In addition, examples of situations in which the entity may consider accounting policy information to be important are included. Generally speaking, the Group does not expect a material impact on the consolidated financial statements.

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

In May 2021, IASB published amendments to UMS 12 that narrow the scope of the initial recognition exemption and thus ensure that the exemption is not applied to transactions that result in equal taxable and deductible temporary differences. Amendments to UMS 12 are valid for annual accounting periods beginning on or after 1 January 2023. Changes require a judgment (given applicable tax law) whether such deductions are attributable to the recognized liability (and interest expense) or related asset component (and interest expense) for tax purposes when payments made on a liability are tax deductible. clarifies the issue. This judgment is important in determining whether there is any temporary difference in initial recognition of the asset and liability. Generally speaking, the Group does not expect a material impact on the consolidated financial statements.

**NOTE 3 - BUSINESS COMBINATIONS**

Reysaş Tourism purchased 100% of the shares of Rey Hotel, which engage in operation of hotels and accommodation facilities, for TRY 560,167 on the basis of the valuation report issued by Bizim Menkul Değerler A.Ş. Rey Hotel is carrying out the operations of Erzincan hotel included in the portfolio of Reysaş REIT, and Erzincan hotels included in Reysaş Tourism.

This transaction in the nature of a combination of jointly controlled business is recognized by accounting through "Pooling of Interests" pursuant to Decision of Public Oversight Agency numbered 2013-2. Accordingly, assets and liabilities of Rey Hotel are recognized at cost, and the difference between the consideration paid and the net assets amount is recognized in the account "Effect of Combination of Jointly Controlled Businesses".

Total Current Assets	4.452.278
Total Fixed Assets	462.552
Total Short-Term Liabilities	(5.469.832)
Total Long-Term Liabilities	(154.836)
<b>Net Assets Acquired</b>	<b>(709.838)</b>
Purchasing Price	560.167
<b>Effect of Combinations of Jointly Controlled Businesses</b>	<b>(1.270.005)</b>



(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

**NOTE 4 – SEGMENT REPORTING**

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments. A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

A reportable segment is a business segment, or a geographical segment identified based on the foregoing definitions for which segment information is required to be disclosed. A business segment or geographical segment should be identified as a reportable segment if a majority of its revenue is earned from sales to external customers and its revenue from sales to external customers and from transactions with other segments is 10% or more of the total revenue, external and internal, of all segments; or its segment result, whether profit or loss, is 10% or more of the combined result of all segments in profit or the combined result of all segments in loss, whichever is the greater in absolute amount; or its assets are 10% or more of the total assets of all segments.

Group mainly carries out operations in five core areas: Main business lines of the Group include Real Estate, Transportation, Warehousing, and Logistics Services. Other business lines include Vehicle Inspection Services, Tobacco Products Distribution and Marketing, and Hotel Management.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

01.01-30.06.2022	Real Estate Rent Operations	Transport, Warehousing, Logistics Services	Vehicle Inspection Service Operations	Tobacco Products Dist. and Mrkt. Operations	Hotel Management	Eliminations	30.06.2021 Income Statements
Revenues	251.045.015	403.588.805	89.806.017	94.174.513	17.172.712	(73.968.137)	781.818.925
Cost of Sales (-)	(52.436.461)	(279.838.909)	(87.919.557)	(92.549.174)	(13.564.004)	76.021.125	(450.286.980)
<b>Gross Profit (Loss)</b>	<b>198.608.554</b>	<b>123.749.895</b>	<b>1.886.460</b>	<b>1.625.339</b>	<b>3.608.707</b>	<b>2.052.990</b>	<b>331.531.945</b>
Marketing Expenses (-)	(250.262)	--	--	(1.605.062)	--	--	(1.855.324)
General Administrative Expenses (-)	(2.803.250)	(21.772.438)	(2.324.891)	(266.638)	(1.927.402)	(2.052.9)	(31.147.610)
Other Operating Incomes	13.964.783	39.888.129	14.348.445	3.836.444	1.851.580	(40.011.6)	33.877.704
Other Operating Expenses (-)	(21.305.682)	(45.367.922)	(18.187.019)	(86.820)	(474.075)	(92.677. 202)	(178.098.720)
<b>Operating Profit / (Loss)</b>	<b>188.214.144</b>	<b>96.497.664</b>	<b>(4.277.004)</b>	<b>3.503.263</b>	<b>3.058.810</b>	<b>(132.688.881)</b>	<b>154.307.996</b>
Income from Investing Activities	3.781.804	--	--	--	--	--	3.781.804
Profit/Loss Shares from Investments Valued by Equity Method	5.427.302	--	--	--	--	--	5.427.302
<b>Operating Profit / Loss Before Financing Expenses</b>	<b>197.423.250</b>	<b>96.497.664</b>	<b>(4.277.004)</b>	<b>3.503.263</b>	<b>3.058.810</b>	<b>(132.688.881)</b>	<b>163.517.102</b>
Financial Income	106.954.968	--	--	--	--	43.096.147	150.051.115
Financial Expenses (-)	(243.912.611)	(23.242.423)	(3.044.160)	(580.815)	(654.606)	92.677.202	(178.757.413)
<b>Profit/Loss Before Tax From Continuing Operations</b>	<b>60.465.607</b>	<b>73.255.241</b>	<b>(7.321.164)</b>	<b>2.922.448</b>	<b>2.404.204</b>	<b>3.084.468</b>	<b>134.810.804</b>
<b>Tax expense/ income from continued operations</b>							
- Tax Expense / Income for the Period	(997.472)	--	--	--	--	(16.859.574)	(17.857.046)
- Deferred Tax Expense(-)/Income	(107.888)	(2.414.092)	2.702.301	(68.683)	(248.378)	2.839.041	2.702.301
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>	<b>59.360.247</b>	<b>70.841.149</b>	<b>(4.618.863)</b>	<b>2.853.766</b>	<b>2.155.827</b>	<b>(10.936.067)</b>	<b>119.656.059</b>
- Total Assets	5.919.838.426	1.195.982.329	213.501.467	47.143.447	120.934.826	(3.420.310.427)	4.077.090.068
- Total Liabilities	1.909.695.391	528.425.137	166.583.832	23.809.565	27.159.901	(327.704.118)	2.327.969.708
<b>TOTAL EQUITY</b>	<b>4.010.143.036</b>	<b>667.557.191</b>	<b>46.917.635</b>	<b>23.333.881</b>	<b>93.774.926</b>	<b>(3.349.530.11)</b>	<b>1.492.196.555</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

01.01-30.06.2021	Real Estate Rent Operations	Transport, Warehousing, Logistics Services	Vehicle Inspection Service Operations	Total	Eliminations	30.06.2020 Income Statements
Revenues	151.644.371	197.366.454	66.740.685	69.669.001	6.638.093	(24.939.583)
Cost of Sales (-)	(37.796.097)	(170.105.811)	(73.090.750)	(68.525.520)	(5.813.726)	19.510.547
<b>Gross Profit (Loss)</b>	<b>113.848.274</b>	<b>27.260.643</b>	<b>(6.350.0)</b>	<b>1.143.481</b>	<b>824.367</b>	<b>(5.429.036)</b>
Marketing Expenses (-)	--	--	--	(986.937)	(109.822)	--
General Administrative Expenses (-)	(2.762.514)	(3.702.641)	(643.478)	(184.959)	(4.414.996)	87.685
Other Operating Incomes	4.283.245	8.511.391	32.187.4	1.411.120	56.627	(20.521)
Other Operating Expenses (-)	(2.431.281)	(3.259.982)	(32.206.217)	(996.750)	(64.378)	18.255
<b>Operating Profit / (Loss)</b>	<b>112.937.724</b>	<b>28.809.411</b>	<b>(7.012.268)</b>	<b>385.955</b>	<b>(3.708.202)</b>	<b>(5.343.617)</b>
Income from Investing Activities						
Expenses from Investing Activities (-)	302.219	902.320	--	--	--	--
Profit/Loss Shares from Investments Valued by Equity Method	(2.274.141)	--	--	--	--	2.511.364
<b>Operating Profit / Loss Before Financing Expenses</b>	<b>110.965.802</b>	<b>29.711.731</b>	<b>(7.012.268)</b>	<b>385.955</b>	<b>(3.708.202)</b>	<b>(2.832.253)</b>
Financial Income	30.723.645	10.189.894	4.330.199	16.325	--	(8.547.112)
Financial Expenses (-)	(156.422.650)	(31.371.146)	(4.199.249)	(429.364)	(617.437)	8.547.112
<b>Profit/Loss Before Tax From Continuing Operations</b>	<b>(14.733.203)</b>	<b>8.530.479</b>	<b>(6.881.318)</b>	<b>(27.084)</b>	<b>(4.325.639)</b>	<b>(2.832.253)</b>
<b>Tax expense/ income from continued operations</b>						
- Tax Expense / Income for the Period	(189.483)	(3.452.996)	--	--	--	--
- Deferred Tax Expense(-)/Income	(483.820)	174.677	5.804.053	40.318	69.948	--
<b>NET PROFIT/(LOSS) FOR THE PERIOD</b>	<b>(15.406.506)</b>	<b>5.252.160</b>	<b>(1.077.265)</b>	<b>13.234</b>	<b>(4.255.691)</b>	<b>(2.832.253)</b>
- Total Assets	1.578.259.490	989.085.024	111.305.346	33.192.827	4.003.064	(119.161.899)
- Total Liabilities	(1.510.268.933)	(412.795.781)	(63.663.256)	(14.615.352)	(13.566.026)	111.525.836
<b>TOTAL EQUITY</b>	<b>67.990.557</b>	<b>576.289.243</b>	<b>47.642.090</b>	<b>18.577.475</b>	<b>(9.562.962)</b>	<b>(7.636.061)</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 5 – RELATED PARTY TRANSACTIONS**

<b>Trade Receivables From Related Parties</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Reysaş Antrepo İşletmesi A.Ş.	--	285.347
Other	85.678	871.288
	<b>85.678</b>	<b>1.156.635</b>

For the Group's current trade and notes receivables from related companies, an annual interest rate of 10% - 14.29% is applied in TL.

<b>Other Receivables From Related Parties</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Egemen Oto Kiralama A.Ş.	8.108.391	9.525.323
Other	--	--
	<b>8.108.391</b>	<b>9.525.323</b>

<b>Other Current Assets Related Parties</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Advances given to personnel	--	--
	--	--

<b>Trade Payables To Related Parties</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Persco Personel Tedarik Yönetimi	6.812.568	6.150.464
Other	--	1.523.168
	<b>6.812.568</b>	<b>7.673.632</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>Other Payables To Related Parties</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Egemen Döven	--	1.279.395
Arı Lojistik İnşaat San. ve Ticaret A.Ş. (*)	9.198.710	11.636.562
Egemen İnşaat A.Ş.	--	1.523.621
Other		
	2.287.834	1.302.743
	<b>11.486.544</b>	<b>15.742.321</b>

(\*) Other payables as of 30.06.2021 with Arı Lojistik İnşaat San. and Ticaret A.Ş. are due to financing

relationship. Purchases from Related Parties in the Period of 01.01.-30.06.2022:

	<b>Service</b>	<b>Transport</b>	<b>Rent</b>	<b>Other</b>	<b>Investment</b>	<b>Total</b>
Rey Otel Tur. İş. Ve Tic.A.Ş.	7.085.000	--	--	--	7.085.000	7.085.000
Reysaş Gayrimenkul Yatırım Ort. A.Ş	1.664.243	--	32.670.424	11.968.453	46.303.120	1.664.243
Reysaş Taşıt Muayene İst. A.Ş	8.907.500	--	--	4.9	13.810.227	8.907.500
Diğer	--	--	133.812	329.656	463.468	--
<b>Total</b>	<b>17.656.743</b>	<b>--</b>	<b>32.804.236</b>	<b>17.200.835</b>	<b>67.661.815</b>	<b>17.656.743</b>

Sales to Related Parties in the Period of 01.01.-30.06.2022:

	<b>Service</b>	<b>Transport</b>	<b>Rent</b>	<b>Other</b>	<b>Total</b>
Rey Otel Tur. İş. Ve Tic.A.Ş.	14.691	3.304	--	1.076.131	1.094.126
Reysaş Gayrimenkul Yatırım Ort. A.Ş	885.000	2.621.340	--	156.295	3.662.635
Diğer	160.221	--	--	1.389.339	1.549.560
<b>Total</b>	<b>1.059.911</b>	<b>2.624.644</b>		<b>2.621.766</b>	<b>6.306.321</b>

Purchases from Related Parties in the Period of 01.01.-30.06.2021:

	<b>Service</b>	<b>Transport</b>	<b>Rent</b>	<b>Other</b>	<b>Investment</b>	<b>Total</b>
Egemen Oto Kiralama A.Ş.	--	--	3,799,880	24,132	3,604,316	7,428,328
Persco Personel Tedarik Yön.Dan.Tic.Ltd.Şti.	21,550,764	--	--	436,337	--	21,987,101
Reyline Uluslararası Taş.Aş.	--	37,532,835	--	--	--	37,532,835
Other	97,257	--	210,311	229,356	--	536,924
<b>Total</b>	<b>21,648,021</b>	<b>37,532,835</b>	<b>4,010,191</b>	<b>689,825</b>	<b>3,604,316</b>	<b>67,485,188</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

Sales to Related Parties in the Period of 01.01.-30.06.2021:

	Service	Transport	Rent	Other	Total
Reyline Uluslararası Taş.Aş.	174,102	1,138,060	1,921,233	572,053	3,805,448
Reysaş Antrepo İşletmesi Anonim Şirketi	--	--	2,668,902	160,447	2,829,349
Emir İstif Makinaları Sanayi Ve Ticaret A.Ş.	--	--	1,540,143	--	1,540,143
Other	--	--	293,989	534,159	828,148
<b>Total</b>	<b>174,102</b>	<b>1,138,060</b>	<b>6,424,267</b>	<b>1,266,659</b>	<b>9,003,088</b>

**Remuneration of board of directions and executive management:**

The total benefits provided by the Group to its board of directors and executive management during the periods ended June 30, 2022 are TL 532.800 (June 30, 2021: TL 467.660)

**NOTE 6 - CASH AND CASH EQUIVALENTS**

	30.06.2021	31.12.2020
Cash		
- Turkish Lira	416.552	393.112
- Foreign currency	2.323	1.101
Banks - Demand deposits		
- Turkish Lira	16.012.926	6.493.343
- Foreign currency	65.806.554	73.233.046
Banks – Time deposits		
- Turkish Lira	378.857.614	133.887.522
- Foreign currency	15.252.202	222.838.102
Deferred financing expenses (-)	4.406.069	--
Other liquid assets		
- Turkish Lira		
	4.634.264	3.214.667
	<b>485.388.503</b>	<b>440.060.893</b>

(\*) The details of time deposits are as follows:

30 June 2022	Average Maturity	Interest Rate	TL Equivalent
TL	1-6 days	%18,00-%19,30	378.857.61
USD	3-30 days	%0,05-	15.252.20
<b>Total</b>			<b>394.109.81</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>31 Aralık 2020</b>	<b>Average Maturity</b>	<b>Interest Rate</b>	<b>Amount in Foreign currency</b>	<b>TL Equivalent</b>
TL	1-35 days	% 17,00-% 25,00	--	133.887.522
USD	3-30 days	% 0,05-	9.168.064	122.201.12
EURO	3 days	% 0,01 -	6.670.576	100.636.979
<b>Total</b>				<b>356.725.624</b>

**NOTE 7 - FINANCIAL INVESTMENTS**

The Group's short-term financial investments classified as other financial assets measured at fair value through profit or loss as of 30 June 2022 and 31 December 2021 are as follows:

**Other Financial Assets Measured at Fair Value through Profit/Loss**

	<b>30 June 2022</b>	<b>31 December 2021</b>
BRL Liquid Fund	4.982.153	--
<b>Total</b>	<b>4.982.153</b>	<b>--</b>

**NOTE 8 - FINANCIAL LIABILITIES**

As of 30 June 2022 and 31 December 2021, the Group's short and long term financial liabilities are as follows:

<b>Short Term Financial Liabilities</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Bank loans	258.797.080	287.497.601
Short-term portion of long-term bank loans	423.465.423	651.842.468
Financial lease liabilities, net	43.137.257	27.513.995
	<b>725.399.760</b>	<b>966.854.064</b>
<b>Long Term Financial Liabilities</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Bank loans	1.322.817.455	934.760.411
Financial lease liabilities, net	81.005.297	29.495.451
	<b>1.403.822.752</b>	<b>964.255.862</b>

The breakdown of financial liabilities by currency is as follows:

<b>Short Term Financial Liabilities</b>	<b>30.06.2022</b>		<b>31.12.2021</b>	
TL Bank loans	--	455.773.452	--	598.448.950
ABD\$ Bank loans	--	--	8.329.576	111.224.831
AVRO Bank loans	12.925.908	226.489.050	15.195.700	229.666.288
		<b>682.262.503</b>		<b>939.340.069</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>Long Term Financial Liabilities</b>	<b>30.06.2022</b>		<b>31.12.2021</b>	
TL Bank loans	--	1.134.484.993	--	668.002.810
ABD\$ Bank loans	--	--	4.783.156	63.869.484
AVRO Bank loans	10.748.281	188.332.462	13.423.942	202.888.117
		<b>1.322.817.455</b>		<b>934.760.411</b>

The repayment of Group’s bank loans is as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Payable in 0-3 months	177.618.075	327.545.315
Payable in 4-12 months	533.698.295	611.794.754
Payable in 1-5 years	1.248.727.843	910.420.614
Payable in a period longer than 5 years	45.035.745	24.339.797
	<b>2.005.079.958</b>	<b>1.874.100.480</b>

The repayment of Group’s financial lease is as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Payable in 0-3 months	9.773.624	7.294.721
Payable in 4-12 months	33.363.633	20.219.273
Payable in 1-5 years	81.005.297	29.495.452
	<b>124.142.553</b>	<b>57.009.446</b>

The effective interest (internal rate of return)\* rates of financial debts are as follows:

	<b>30.06.2021</b>	<b>31.12.2020</b>
TL Bank loans	% 7,84 - % 24,73	% 9,90 - % 37,88
EURO Bank loans	% 4,38 - % 5,48	% 2,23 - % 8,98

\* Internal rate of return; It is the ratio that equates the present value of cash inflows in a project to the present value of cash outflows. Therefore, the internal rate of return announced for bank loans and financial leasing obligations does not represent the interest rate used in loans and leasing.

The amount of the guarantees given by the Group for its financial debts is given in footnote 17.



(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

The financial ratios of the Group as of 30 June 2022 and 31 December 2021 are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
	81%	
Current rate		58%
Current ratio	57%	46%
Financial Leverage Ratio	63%	67%
Financing Rate	173%	205%

**NOTE 9 –TRADE RECEIVABLES AND PAYABLES**

	<b>30.06.2022</b>	<b>31.12.2021</b>
Trade receivables		
-Non-Group trade receivables	122.707.986	108.164.11
-Trade receivables from related parties (Note 5)	85.678	1.156.635
Notes receivables	1.214.999	4.534.195
Discount on trade receivables (-)	(18.802.137)	(2.737.33)
Doubtful trade receivables	20.328.903	21.965.254
Provision for doubtful trade receivables (-)		
	(20.391.434)	(21.965.254)
	<b>105.143.995</b>	<b>111.117.602</b>

The Group makes impairment reserves for bad debts on the basis of customers. Amount of loss reserves comprise of receivables which may not be collected from the relevant customers. The movement of provisions for doubtful receivables in the periods ended 30.06.2021 and 30.06.2020 is as follows:

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>
1 January	21.965.254	20.204.741
Provisions for the period (Notes 22)	120.600	777.110
Receivables collected during the period (-) (Note 22)	(1.693.977)	983.846
Waived receivables which are uncollectible		
	(443)	(443)
<b>End of the period</b>	<b>20.391.434</b>	<b>21.965.254</b>

	<b>30.06.2022</b>	<b>31.12.2021</b>
Trade payables		
-Non-Group trade receivables	27.036.320	45.691.454
-Trade receivables to related parties (Note 5)	6.812.568	7.673.632
Note payables	6.933.428	7.234.193
Discount on trade payables (-)	(3.653.722)	(858.655)
Other	1.160.442	138
	<b>38.289.035</b>	<b>59.740.762</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 10 – OTHER RECEIVABLES AND PAYABLES**

<b>Short Term Other Receivables</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Deposits and guarantees given	702.702	2.500.178
Other receivables from related parties (Note 5)	8.108.391	9.525.323
Other Doubtful receivables	2.273.167	2.273.167
Provision for Other doubtful receivables (-)	(2.273.167)	(2.273.167)
Other	5.182.465	6.633.298
	<b>13.993.558</b>	<b>18.658.799</b>

<b>Long Term Other Receivables</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Deposits and guarantees given	3.707.647	1.537.422
	<b>3.707.647</b>	<b>1.537.422</b>

<b>Short Term Other Payables</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Deposits and guarantees received	14.045.359	3.980.336
Taxes and funds payable	33.163.807	12.822.91
Other receivables to related parties (note 5)	11.486.544	15.742.321
Deferred payable to public sector in installments (*)	2.776.977	2.216.227
Other	--	160.779
	<b>61.472.687</b>	<b>34.922.579</b>

<b>Long Term Other Payables</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Deferred payable to public sector in installments (*)	24.129.000	15.388.557
	<b>24.129.000</b>	<b>15.388.557</b>

(\*) As of 30.06.2022, installment debts consist of property tax debts belonging to past periods that must be paid to municipalities in accordance with the “law on restructuring some receivables and amending some laws” No. 7256.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

#### NOTE 11 – INVESTMENT ACCOUNTED BY USING EQUITY METHOD

##### Subsidiaries and Affiliates

As of 30 June 2022 and 31 December 2021, the book values of the Group's subsidiaries/affiliates in the balance sheet are as follows:

	30.06.2021		31.12.2020	
	Amount	%	Amount	%
Arı Lojistik (*)	72.092.480	50.00	77.159.566	50.00
	<b>72.092.480</b>		<b>77.159.566</b>	

(\*) Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş., acquired the 16% shares of Arı Lojistik İnşaat Sanayi ve Ticaret A.Ş., a subsidiary of the Parent Company, Reysaş Taşımacılık ve Lojistik Ticaret A.Ş., with a nominal value of TL 1.525.305, at a price of TL 4.127.642, with the board resolution of 22 February 2011.

(\*) Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş., acquired the 16% shares of Arı Lojistik İnşaat Sanayi ve Ticaret A.Ş., a subsidiary of the Parent Company, Reysaş Taşımacılık ve Lojistik Ticaret A.Ş., with a nominal value of TL 1.525.305, at a price of TL 4.127.642, with the board resolution of 22 February 2011.

In accordance with the Board of resolution, on 28 March 2013, the Company acquired 33% of the shares of Arı Lojistik İnşaat Sanayi ve Ticaret A.Ş., which is the subsidiary of the Parent Company, Reysaş Taşımacılık ve Lojistik Ticaret A.Ş. at TL16.836.000, having a nominal value of TL 3.050.000, based on the assessment made by the independent valuers. As a result of the said purchase, Reysaş Taş. ve Loj. Tic. A.Ş. did not own any shares of Arı Lojistik İnş. San. ve Tic. A.Ş. any more and the shareholding of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. became 50%.

Financial statement summary information of the investments accounted by using the equity method is as follows:

	30 June 2022				
	Total Assets	Total Payables	Equity	Net Sales	Profit / (Loss)
Arı Lojistik	182.695.549	(38.723.175)	143.972.374	7.589.762	7.563.609

	30 June 2021				
	Total Assets	Total Payables	Equity	Net Sales	Profit / (Loss)
Arı Lojistik	74.371.710	(14.540.097)	59.831.612	2.054.262	474.447

Arı Lojistik	30.06.2022 Tutarı	31.12.2021 Tutarı
	182.695.549	
Total Assets		194.432.027
Total Liabilities	(38.723.175)	
		(40.112.895)
<b>Net Assets</b>	<b>143.972.374</b>	<b>154.319.132</b>

Value of Subsidiary in GYO by Equity Method (50%)

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

As of June 30, 2022 and June 30, 2021, the movements of Arı Logistics are as follows:

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>
Balances as of 1 January	77.159.566	29.678.583
Share of Subsidiary in Period Profit / (Loss)	(5.067.086)	237.223
<b>Total</b>	<b>72.092.480</b>	<b>29.915.806</b>

**NOTE 12 – INVESTMENT PROPERTIES**

The movements in investment properties for the periods ended 30 June 2022 and 31 December 2021 are as follows:

<b>Cost</b>	<b>31.12.2020</b>	<b>Additions</b>	<b>30.06.2021</b>
Lands	448.062.833	127.727.26	575.790.096
Buldings	892.113.939	160.306.124	1.052.420.06
<b>Total</b>	<b>1.340.176.772</b>	<b>255.887.089</b>	<b>1.628.210.159</b>
<b>Accumulated depreciation (-)</b>	<b>31.12.2020</b>	<b>Additions</b>	<b>30.06.2021</b>
Buildings	122.783.684	256.987.949	379.771.633
<b>Total</b>	<b>122.783.684</b>	<b>256.987.949</b>	<b>379.771.633</b>
<b>Net book value</b>	<b>1.217.393.088</b>		<b>1.248.438.526</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 13 – PROPERTY, PLANT AND EQUIPMENT**

The movements in tangible fixed assets and accumulated depreciations for the periods ended 30 June 2022 and 31 December 2021 are as follows:

	<b>31.12.2021</b>	<b>Additions</b>	<b>Disposals (-)</b>	<b>30.06.2022</b>
Lands	316.631.593	227.012.205	--	543.643.798
Infrastructure and land improvements	10.111.942	--	(21.581)	10.090.361
Buildings	526.526.611	--	--	526.526.611
Property, plant and equipment	138.658.227	--	(39.694.058)	98.964.169
Vehicles	532.090.243	20.989.840	--	553.080.083
Furniture and fittings	28.703.285	7.985.969	--	36.689.254
Construction in progress	25.495.266	190.213.122	--	215.708.388
Leasehold improvements	1.127.971	--	(1.127.971)	--
<b>Cost</b>	<b>1.579.345.138</b>	<b>446.201.136</b>	<b>(40.843.610)</b>	<b>1.984.702.665</b>
Infrastructure and land improvements	2.765.130	105.186	--	2.870.316
Buildings	28.473.551	--	(27.548.627)	924.924
Property, plant and equipment	45.554.583	--	(15.153.858)	30.400.725
Vehicles	70.012.348	10.243.802	--	80.256.150
Furniture and fittings	12.314.101	1.778.194	--	14.092.295
Construction in progress	909.027	1.016.003	--	1.925.030
<b>Accumulated Depreciations (-)</b>	<b>160.028.740</b>	<b>13.143.185</b>	<b>(42.702.485)</b>	<b>130.469.440</b>
<b>Net Book Value</b>	<b>1.419.316.398</b>			<b>1.854.233.225</b>

As of 30 June 2022, the total amount of insurance coverage provided on buildings is TL 2.152.271.684 (31 December 2020: TL 1.295.417.653).

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

	<b>31.12.2020</b>	<b>Girişler</b>	<b>Çıkışlar (-)</b>	<b>Yeniden Değerleme</b>	<b>31.12.2021</b>
Lands	236.269.665	318.930	--	80.042.998	316.631.593
Infrastructure and land improvements	10.111.942	--	--	--	10.111.942
Buildings	310.878.244	1.824.647	--	213.823.720	526.526.611
Property, plant and equipment	120.574.804	28.404.381	(10.320.958)	--	138.658.227
Vehicles	330.714.573	5.681.690	(8.039.451)	203.733.431	532.090.243
Furniture and fittings	14.668.636	14.034.649	--	--	28.703.285
Construction in progress	56.047.043	55.509	(30.607.286)	--	25.495.266
Leasehold improvements	963.050	164.921	--	--	1.127.971
<b>Cost</b>	<b>1.080.227.957</b>	<b>50.484.727</b>	<b>(48.967.695)</b>	<b>497.600.149</b>	<b>1.579.345.138</b>
Lands	2.562.955	202.175	--	--	2.765.130
Infrastructure and land improvements	27.932.578	540.973	--	--	28.473.551
Buildings	33.012.744	12.904.491	(362.652)	--	45.554.583
Property, plant and equipment	62.596.722	9.747.601	(2.331.975)	--	70.012.348
Vehicles	10.545.335	1.768.766	--	--	12.314.101
Furniture and fittings	876.200	32.827	--	--	909.027
<b>Accumulated Depreciations (-)</b>	<b>137.526.534</b>	<b>25.196.833</b>	<b>(2.694.627)</b>	<b>--</b>	<b>160.028.740</b>
<b>Net Book Value</b>	<b>942.701.423</b>				<b>1.419.316.398</b>

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

The detail of depreciation and amortization expenses related to tangible and intangible assets are allocated as an expense on the basis of income statements accounts is as follows:

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>
Cost of sales (Note 23)	12.827.674	36.425.914
Marketing, selling and distribution expenses	1.855.324	115.14
General administrative expenses	0	1.076
	<b>14.682.998</b>	<b>36.542.134</b>

**Effect of Valuation**

**a) Vehicles Effect of Valuation**

Truck, tow truck, trailer, container and truck beds existing in the portfolio of Reysaş Logistics have been revalued by an independent valuation company authorized by Capital Market Board on 30 November 2020. Vehicles in the portfolio of Reysaş Logistics were revalued as TL 171,819,000, and their total net book value was TL 171,819,000. The arising revaluation differences in the amount of TL 138,468,560 are recognized in the Revaluation Increases (Decreases) of Tangible Fixed Assets account under Shareholders Equity.

Also, 216 wagons and 107 containers in the portfolio of Reysaş Railroads have been revalued on the same date. Vehicles in the portfolio of Reysaş Logistics were revalued as TL 68,309,000, and their total net book value was TL 8,116,560. The arising revaluation differences in the amount of TL 60,192,440 are recognized in the Revaluation Increases (Decreases) of Tangible Fixed Assets account under Shareholders Equity.

**b) Hotels Effect of Valuation**

In 2020, Reysaş Tourism acquired entire shares of Rey Hotel, which engages in the management of hotel and accommodation facilities. Rey Hotel is carrying out the operations of Erzincan hotel included in the portfolio of Reysaş REIT, and Erzincan hotels included in Reysaş Tourism. These properties which were recorded under investment properties in the previous periods were reclassified to tangible fixed assets in the current period since the hotels were put into operation, and were accordingly subjected to revaluation.

The fair values of the Erzincan Hotel in the portfolio of Reysaş Tourism, Eskişehir Hotel in the portfolio of Reysaş REIT, and the lands purchased for hotel construction in Erzurum were reassessed as TL 41,315,000, TRY 101,000,000 and TL 4,250,000, respectively. Revaluation differences in the amount of TL 14,075,595, TRY 66,642,301, and TL 1,145,000 are recognized in the Revaluation Increases (Decreases) of Tangible Fixed Assets account under Shareholders Equity.

**c) Vehicle Inspection Stations Effect of Valuation**

Reysaş Taşıt Muayene, a subsidiary of Company, carries out the management of the privatized vehicle inspection stations.

Vehicle inspection stations in the portfolio of Group were revalued as TL 18,170,000. The arising revaluation differences in the amount of TL 14,637,091 are recognized in the Revaluation Increases (Decreases) of Tangible Fixed Assets account under Shareholders Equity.

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**d) Head Office Effect of Valuation**

Head Office of Group is located in Acıbadem, Üsküdar. It is assumed that, on average, 90% of these properties in the portfolio of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. are being used by Group. The total revalued amount of these real estates amounted to TL 42,000,000, out of which TL 38,124,967 was classified in Tangible Fixed Assets and subjected to revaluation. The arising revaluation differences in the amount of TL 24,027,579 are recognized in the Revaluation Increases (Decreases) of Tangible Fixed Assets account under Shareholders Equity.

**e) Real Estates Used for Logistics Services Effect of Valuation**

The following real estates in the portfolio of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş. are being used by Reysaş Logistics for the Logistics services. In this context, revalued parts of the real estates, with cost amounting to TL 90,423,268, were reclassified as Tangible Fixed Assets, at fair values of TL 311,005,787. The arising revaluation differences in the amount of TL 220,582,519 were recognized in the Revaluation Increases (Decreases) of Tangible Fixed Assets account under Shareholders Equity.

<b>Real Estate</b>	<b>Total Fair Value Amount of Real Estate</b>	<b>Logistics Service-% Percent Use</b>	<b>Logistics Service Fair Value Amount</b>	<b>Logistics ServiceNet Book Value</b>	<b>Fair Value Differences</b>
Adana Depo 156 Ada 2 Parsel	46.040.000	100%	46.040.000	3.990.713	42.049.287
Çayırova 2 Depo 2079 Ada 1 Parsel	124.865.00	61%	75.749.146	2.456.561	73.292.585
Çayırova 10 Depo 2086 Ada 5 Parsel	340.000.000	10%	32.822.168	3.977.187	28.844.981
Çayırova 3 Depo 2085 Ada 3 Parsel	128.000.00	42%	54.386.771	4.659.617	49.727.154
Sakarya Arifiye Pafta 2587 Ada 47 Pars	20.000.000	100%	20.000.000	9.565.000	10.435.00
Sakarya Arifiye Adp.Depo 2587 Ada 46 Parsel	27.500.000	22%	5.914.417	1.877.894	4.036.523
Çayırova 6 Depo 2087 Ada 3 Parsel	43.500.000	13%	5.484.806	1.178.114	4.306.692
Çayırova 9 Depo 2080 Ada 1 Parsel	300.000.000	21%	63.777.511	8.792.043	54.985.468
Ankara-Kazan-Saray Mh. Loj693 Ada 1 Pr	44.500.000	17%	7.527.651	1.378.597	6.149.054
Orhanlı 5 Depo Tuzla 1990 Parsel	250.000.000	9%	21.990.835	3.346.563	18.644.272
Çayırova 12 -2085 Ada 4 Parsel	147.500.00	100%	147.500.00	46.626.568	100.873.43
<b>Total</b>	<b>1.471.905.00</b>		<b>481.193.305</b>	<b>87.848.857</b>	<b>393.344.448</b>

Mortgage established on active values, etc. information is included in Note 17.

**NOTE 14 – INTANGIBLE ASSETS**

The movements in intangible assets and related amortization for the period ended 30 June 2021 and the year ended 31 December 2020 are as follows:

	<b>31.12.2019</b>	<b>Additions</b>	<b>31.12.2020</b>	<b>Additions</b>	<b>30.06.2021</b>
Licenses	157.750	5.081		--	162.831
Computer Software					
	772.134	--		(54.484)	717.650
<b>Cost</b>	<b>929.884</b>	<b>5.081</b>		<b>(54.484)</b>	<b>880.481</b>
Licenses	157.750	--		--	157.750
Computer Software					
	703.095	(695.628)		--	7.467
<b>Accumulated amortization (-)</b>	<b>860.845</b>	<b>(695.628)</b>		<b>--</b>	<b>165.217</b>
<b>Net Book Value</b>	<b>69.039</b>				<b>715.264</b>



**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 15 – INVENTORIES**

As of 30 June 2022 and 31 December 2021, the details of short-term and long-term inventories are as follows:

<b>Short Term Inventories</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Raw Materials	293.159	235.703
Work in Progress	2.342.171	1.219.52
Finished Goods	192.702	192.702
Merchandises	6.907.887	1.593.382
Other Inventories	1.572.487	1.036.338
	<b>11.308.406</b>	<b>4.277.651</b>
<b>Long Term Inventories</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Land inventories		
	34.978.515	29.773.907
	<b>34.978.515</b>	<b>29.773.907</b>

With the Board Decision dated 04/05/2016 and numbered 298, Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş., signed "preliminary contract for real estate sale" with Sur Yapı Endüstri San. Ve Tic. A.Ş. with for the housing project on 10,783,80 m2 residential land located in Sancaktepe, Istanbul and 18.316,57 m2 residential land located in Sancaktepe, Istanbul. The construction was to start in 2016 for being completed within 30 months, on the basis of the "Revenue Sharing". As of 31 December 2019, sales office and sample flat construction are continuing. The project has been launched under the name "Muhit" and the sales process is continuing. As of June 30, 2022, the construction of the Muhit project is complete at the rate of 49% and the construction and sales are continuing.

Istanbul Province Sancaktepe District 9-10 Section 1674 Parcel, 10,783,80 m2 and registered as "field" in the land registry, as a result of the separation (allocation) made on 04.08.2016, 1974 parcel (3,301.30 m2), 1975 parcel ( It was divided into two parcels, 6.965.62 m2), and meanwhile, the zoning road (516.88 m2) was abandoned within the framework of Articles 15 and 16 of the Zoning Law. 1974 parcel (3,301,30 m2), which was formed by the separation process, was donated to Sancaktepe Municipality on 25.10.2016. The nature of the 1975 parcel (6,965.62 m2), which remained under the ownership of Reysaş Gayrimenkul Yatırım Ortaklığı A.Ş., in the land registry was changed to "land".

The parts of the park (2.123.19 m2) and the road (76 m2) (total 2.199.19 m2) of the 6650 Island 17 Plot in the Sancaktepe District of Istanbul were abandoned on 04.08.2016, and the surface area after the abandonment was 16.117.38 m2. The total land area where the project will take place (6,965.62+16.117.38=) is 23,083 m2.

These immovables were taken into stocks in 2016. The stocks have been classified as long-term considering the probable completion date of the first stage of the housing constructions is 31.12.2021.

The historical total cost amounts of the residential zoned lands as of 30 June 2021 are TL 29,773,907. (31 December 2020: TL 29,773,907.)

The valuation reports of the residential zoned lands were prepared by Net Corporate Gayrimenkul Değerleme ve Danışmanlık A.Ş. and its total fair value as of 30 June 2021 is TL 135,000,000 (31 December 2020: TL 135,000,000).

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES**

**a) Provisions:**

As of 30 June 2022 and 31 December 2021, the explanations regarding provisions are as follows:

	<u>30.06.2022</u>	<u>31.12.2021</u>
Provisions for accumulated personnel leave expenses	1.950.493	1.129.092
Other	--	--
	<u>1.950.493</u>	<u>1.129.092</u>

**b) Contingent liabilities:**

	<u>30.06.2022</u>	<u>31.12.2021</u>
Provisions for litigation expenses	18.397.573	24.143.979
	<u>18.397.573</u>	<u>24.143.979</u>

**NOTE 17 – COMMITMENTS**

**a) Guarantee, pledge and mortgage given by the Group are as follows:**

<b>Guarantee, pledge and mortgage given by the Group</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
A. Total amount of Guarantees provided by the Group on behalf of itself	3.945.117.699	3.762.075.150
B. Total amount of Guarantees provided on behalf of the associates accounted under full consolidation method	2.364.217.184	2.783.029.278
C. Provided on behalf of third parties in order to maintain operating activities	--	--
D. Other Guarantees given		
i. Total amount of Guarantees given on behalf of the parent Company	--	--
ii. Total amount of Guarantees provided on behalf of the associates which are not in the scope of B and C	--	--
iii. Total amount of Guarantees provided on behalf of third parties which are not in the scope of C	--	--
<b>Total</b>	<b>6.309.334.883</b>	<b>6.545.104.428</b>
<b>The ratio of guarantees given by the Group on behalf of third parties or on behalf of its parent / associates to total equity</b>	<b>--</b>	<b>--</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>Type</b>	<b>Type of FX</b>	<b>FX amount</b>	<b>30.06.2021 TL equivalent</b>
Mortgage	TL		
Mortgage	USD		2.342.277.833
Mortgage	EURO	10.000.000	175.221.000
Surety	TL		1.095.926.300
Surety	USD	183.630.000	2.452.011.390
Surety	EURO	4.500.000	68.012.550
Guarantee letter	TL		41.519.255
Guarantee letter	USD	8.239.000	134.366.55
Guarantee letter	EURO		-
<b>Total</b>			<b>6.309.334.883</b>

<b>Type</b>	<b>Type of FX</b>	<b>FX amount</b>	<b>31.12.2020 TL equivalent</b>
Mortgage	TL		2.152.645.000
Mortgage	USD	24.000.000	320.472.000
Mortgage	EURO	20.000.000	302.278.000
Guarantee letter	TL		1.095.926.300
Guarantee letter	USD	183.630.000	2.452.011.390
Guarantee letter	EURO	4.500.000	68.012.550
Surety	TL		23.890.895
Surety	USD	355.000	4.740.315
Surety	EURO	8.279.000	125.127.978
<b>Total</b>			<b>6.545.104.428</b>

**b) Guarantee, Pledge and Mortgage received by the Group are as follows:**

<b>Type</b>	<b>Type of FX</b>	<b>FX amount</b>	<b>30.06.2022 TL equivalent</b>
Guarantee letter	TL		825.000
Guarantee letter	USD	617.340	10.290.441
Surety bond	TL		13.031.318
Surety bond	EURO	452.416	7.927.278
Surety bond	TL		3.479.178
Surety bond	EURO	440.000	7.709.724
<b>Total</b>			<b>43.262.939</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>Type</b>	<b>Type of FX</b>	<b>FX amount</b>	<b>31.12.2021 TL equivalent</b>
Guarantee letter	TL		3.424.000
Guarantee letter	USD	147.040	1.963.425
Surety bond	TL		10.094.573
Surety bond	EURO	22.000	332.506
Surety bond	EURO	300.000	4.534.170
<b>Total</b>			<b>20.348.674</b>

**NOTE 18 – EMPLOYEE BENEFITS**

**a) Payables within the scope of employee benefits:**

	<b>30.06.2021</b>	<b>31.12.2020</b>
Due to personnel	2.563.329	1.809.367
Social security premiums payables	1.061.264	828.618
Personnel tax deductions	--	36.890
	<b>3.624.594</b>	<b>2.674.875</b>

**b) Provision for Employee Termination Benefits**

In accordance with existing social legislation in Turkey the Group is required to make lump-sum payment to employees whose employments are terminated due to retirement or for reasons other than resignation or misconduct except the ones who are subject to press regulations. In addition, under the existing Social Security Law No.506, clause No. 60, amended by the Labor Laws dated 06.03.1981, No.2422 and 25.08.1999, No.4447, the Group is also required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities. As of 30.06.2021 the amount payable of one month’s salary for each year of service is limited to a maximum of TL 8,284 (31.12.2020: TL 7,117).

The provision is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of employees. IAS 19 requires actuarial valuation methods to be developed to estimate the enterprise’s obligation under defined benefit plans.

According to this calculation following actuarial assumptions are used;

	<b>30.06.2022</b>	<b>31.12.2021</b>
Discount rate	%24	%24
Expected rate of salary / limit increases	%19	%19
Net discount rate	%4,20	%4,20

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

Movement table of Employee Termination Benefits is as follows:

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 31.12.2021</b>
Beginning balance	7.390.748	4.725.853
Current service cost	1.184.461	574.342
Payments made in the current period (-)	(16.260)	(440.312)
Interest cost	93.345	158.043
Actuarial gain / (loss)	290.287	2.507.20
Acquisition of subsidiary		
	--	--
<b>Balance, end of the period</b>	<b>8.942.582</b>	<b>7.525.130</b>

Expense of provision for employment termination benefits on income statement are summarized as below:

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>
Cost of sales	1.015.429	1.829.856
General administrative expenses		
	374.696	2.436
	<b>1.390.125</b>	<b>1.832.292</b>

**NOTE 19 – PREPAID EXPENSES AND DEFERRED INCOME**

As of 30 June 2021 and 31 December 2020, the details of prepaid expenses are as follows:

<b>Short Term</b>	<b>30.06.2021</b>	<b>31.12.2020</b>
Advances given for purchasing inventory	--	1.262.969
Advances given to related parties	8.902.766	3.298.662
Prepaid insurance expenses	2.242.724	2.128.333
License fee (*)	4.187.256	147.832
Advances given to personnel		
	10.563.157	--
	<b>25.895.904</b>	<b>6.837.796</b>

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>Long Term</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Advances given for purchasing fixed assets	40.986.945	24.315.128
Prepaid insurance expenses	3.477.984	184.496
License fee (*)	2.376.237	9.754.894
	<b>46.841.167</b>	<b>34.254.518</b>

(\*) License fee

They are the license fees prepaid by Group to TuvTürk Kuzey Taşıt Muayene İstasyonları Yapım ve İşletim A.Ş. for Karabük, Bartın, Kastamonu, Tosya, Karadeniz Ereğlisi, Zonguldak, Eskişehir, Sivrihisar vehicle inspection stations. Out of this amount recognized as an expense in monthly equal installments according to License Agreement, the part that will be recognized as an expense in the 12 months following the date of balance sheet is categorized in current assets, and remaining part as fixed assets. License term ends in 2027. No addition has been made to license fee in the current period and previous period. License fee is completely paid-in and there is currently no debt owed in arrears.

As of 30 June 2022 and 31 December 2021, the details of deferred income are as follows:

<b>Short term deferred income</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Order advances received	1.476.908	758.727
Sales to be delivered in the next period	--	--
	<b>1.476.908</b>	<b>758.727</b>

<b>Long term deferred income</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
Sales to be delivered in the next period	145.220	58.212
	<b>145.220</b>	<b>58.212</b>

Group generated a profit of TL 7,271,908 from the sale and leaseback of one real estate located on Parcel 1 Map Section 198, Çarşamba Town of Samsun Province, pursuant to the financial leasing contract No 16011745 made with İş Finansal Kiralama A.Ş. on 19 December 2016. The related income has been deferred under TAS 17 Leasing Transactions Standard, and will be reflected to the comprehensive income statement over the lease period (60 months).

Group generated a profit of TL 18,291,481 from from the sale and leaseback of one real estate located on Parcel 194 Map Section 6, Torbalı Neighborhood, Torbalı Town of Izmir Province, pursuant to the financial leasing contract No 16012390 made with İş Finansal Kiralama A.Ş. on 19 December 2016. The related income has been deferred under TAS 17 Leasing Transactions Standard, and will be reflected to the comprehensive income statement over the lease period (60 months).

With Board Resolution No 384 of 11 July 2017, Company decided to sell the warehouse with an area of 8,312 m2 located on Parcel 2, Map Section 2088 of Akse Neighborhood, Çayirova Town, Kocaeli Province for a price of TL 14,400,000 through "Sell and Lease Back" method. The profit between fair value and sales value of the real estate amounts to TL 4,724,821. The related profit has been deferred under TAS 17 Leasing Transactions Standard, and will be reflected to the comprehensive income statement over the lease term (60 months).

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 20 – OTHER ASSETS AND LIABILITIES**

<b>Other current assets</b>	<b>30.06.2022</b>	<b>31.12.2021</b>
VAT carried forward	31.546.362	20.805.793
Advances given to personnel	2.860.943	235.516
	<b>34.407.306</b>	<b>21.041.309</b>

**NOTE 21 – GOVERNMENT GRANTS AND INCENTIVES**

The Group has an Investment Incentive Certificate as of 2020, details of which are provided below:

<b>Document date</b>	<b>Document number</b>	<b>Subject</b>	<b>Investment Start Date</b>	<b>Investment Completion Date</b>	<b>Total Investment Amount</b>
06.06.2014	F/109795	Railroad Transportation	13.03.2013	14.03.2014	8.830.915

With Investment Incentive Certificate No B/109795 of 12 April 2013, Reysaş Demiryolu Taşımacılığı A.Ş. took the decision to invest in railroad transportation. With this investment incentive certificate, the Company will benefit from reduced corporate tax and other exemptions. As part of this investment incentive certificate, the Company placed an order for 60 platform wagon to TÜDEMSAŞ, the single industrial investment of Turkish Railroads in East Anatolia Region. Leasing financing method would be used for wagon purchases, and total investment would amount to 3,510,000 EUR. Reysaş Demiryolu Taşımacılığı A.Ş. received 60 wagons in the amount of TL 9,066,916 on the date of 10 September 2013.

Pursuant to the application made by the Company No. 1116785 dated 20.12.2013, it is found appropriate to revise the registered fixed investment amount of TL 7,500,000 as TL 8,830,915, according to Decision No. 2012/3305, and provision of Article 17 of Communiqué No 20128/1 for implementation of said Decision.

Upon review of the application of the Company No. 4524 dated 14.01.2014, it is verified that at least 10% of the fixed investment expenditure amount registered in the Investment Incentive Certificate has been spent until and including 31.12.2013.

Pursuant to application of Company No 33073 of 11.04.2014, and Certified Public Accountant Investment Incentive Certificate Closing Report No YMM.232/1706-15 of 12.03.2014, the approval for investment completion approval was granted.

In summary, the subject matter of the incentive certificate is wagon investment whereby the Company benefits from interest support, reduced corporate tax, and other exemptions. Among the incentives, the interest support was completed during 2016. Total investment contribution entitled by the Company due to actual investment expenditure, calculated as part of said incentive certificate, amounted to TL 3,532,366 whereby the total carried-forward contribution amounted to TL 3,415,761 as of 30.06.2021. (31.12.2020: TL 3,415,761).

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

#### NOTE 22 – CAPITAL, RESERVES AND OTHER EQUITY COMPONENTS

##### Paid-in capital

The shareholders and share ratios of Reysaş Taşımacılık ve Lojistik Ticaret Anonim Şirketi are as follows as of 30 June 2022 and 31 December 2021:

	30.06.2022		31.12.2021	
	Share Amount	Share (%)	Share Amount	Share (%)
Public	159.271.030	63,71	159.271.030	63,71
Durmuş Döven	45.011.320	18,00	45.011.320	18,00
Rıfat Vardar	30.480.766	12,19	30.480.766	12,19
Other	15.236.884	6,09	15.236.884	6,09
<b>Total</b>	<b>250.000.000</b>	<b>100,00</b>	<b>250.000.000</b>	<b>100,00</b>

Within the registered capital ceiling of 600,000,000 TL, the capital increase of the company, regarding the increase of its issued capital from 119,350,000 TL to 250,000,000 TL by an increase of 130,650,000 TL (109,46795) has been completed and newly issued, within the framework of the conditions specified in the prospectus. its capital has increased to 250.000.000 TL. In order to obtain a favorable opinion regarding the amendment of Article 6 of the Company's Articles of Association, titled "Type of Capital and Shares", pursuant to subparagraph (c) of paragraph 1 of Article 25 of the Capital Markets Board's Communiqué on Shares numbered VII-128.1. on 18/05/2021 and approved by CMB on 31.05.2021. The registration of the new capital was made by the Istanbul Trade Registry Directorate on 02.06.2021.

Capital of the Company consists in 119,350,000 shares, each with a nominal value of TL 1. Capital shares of the company is divided into 3 groups as 6,683,600 Group A registered shares, 1,670,900 Group B registered Shares, and 110,995,500 Group C bearer shares, and Group A and Group B shareholders has special rights in election of the Board Members.

The distribution of the Company's privileged A and B group shares among the shareholders is as follows:

Shareholders	Group A		Group B	
	Share amount	Share (%)	Share amount	Share (%)
Döven Familii	3,341,800	50%	1,148,744	69%
Rıfat Vardar	3,341,800	50%	522,156	31%
<b>Historic capital</b>	<b>6,683,600</b>	<b>100%</b>	<b>1,670,900</b>	<b>100%</b>

3 Members of the Board of Directors, composed of 7 Members, are elected among the candidates to be nominated by majority of the Group A Shareholders to represent them, and 2 Members among candidates to be nominated by majority of Group B Shareholders to represent them, and 2 Members are independently elected. Group C Shares have no voting rights. Management of the Group are steered by the representatives of shareholders owning shares with voting rights.

Since company has no subsidiary which will be subjected to mutual capital adjustment, there is no capital/mutual subsidiary capital adjustment as of the end of the period.

##### Premium in access of par

	30.06.2022	31.12.2021
Premium in access of par	690.248	614.260
	<b>690.248</b>	<b>614.260</b>



(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

The difference of 671,943 TL, which occurred due to the sale of newly issued and publicly offered shares at a higher price than their nominal value, was accounted for as share issue premiums.

**Reacquired shares**

	<u>30.06.2022</u>	<u>31.12.2021</u>
Reacquired shares	(5.964.030)	(5.964.030)
	<u>(5.964.030)</u>	<u>(5.964.030)</u>

Decision of Capital Market Board No 26/767 of 10.08.2011 defined the principles and procedures to be observed by companies traded at BIST while repurchasing their own shares. Accordingly, total nominal value of the shares to be repurchased may not exceed 10% of the paid-in/issued capital of the company. The maximum holding-at-hand period for the repurchased shares and non-par shares acquired as part of said shares can be determined by Company but not to exceed 3 years, and shares not disposed of during said period shall be cancelled through capital reduction. Shares repurchased are accounted for as a discount item in equities in balance sheet under Turkish Accounting Standard 32, and necessary disclosures are given in the footnotes to the financial statements. Gains and losses arising out of disposal of said shares shall not be associated with income statements.

**Other comprehensive income/ (expense) not to be reclassified under profit or loss**

Revaluation increase arising out of the real estate valuation of the Group is reflected at related assets values in the financial statements and TL 764.349.787 is recognized in the account "Revaluation and Assessment Gains/ (Losses)" in the liabilities.

	<u>30.06.2021</u>	<u>31.12.2020</u>
<b>Total</b>	<b>764.349.787</b>	<b>764.349.787</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

Amendments to TAS 19 changes the accounting of defined benefit plans and severance pays. Pursuant to amendments, changes in the defined benefit liabilities and assets must be accounted for at fair value. Thus, 'corridor' method permitted in the previous version of TAS 19 are eliminated, facilitating the recognition of the past employment costs. Amendments require all actuarial losses and gains to be accounted for immediately as other comprehensive income in order to ensure net pension assets or liabilities to be indicated in the financial position statements reflect the full value of the plan short or excess. In addition, a 'net interest' amount is used, calculated by applying a discount rate to the projected revenues to be generated from plan assets, described in the previous edition of TAS 19, and net benefit liabilities or assets defined in place of interest expense relating to plan assets.

The Group calculated actuarial profit/loss in the defined benefit plans, and recognized in the financial statements.

	<u>30.06.2021</u>	<u>31.12.2020</u>
Actuarial gain / (loss)	(290.287)	(345.291)
	<u>(290.287)</u>	<u>(345.291)</u>

**Previous year's profit / (losses)**

	<u>30.06.2021</u>	<u>31.12.2020</u>
<b>Previous year's profit / (losses)</b>	<b>(128.916.833)</b>	<b>(93.661.923)</b>

(\*) Between the years of 2010 and 2016, Real Estate and land sales occurred between the Group companies and intra-group sales profits were eliminated. The eliminations in said years have exceeded the required amounts and recorded Investment Properties were understated by TL 51,196,238.

As these errors did not affect the profit and loss statements of 2020 and 2019 and that some of them were based on estimations and had limited effect on total assets, they were corrected with a correction to the retained earnings. Accordingly, investment properties increased by TL 51,196,238, and TL 31,470,327 for the parts of Parent Company was corrected in retained earnings and TL 19,725,911 in the noncontrolling shares account, at the opening.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**Restricted reserves**

Reserves restricted from profits consist in the legal reserves and real estate sales gains exempted from corporate tax. Pursuant to Turkish Commercial Act, legal reserves are divided into first degree and second degree legal reserves. Pursuant to Turkish Commercial Act, first degree legal reserves are set aside by 5% of annual profit until it reaches 20% of the paid capital of the company. Second degree legal reserves are 10% of the distributed profit which exceed the 5% of the paid-in capital. Pursuant to Turkish Commercial Act, legal reserves can only be used to net off the losses insofar as it does not exceed 50% of the paid-in capital, and are not permitted for other uses.

	<u>30.06.2021</u>	<u>31.12.2020</u>
Legal Reserves	3.835.166	8.966.289
Reserves for reacquired shares	--	5.964.030
Revenues from Sales of Property or Subsidiary to be Added to Capital	--	39.517.812
	3.835.166	<b>54.448.1</b>

**Non-controlling interests**

	<u>30.06.2022</u>	<u>31.12.2021</u>
Non-controlling interests	340.423.917	232.104.643
<b>Toplam</b>	<b>340.423.917</b>	<b>232.104.643</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 23 – REVENUE AND COST OF SALES**

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>	<b>01.04.- 30.06.2022</b>	<b>01.04.- 30.06.2021</b>
<i>Sales</i>				
Domestic	637.267.233	389.200.250	342.522.440	199.754.411
Exports	95.847.314	54.983.053	60.907.420	29.761.313
Other income	55.014.527	24.332.255	38.191.471	12.022.325
Sales returns (-)	(6.310.148)	(1.396.537)	(4.155.786)	(865.023)
<b>Net Sales</b>	<b>781.818.925</b>	<b>467.119.021</b>	<b>437.465.544</b>	<b>240.673.026</b>
<i>Cost of Sales</i>				
Cost of good sold (-)	--	(109.024)	--	(109.024)
Cost of merchandises sold (-)	(93.170.460)	(68.361.210)	(59.470.688)	(34.636.554)
Cost of servises rendered (-)	(357.116.520)	(230.925.209)	(187.753.309)	(118.673.813)
Depreciation and amortization expenses (-)	--	(36.425.914)	32.616.031	(18.658.550)
<b>Gross profit</b>	<b>(450.286.980)</b>	<b>(335.821.357)</b>	<b>(214.607.966)</b>	<b>(172.077.941)</b>

**NOTE 24 – OTHER INCOME / (EXPENSES) FROM OPERATING ACTIVITIES**

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>	<b>01.04.- 30.06.2022</b>	<b>01.04.- 30.06.2021</b>
<b>Other income from operating activities</b>				
Provisions for doubtful trade receivable collected	1.636.351	852.634	(4.660.223)	457.414
Employee termination benefits paid	1.417.722	3.638.925	1.417.722	333.891
Discount on notes payable	18.802.137	907.806	17.075.596	262.109
Foreign exchange income	12.021.494	37.464.410	531.304	18.524.85
sell-lease-back income	--	--	--	--
Insurance damage income	--	1.135.086	--	1.135.086
Other	--	2.430.493	--	1.084.685
	<b>33.877.704</b>	<b>46.429.354</b>	<b>14.364.399</b>	<b>21.798.039</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>Other expenses from operating activities</b>	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>	<b>01.04.- 30.06.2022</b>	<b>01.04.- 30.06.2021</b>
Current term provisions for doubtful trade receivables	(120.600)	(777.110)	3.226.660	(457.492)
Provisions for court case expenses	(6.017.925)	(1.678.998)	(6.017.925)	(1.678.998)
Discount on notes receivable	(3.653.722)	(1.169.412)	(1.874.326)	(57.770)
Foreign exchange losses	(168.306.473)	(33.159.629)	(161.925.689)	(18.198.140)
Other	--	(2.155.204)	2.735.973	1.945.334
	<b>(178.098.720)</b>	<b>(38.940.353)</b>	<b>(163.855.307)</b>	<b>(18.447.066)</b>

**NOTE 25 – GAIN / (LOSSES) FROM INVESTING ACTIVITIES**

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>	<b>01.04.- 30.06.2022</b>	<b>01.04.- 30.06.2021</b>
Profit on sales of fixed assets	3.781.804	1.204.539	2.240.348	1.004.719
	<b>3.781.804</b>	<b>1.204.539</b>	<b>2.240.348</b>	<b>1.004.71</b>

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>	<b>01.04.- 30.06.2022</b>	<b>01.04.- 30.06.2021</b>
Loss on sale of fixed assets	--	--	--	--
	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**NOTE 26 – FINANCIAL INCOME / (EXPENSES)**

	<b>01.01.-30.06.2022</b>	<b>01.01.-30.06.2021</b>	<b>01.04.-30.06.2022</b>	<b>01.04.-30.06.2021</b>
Bank commission expenses	(948.622)	(15.934)	(948.622)	(15.547)
Interest expenses	(154.228.917)	(102.341.637)	(93.058.786)	(58.088.977)
Foreign exchange expenses	(23.579.874)	(81.493.071)	51.593.556	(30.732.110)
Other	--	(642.092)	--	(628.177)
	<b>(178.757.413)</b>	<b>(184.492.734)</b>	<b>(42.413.852)</b>	<b>(89.464.811)</b>

	<b>01.01.-30.06.2022</b>	<b>01.01.-30.06.2021</b>	<b>01.04.-30.06.2022</b>	<b>01.04.-30.06.2021</b>
Interest income	38.619.792	13.439.115	33.311.760	10.317.424
Foreign exchange income	111.431.323	23.273.836	71.347.813	6.860.185
	<b>150.051.115</b>	<b>36.712.951</b>	<b>104.659.573</b>	<b>17.177.60</b>

**NOTE 27 – INCOME TAXES (DEFERRED TAX ASSETS AND LIABILITIES INCLUDED)**

As of 30.06.2021 and 31.12.2020 period profit tax liability are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Provision for Corporate Tax – Current term	14.385.59	257.168
Prepaid taxes and funds (-)	--	(197.858)
	<b>14.385.59</b>	<b>59.310</b>

In Turkey 2021, statutory income is subject to corporate tax at 25% (2020: 22%). This rate is applied to accounting income modified for certain exemptions (like dividend income) and deductions (like investment incentives), and additions for certain non-tax-deductible expenses and allowances for tax purposes. If there is no dividend distribution planned, no further tax charges are made.

According to Turkish Corporate Income Tax Law numbered 5520, effective from 21 June 2006, a 75% portion of the gains derived from the sale of preferential rights, usufruct shares and founding shares from investment equity and real property, which has remained in assets for more than two full years are exempt from corporate tax. To be entitled to the exemption, the relevant gain is required to be held in a fund account in the liabilities and it must not be withdrawn from the entity for a period of five years. The sales consideration has to be collected up until the end of the second calendar year following the year the sale was realized.

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

Dividends paid to the resident institutions and the institutions working through local offices or representatives in Turkey are not subject to withholding tax. Accordingly, the withholding tax rate on the dividend payments other than the ones paid to the nonresident institutions generating income in Turkey through their operations or permanent representatives and the resident institutions is 15%. Appropriation of the retained earnings to capital is not considered as profit distribution and therefore is not subject to withholding tax.

Corporations are required to pay advance corporate tax quarterly at a rate of 22% on their corporate income. Advance tax is declared by the 14th and paid by the 17th day of the second month following each calendar quarter end. Advance tax paid by corporations for the current period is credited against the annual corporation tax calculated on their annual corporate income in the following year. Despite the offset, if there is temporary prepaid tax remaining, this balance can be refunded or used to offset any other financial liabilities to the government.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Tax returns are required to be filled and delivered to the related tax office before the evening of the 25<sup>th</sup> of the fourth month following the balance sheet date.

Tax returns are open for five years from the beginning of the year following the date of filing, during which period the tax authorities have the right to audit tax returns and the related accounting records on which they are based and may issue reassessments based on their findings. Under the Turkish Corporate Tax Law, losses can be carried forward to offset future taxable income for up to five years. Losses cannot be carried back to offset profits from previous periods. The Corporate Tax Legislation consists of various numbers of exemptions regarding the corporations.

The dividend income obtained from the companies that are corporate taxpayers in share capital of which has been invested, are exempted from the corporate tax, except for the income retrieved from investment fund contribution certificates and investment fund shares.

Profits from sale of preferential right certificates and share premiums generated from sale of shares at a price exceeding face values of those shares during incorporations or capital increases of joint stock companies are exempt from corporate tax.

Accordingly, the aforementioned gains / (losses) which have been included in trade profit/ (loss) have been taken into consideration in calculation of Group’s corporate tax.

Apart from the exemptions mentioned in the preceding paragraphs, the deductions granted in 10th and recurring 8th articles of Corporate Tax Law and 40th article of the Income Tax Law have been taken into consideration in calculation of the Group’s corporate tax.

*Transfer Pricing*

The Law numbered 5520 article 13, which made new arrangements to transfer pricing was effective from 01 January 2007. With the aforementioned law, considerable amendments have been made to transfer pricing regulations by taking EU and OECD transfer pricing guidelines as a basis. In this respect, corporations should set the prices in accordance with the arm’s length principle while entering into transactions regarding the sale or purchase of goods and services with related parties. Under the arm’s length principle within the new legislation related parties must set the transfer prices for purchase and sale of goods and services as if they would have been agreed between third parties. Depending on the circumstances, a choice of accepted methods in aforementioned law of arm’s length transaction has to be made by corporations for transactions with related parties. Corporations should keep the documentary evidence within the company representing how arm’s length price has been determined and the methodology that has been chosen by use of any fiscal records and calculations in case of any request by tax authorities. Besides, corporations must report transactions with related parties in a fiscal period.

If a taxpayer enters into transactions regarding the sale or purchase of goods and services with related parties, where the prices are not set in accordance with the arm’s length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. The profit distributed in a disguised manner through transfer pricing completely or partially, will be assessed as distributed profit share or transferred amount to headquarter for limited taxpayers.

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

After the distributed profit share is considered as net profit share and complemented to gross amount, deemed profit will be subject to corporate tax. Previous taxation processes will be revised accordingly by taxpayer who distributes disguised profit. In order to make adjustments in this respect, the taxes assessed in the name of the company distributing dividends in a disguised manner must be finalized and paid.

As of 01.01.-30.06.2021 and 01.01.-30.06.2020, period tax income charges are as follows:

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>
Provision for corporate tax	(17.857.046)	(3.642.479)
Deferred tax income / (expenses)	2.702.301	5.605.176
<b>Tax expenses reflected to income statement</b>	<b>(15.154.745)</b>	<b>1.962.697</b>

### Reysaş GYO

Revenues from activities of real estate investment trust are exempted of corporate tax according to Article 5/(1) (d) (4) of Corporate Tax Law (KVK) No 5520. According to Article 15/(3) of KVK, 15% of tax is levied over the revenue exempted from Corporate Tax. Council of Ministers is authorized to decrease the tax rates defined in Article 15 up to zero by each payment and income, increase it up to corporate tax rate, and differentiate it for the revenues defined in third paragraph within the same limitations by the funds or partnership types, or by the nature and distribution of the assets in the portfolio. Pursuant to Decree of Council of Ministers No 2009/14594, a tax at the rate of 0% is imposed upon the corporate tax-exempted portfolio management revenues of Real Estate Investment Trusts, exempted. Revenues that are taxed in this context are not subject to further dividend withholding pursuant to Article 15/(2) of KVK.

As the revenues from activities of real estate investment trust are exempted of corporate tax according to Article 5/(1) (d) (4) of Corporate Tax Law (KVK) No 5520, deferred tax asset or deferred tax liabilities were not calculated.

### Deferred Tax Assets and Liabilities

The Group calculates deferred income tax assets and liabilities based upon temporary differences arising between their financial statements prepared in accordance with CMB Financial Reporting Standards and their statutory financial statements. Deferred income taxes are calculated on temporary differences that are expected to be realized or settled based on the taxable income in the following periods under the liability method using the enacted tax rate of 25%.



(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

As of 30.06.2022 and 31.12.2021, the breakdown of deferred tax bases and deferred tax liability computed using the current effective tax rates are as follows:

	<b>30.06.2022</b>		<b>31.12.2021</b>	
	Cumulative Temporary Difference	Asset / (Liability)	Cumulative Temporary Difference	Asset / (Liability)
Difference between the carrying values and tax base of property, plant, equipment and intangible assets	(62.583.315)	(14.394.163)	(30.668.144)	(7.040.924)
Provisions for employee termination benefits	5.187.869	1.193.210	7.212.543	1.609.710
Adjustment for License fee periodicity	0	0	(8.029.710)	(1.846.833)
Deferred finance income	0	0	(763.890)	(175.695)
Deferred finance expenses	(12.452.5	(2.864.0	2.450.212	563.549
Provision for doubtful debt				
Provisions for accumulated personnel leave expenses	68.751	2.794.304	10.670.779	2.454.279
Provisions for court case expenses	1.135.464	261.157	1.072.648	235.677
Provision for expenses	26.523.463	3.321.905	15.131.916	3.480.341
Fair value reserves	10.852.712	2.496.124	10.540.882	2.424.404
Other	(626.740.766)	(144.150.390)	(710.336.744)	(147.364.566)
<b>Deferred tax assets / (liabilities), net</b>	<b>(659.510.350)</b>	<b>(151.687.395)</b>	<b>(697.642.279)</b>	<b>(144.495.239)</b>

The movement of deferred tax assets/ (liabilities) for the periods ended 01.01.-30.06.2022 and 01.01.-30.06.2021 is as follows:

	<b>01.01.- 30.06.2021</b>	<b>01.01.- 30.06.2020</b>
Beginning of the period	(144.495.239)	(42.192.111)
Current tax income / (expenses) for the period	--	(116.717.121)
Actuarial gain / (losses)	(7.192.156)	14.413.993
<b>End of the period</b>	<b>(151.687.395)</b>	<b>(144.495.239)</b>

**NOTE 28 – EARNINGS PER SHARE**

Earnings per share are calculated by dividing the net profit distributed to shareholders by the weighted average number of shares issued.

	<b>01.01.- 30.06.2022</b>	<b>01.01.- 30.06.2021</b>	<b>01.04.- 30.06.2022</b>	<b>01.04.- 30.06.2021</b>
Net profit / (loss) attributable to shareholders (TL)	119.656.059	(18.306.321)	98.350.359	(2.437.780)
Weighted average number of issued shares	250.000.000	250.000.000	250.000.000	250.000.000
Earnings / (loss) per share (TL)	0,4786	(0,0732)	0,3934	0,0597

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

#### NOTE 29 – NATURE OF LEVEL OF RISKS DERIVED FROM FINANCIAL INSTRUMENTS

##### Capital Risk Management

The Company aims at ensuring continuity of the activities in the capital management on one hand, while increasing the profitability by using balance between the liabilities and equity in the most efficient way on the other hand. Company's capital structure consists in the debts which also include the loans disclosed in Note 7; cash and cash equivalents which are disclosed in Note 6, and equities which also include issued capital, capital reserves, profit reserves, and accumulated profits disclosed in Note 19.

The capital costs as well as risks of the Company which are associated with each capital class are evaluated by senior management. Based on the evaluations of senior management, it is aimed at acquiring new borrowing, or repaying the existing debts in order to protect and re-arrange the capital structure, as well as to keep dividend payments in balance by issuing new shares. Company follows up the capital by using liability/total capital ratio. This ratio is found by dividing the financial liability to the total equity capital. Net liability is calculated by deducting cash and cash equivalents from the total liabilities (as indicated in the balance sheet, includes loans, financial leasing payables, account payables and other payables). Total capital is calculated by summing up the owners' equity and net liabilities as indicated in the balance sheet.

Company's strategy remained same in 2021 since 2019, and ratio of equities to liabilities as of 30 June 2021 and 31 December 2020 are provided below:

	30.06.2022	31.12.2021
Total Liabilities	2.129.222.512	1.931.109.927
Cash and Cash Equivalents (-)	(485.388.503)	(440.060.893)
Net Liability	1.643.834.009	1.491.049.034
Total Equity	1.492.196.555	1.166.453.247
Rate of Net Liabilities to Equity	<b>110%</b>	<b>%128</b>

##### Significant Accounting Policies

The Group's significant accounting policies about financial instruments are disclosed in Note 2 'Basis of Presentation of Financial Statements'.

##### Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group.

Ownership of financial assets involves the risk that counterparties may be unable to meet the terms of their agreements and in turn credit risk arises from cash and cash equivalents, deposits in banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions. These risks are monitored by credit ratings and limiting the aggregate risk to any individual counter party and receiving guarantees when required (Note 8).

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

The following tables analyse the Group’s credit and receivable risk as of 30.06.2022 and 31.12.2021.

	Receivables				Deposits in banks	Other
	Trade receivables		Other receivables			
	Related party	Third party	Related party	Third party		
<b>30.06.2022</b>						
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	8.194.069	105.058.317	8.108.391	5.885.167	475.929.295	4.634.264
- The part of maximum risk under guarantee with collateral etc.	--	1.214.999	--	--	--	--
A. Net book value of financial assets that are neither past due nor impaired	85.678	122.707.986	8.108.391	5.885.167	475.929.295	4.634.264
B. Net book value of financial assets whose conditions are renegotiated, otherwise will be classified as past due or impaired	--	--	--	--	--	--
C. Net book value of assets past due but not impaired	--	--	--	--	--	--
- The part covered by guarantees etc.	--	20.328.903	--	--	--	--
D. Net book value of assets impaired	--	<b>(39.193.571)</b>	--	--	--	--
- Past due (gross book value)	--	(18.802.137)	--	--	--	--
- Impairment amount (-)	--	(18.802.137)	--	--	--	--
- The part of net value covered with guarantees etc.	--	--	--	--	--	--
- Not due (gross book value)	--	(20.391.434)	--	2.273.167	--	--
- Impairment amount (-)	--	(20.391.434)	--	(2.273.167)	--	--
- The part of net value covered with guarantees etc.	--	--	--	--	--	--
E. Off balance items exposed to credit risk	--	--	--	--	--	--

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

	Receivables				Deposits in banks	Other
	Trade receivables		Other receivables			
	Related party	Third party	Related party	Third party		
<b>31.12.2021</b>						
Maximum net credit risk as of balance sheet date (A+B+C+D+E)	<b>1.156.635</b>	<b>109.960.967</b>	<b>9.525.323</b>	<b>9.133.476</b>	<b>436.452.013</b>	<b>3.214.667</b>
- The part of maximum risk under guarantee with collateral etc.	--	--	--	--	--	--
A. Net book value of financial assets that are neither past due nor impaired	1.156.635	109.960.967	9.525.323	9.133.476	436.452.013	3.214.667
B. Net book value of financial assets whose conditions are renegotiated, otherwise will be classified as past due or impaired	--	--	--	--	--	--
C. Net book value of assets past due but not impaired	--	--	--	--	--	--
- The part covered by guarantees etc.	--	20.348.674	--	--	--	--
D. Net book value of assets impaired	--	--	--	--	--	--
- Past due (gross book value)	--	21.965.254	--	2.273.167	--	--
- Impairment amount (-)	--	(21.965.254)	--	(2.273.167)	--	--
- The part of net value covered with guarantees etc.	--	--	--	--	--	--
- Not due (gross book value)	--	--	--	--	--	--
- Impairment amount (-)	--	--	--	--	--	--
- The part of net value covered with guarantees etc.	--	--	--	--	--	--
E. Off balance items exposed to credit risk	--	--	--	--	--	--

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

**Liquidity Risk Management**

The Group manages liquidity risk by keeping under control estimated and actual cash flows and by maintaining adequate funds and borrowing reserves through matching the maturities of financial assets and liabilities.

Liquidity risk is the inability of the Group to match to net funding requirements with sufficient liquidity. Uncertainty in the markets or occurrence of events as a result of decrease in funding resources such as decrease in credit ratings can give rise to Liquidity Risk. The management of the Group manages Liquidity Risk by keeping enough cash and similar resources ready in order to fulfill its current and potential responsibilities by distributing the funding resources. The tables below demonstrate the maturity distribution of nonderivative financial liabilities and are prepared based on the earliest date on which the Group can be required to pay:

As of 30.06.2022, maturity of non-derivative financial liabilities is as follows:

<b>Contractual maturity analysis</b>	<b>Carrying value</b>	<b>Total cash outflow according to contract (=I+II+III+IV+V)</b>	<b>Less than 3 months (I)</b>	<b>3-12 months (II)</b>	<b>1-5 years (III)</b>	<b>More than 5 years (IV)</b>	<b>Demand (V)</b>
<b>Non-derivative financial liabilities</b>							
Financial liabilities	2.005.079.958	2.005.079.958	177.618.075	533.698.295	1.248.727.84	45.035.745	--
Financial lease liabilities	124.142.55	124.142.55	9.773.624	33.363.633	81.005.297	--	--

<b>Expected maturities</b>	<b>Carrying value</b>	<b>Total cash outflow according to contract (=I+II+III+IV+V)</b>	<b>Less than 3 months (I)</b>	<b>3-12 months (II)</b>	<b>1-5 years (III)</b>	<b>More than 5 years (IV)</b>	<b>Demand (V)</b>
<b>Non-derivative financial liabilities</b>							
Trade payables	151.541.42	151.541.42	--	38.289.035	113.252.386	--	--
Other payables	129.176.78	129.176.78	--	25.531.903	103.644.8	--	--

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

As of 31.12.2021, maturity of non-derivative financial liabilities is as follows:

<b>Contractual maturity analysis</b>	<b>Carrying value</b>	<b>Total cash outflow according to contract (=I+II+III+IV+V)</b>	<b>Less than 3 months (I)</b>	<b>3-12 months (II)</b>	<b>1-5 years (III)</b>	<b>More than 5 years (IV)</b>	<b>Demand (V)</b>
<b>Non-derivative financial liabilities</b>							
Financial liabilities	1.874.100.480	2.260.192.339	329.311.158	646.253.687	1.261.102.83	23.524.65	--
Financial lease liabilities	57.009.446	57.009.446	--	27.513.995	29.495.451	--	--

<b>Expected maturities</b>	<b>Carrying value</b>	<b>Total cash outflow according to contract (=I+II+III+IV+V)</b>	<b>Less than 3 months (I)</b>	<b>3-12 months (II)</b>	<b>1-5 years (III)</b>	<b>More than 5 years (IV)</b>	<b>Demand (V)</b>
<b>Non-derivative financial liabilities</b>							
Trade payables	59.740.762	60.599.417	--	60.599.417	--	--	--
Other payables	50.311.136	50.311.136	12.822.916	21.938.884	15.388.55	--	160.779

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

## REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

### Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

#### Market Risk

Market risk refers to the change in market prices such as interest rate, exchange rate and share prices. The Company is exposed to market risk as changes in market prices affect the Company's revenues. The purpose of market risk management is; is to optimize the returns of the risks taken while keeping the risk factors under control within acceptable parameters.

#### Foreign currency risk

Transactions in foreign currencies lead to the foreign exchange risk. Group is exposed to foreign exchange risk due to change in foreign exchange rates used in the conversion of assets and liabilities in a foreign currency to Turkish Liras. Foreign exchange risks emerge due to the commercial transactions in the future, and the difference between assets and liabilities accounted for. Group's financial liabilities are exposed to the foreign exchange risk depending on the direction of the fluctuation of the foreign exchange due to its account receivables and payables in foreign currency. Group is mainly exposed to the foreign exchange risk due to its assets and liabilities in USD. Another important currency unit is Euro in terms of foreign exchange risk.

#### a) Foreign Currency Position Table and Sensitivity Analysis

The table below summarizes the foreign currency position risk of the Group as at 30.06.2022 and 31.12.2021. Foreign currency denominated assets and liabilities of the Group and related foreign currency position are as follows:

	<b>30.06.2022</b>	<b>31.12.2021</b>
Foreign currency asset	522.362.651	322.656.104
Foreign currency liabilities (-)	(449.742.951)	(659.847.885)
<b>Net short position</b>	<b>72.619.700</b>	<b>(337.191.781)</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>FOREIGN CURRENCY POSITION</b>			
<b>CONSOLIDATED</b>	<b>30.06.2022</b>		
	<b>TL Equivalent</b>	<b>USD</b>	<b>EUR</b>
1. Trade Receivables	14.883.124	0	849.392
2a. Monetary Financial Assets (Cash, Bank accounts included)	382.099.814	9.536.133	12.734.889
2b. Non-Monetary Financial Assets	-	-	-
3. Other	-	-	-
<b>4. Current Assets (1+2+3)</b>	<b>396.982.938</b>	<b>9.536.133</b>	<b>13.584.281</b>
5. Trade Receivables	125.379.714	7.521.730	-
6a. Monetary Financial Assets	-	-	-
6b. Non-Monetary Financial Assets	-	-	-
7. Other	-	-	-
<b>8. Non-Current Assets (5+6+7)</b>	<b>125.379.714</b>	<b>7.521.730</b>	<b>-</b>
<b>9. Total Assets (4+8)</b>	<b>522.362.651</b>	<b>17.057.863</b>	<b>13.584.281</b>
10. Trade Payables	30.014.143	1.583.253	206.762
11. Financial Liabilities	161.658.798	-	9.225.995
12a. Monetary Other Liabilities	-	-	-
12b. Non-Monetary Other Liabilities	-	-	-
<b>13. Short Term Liabilities (10+11+12)</b>	<b>191.672.941</b>	<b>1.583.253</b>	<b>9.432.756</b>
14. Trade Payables	-	-	-
15. Financial Liabilities	258.070.010	-	14.728.258
16a. Monetary Other Liabilities	-	-	-
16b. Non-Monetary Other Liabilities	-	-	-
<b>17. Long Term Liabilities (14+15+16)</b>	<b>258.070.010</b>	<b>-</b>	<b>14.728.258</b>
<b>18. Total Liabilities (13+17)</b>	<b>449.742.951</b>	<b>1.583.253</b>	<b>24.161.014</b>
<b>19. Net Asset/ (Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>19a. Amount of Asset Nature Off-Balance Sheet Derivative Instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>19b. Amount of Liability Nature Off-Balance Sheet Derivative Instruments</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>20. Net Foreign Asset / (Liability) Position (9-18+19)</b>	<b>72.619.700</b>	<b>15.474.610</b>	<b>(10.576.733)</b>
<b>21. Net Foreign Currency Asset / (Liability) Position of Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>72.619.700</b>	<b>15.474.610</b>	<b>(10.576.733)</b>
<b>22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>23. Hedged foreign currency asset</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>24. Hedged foreign currency liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>25. Export</b>	<b>-</b>	<b>-</b>	<b>-</b>



(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.

Notes to the interim condensed consolidated financial statements as of June 30, 2022

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

DÖVİZ POZİSYONU TABLOSU			
KONSOLİDE	31.12.2021		
	TL Karşılığı (Fonksiyonel para birimi)	ABD Doları	Avro
1. Trade Receivables	23.802.172	165.223	1.431.719
2a. Monetary Financial Assets (Cash, Bank accounts included)	296.072.249	11.791.958	9.206.602
2b. Non-Monetary Financial Assets	--	--	--
3. Other	2.781.683	--	184.048
<b>4. Current Assets (1+2+3)</b>	<b>322.656.104</b>	<b>11.957.181</b>	<b>10.822.369</b>
5. Trade Receivables	--	--	--
6a. Monetary Financial Assets	--	--	--
6b. Non-Monetary Financial Assets	--	--	--
7. Other	--	--	--
<b>8. Non-Current Assets (5+6+7)</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>9. Total Assets (4+8)</b>	<b>322.656.104</b>	<b>11.957.181</b>	<b>10.822.369</b>
10. Trade Payables	3.778.206	188.645	83.316
11. Financial Liabilities	365.512.992	8.329.576	16.824.788
12a. Monetary Other Liabilities	--	--	--
12b. Non-Monetary Other Liabilities	--	--	--
<b>13. Short Term Liabilities (10+11+12)</b>	<b>369.291.198</b>	<b>8.518.221</b>	<b>16.908.104</b>
14. Trade Payables	--	--	--
15. Financial Liabilities	290.556.687	4.783.156	14.998.591
16a. Monetary Other Liabilities	--	--	--
16b. Non-Monetary Other Liabilities	--	--	--
<b>17. Long Term Liabilities (14+15+16)</b>	<b>290.556.687</b>	<b>4.783.156</b>	<b>14.998.591</b>
<b>18. Total Liabilities (13+17)</b>	<b>659.847.885</b>	<b>13.301.377</b>	<b>31.906.695</b>
<b>19. Net Asset/ (Liability) Position of Off-Balance Sheet Derivative Instruments (19a-19b)</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>19a. Amount of Asset Nature Off-Balance Sheet Derivative Instruments</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>19b. Amount of Liability Nature Off-Balance Sheet Derivative Instruments</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>20. Net Foreign Asset / (Liability) Position (9-18+19)</b>	<b>(337.191.781)</b>	<b>(1.344.196)</b>	<b>(21.084.326)</b>
<b>21. Net Foreign Currency Asset / (Liability) Position of Monetary Items (=1+2a+5+6a-10-11-12a-14-15-16a)</b>	<b>(339.973.464)</b>	<b>(1.344.196)</b>	<b>(21.268.374)</b>
<b>22. Total Fair Value of Financial Instruments Used for Foreign Currency Hedging</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>23. Hedged foreign currency asset</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>24. Hedged foreign currency liabilities</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>25. Export</b>	<b>--</b>	<b>--</b>	<b>--</b>

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

As of report and balance sheet date, Effect of exchange rate changes on foreign currency position of the Group:

<b>Table of Sensitivity Analysis for Foreign Currency Risk</b>				
<b>30.06.2022</b>				
	<b>Profit / Loss</b>		<b>Equity</b>	
	<b>Appreciation of foreign currency</b>	<b>Depreciation of foreign currency</b>	<b>Appreciation of foreign currency</b>	<b>Depreciation of foreign currency</b>
<b>Change of USD by 10% against TL:</b>				
1- Asset / Liability denominated in USD	25.794.628	(25.794.628)	25.794.628	(25.794.628)
2- The part of USD risk hedged (-)	--	--	--	--
<b>3- USD Effect - net (1+2)</b>	25.794.628	(25.794.628)	25.794.628	(25.794.628)
<b>Change of EUR by 10% against TL:</b>				
4- Asset / Liability denominated in EUR	(18.532.658)		(18.532.658)	(18.532.658)
5- The part of EUR risk hedged (-)	--	--	--	--
<b>6- EUR Effect (4+5)</b>	(18.532.658)		(18.532.658)	(18.532.658)
<b>TOTAL (3+6)</b>	<b>7.261.970</b>		<b>7.261.970</b>	

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

<b>Table of Sensitivity Analysis for Foreign Currency Risk</b>				
<b>31.12.2021</b>				
	<b>Profit / Loss</b>		<b>Equity</b>	
	<b>Appreciation of foreign currency</b>	<b>Depreciation of foreign currency</b>	<b>Appreciation of foreign currency</b>	<b>Depreciation of foreign currency</b>
<b>Change of USD by 10% against TL:</b>				
1- Asset / Liability denominated in USD	(1.794.905)	1.794.90	(1.794.905)	1.794.90
2- The part of USD risk hedged (-)	--	--	--	--
<b>3- USD Effect - net (1+2)</b>	<b>(1.794.905)</b>	<b>1.794.90</b>	<b>(1.794.905)</b>	<b>1.794.90</b>
<b>Change of EUR by 10% against TL:</b>				
4- Asset / Liability denominated in EUR	(31.866.639)	31.866.63	(31.866.639)	31.866.63
5- The part of EUR risk hedged (-)	--	--	--	--
<b>6- EUR Effect (4+5)</b>	<b>(31.866.639)</b>	<b>31.866.63</b>	<b>(31.866.639)</b>	<b>31.866.63</b>
<b>TOTAL (3+6)</b>	<b>(33.661.544)</b>	<b>33.661.54</b>	<b>(33.661.544)</b>	<b>33.661.54</b>

**b) Interest Rate Position Schedule and Sensitivity Analysis**

**Interest rate risk**

As part of its fund management policy, the interest risk of interest-bearing assets is calculated by performing sensitivity analysis. The sensitivity of interest sensitive assets in response to changes in market interest rates is computed based on the average maturities and average interest sensitive assets; the interest rate risk arising from the securities portfolio held as part of fund management function is monitored within expectations of market rates by closely following the financial markets.

The interest position table is as follows:

**Interest Position Table**

		<b>30.06.2022</b>	<b>31.12.2021</b>
<b>Financial instruments with fixed interest rate</b>			
Financial assets	Time deposits	394.109.81	356.725.62
	Available-for-sale financial assets	--	--
Financial liabilities		1.916.358.478	1.403.822.75
<b>Financial instruments with floating interest rate</b>			
Financial assets	Assets held to maturity	--	--
Financial liabilities		285.538.688	725.399.76

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

**NOTE 30 – FINANCIAL INSTRUMENTS (FAIR VALUE AND FINANCIAL RISK MANAGEMENT DISCLOSURES)**

Fair value is the price to be obtained from sales of an asset, or to be paid in case of transfer of a debt, in an ordinary transaction between market participants on the measurement date.

Company determined the estimated fair values of the financial instruments by using available market data and suitable valuation methods. However, interpretation and sound judgment is required to estimate fair values by using market data. As a result, estimates provided here may not be indicators of the amounts that Company can obtain in current market transaction.

The following methods and assumptions are used to estimate the fair values of the financial instruments of which actual fair values are impossible to be estimated.

The following methods and assumptions are used to estimate the reasonable value of the financial instruments:

**Monetary Assets**

Balances in a foreign currency are converted into Turkish Liras on the basis of foreign exchange buy rate effective at the end of the period. These balances are held to be close to the book value.

Certain financial assets including the cash and cash equivalents are carried forward at their cost values, and as they are short-term, their book values are held to be approx. equal to reasonable values.

Book values of the account receivables are held to reflect the reasonable value, together with the provisions for Doubtful Receivables.

**Monetary Liabilities**

Book values of bank loans and other monetary liabilities, as they are short-term, are assumed to approach to reasonable values.

The Reasonable values of the balances in foreign currency converted on the basis of year-end exchange rates are considered to approach to their book values.

**Fair Value Estimation:**

Classifications of the Company for the fair values are as follows:

Level 1: Prices quoted in the active markets for certain assets and liabilities.

Level 2: Direct or indirect observable inputs for assets and liabilities other than prices quoted included in Level 1.

Level 3: Inputs for assets and liabilities which cannot be identified using an observable market data

(Convenience translation of interim condensed consolidated financial statements originally issued in Turkish)

**REYSAŞ TAŞIMACILIK VE LOJİSTİK TİCARET A.Ş.**

**Notes to the interim condensed consolidated financial statements as of June 30, 2022**

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

---

**NOTE 31 – SUBSEQUENT EVENTS**

None.

**NOTE 32 – OTHER MATTERS WHICH ARE SIGNIFICANT TO THE FINANCIAL STATEMENTS OR WHICH SHOULD BE DISCLOSED FOR THE PURPOSE OF TRUE AND FAIR INTERPRATION OF THE FINANCIAL STATEMENTS**

None.