

ULUSOY UN SANAYİ VE TİCARET A.Ş.

CONSOLIDATED FINANCIAL STATEMENTS AND FOOTNOTES FOR
THE PERIOD JANUARY 1–DECEMBER 31, 2021

INDEPENDENT AUDITOR'S REPORT

To Board of Directors of Ulusoy Un Sanayi ve Ticaret A.Ş.

A. Audit of Consolidated Financial Statements

1. Opinion

We have audited the consolidated financial tables fouled with the consolidated profit or loss and other extensive income tables, statement of changes in consolidated equity and consolidated cash flow table along with financial tables created from financial table footnotes including significant accounting policies for the same account period as of 31 December 2021 for Ulusoy Un Sanayi ve Ticaret A.Ş. ("Company") and its Affiliated Companies (shall we collectively referred to as "Group")

In our opinion, the accompany in consolidated financial statements accurately present the Group's consolidated financial position as of 31 December, 2021, as well as its consolidated financial performances and consolidated cash flows in the accounting period ending on the same date, with all important aspects in accordance with the Turkey Financial Reporting Standards (TFRS).

2. Basis of Opinion

We conducted our audit in accordance with the Independent Audit Standards ("IAS"), a part of Turkish Audit Standards as published by Public Oversight Accounting and Auditing Standards Authority ("POAS"). Our responsibility under these standards are disclosed in detail in the section entitled "Independent Auditor's Responsibilities concerning Consolidated Financial Statements". We declare that we are independent of the Company in accordance with the Code of Conduct for Independent Auditors ("Code of Conduct") as published by POAS and ethic provisions contained in the related legislation regarding the auditing of financial statements. We have also fulfilled other responsibilities relating to the ethics under the Code of Conduct and legislation. We believe that the audit evidence we have obtained during the independent audit is sufficient and appropriate to provide a basis for our audit opinion.

3. Other Considerations

The independent audit of the consolidated financial statements of the Group for the year ended 31 December 2020 was performed by another independent audit firm. As of 31 December 2020, a positive opinion was given in the independent audit report dated 10 March 2021 regarding the consolidated financial statements.

4. Key Auditing Matters

The key auditing matters, as per our judgment, are those which are of great importance in auditing the consolidated financial statements. We have dealt with the key auditing matters in accordance with the auditing of the consolidated financial statements and in providing our opinion regarding consolidated financial statements and we do not provide any opinion as regards such matters.

Key Auditing Subjects	How the key auditing subject was handled in the audit
Record of Revenue	
<p>Revenue is the most important measurement criterion in terms of evaluating the results of the strategies implemented during the year and monitoring the performance.</p> <p>Group's revenue; Revenue is a key issue for our audit, as the transaction volume is high and the revenue is significant in terms of the consolidated profit or loss statement for the accounting period 1 January - 31 December 2021. Explanations on the Group's accounting policies and revenues Note 2.6. and in Note 16.</p>	<p>The audit procedures we apply consist of understanding the internal controls related to the revenue recognition process, including the controls performed by the senior management, identifying and evaluating the controls in the processes, detailed analytical examinations and detailed tests.</p> <p>The risk of 'material misstatement' in the recognition of revenue in the consolidated financial statements is considered a significant risk, and our audit procedures in addressing this risk include the following:</p> <ul style="list-style-type: none">- Information technology processes were understood with the help of our information technology experts, and the controls identified in the relevant processes were tested within the scope of studies on the evaluation of the information technology general control environment.- Goods sales processes were understood and the automatic and manual controls included in the processes were determined and evaluated.- Evidence that revenue is recorded in the correct period in accordance with the periodicity principle has been tested for sample selected transactions.- The processes applied by the Company during the verification of trade receivables were understood and the balances of trade receivables selected through sampling were confirmed with the relevant companies. <p>As a result of the audit procedures we have applied, no material difference that may cause errors in the consolidated financial statements has been found.</p> <p>In addition, it has been observed that the footnotes on revenue transactions comply with IFRS.</p>

4. Key Auditing Matters (Continued)

Key Auditing Subjects	How the key auditing subject was handled in the audit
Inventories	
Inventories amounting to 860.125.939 TRY in the consolidated statement of financial position of the Group as of December 31, 2021 constitute a significant portion of total assets. Most of the inventories are wheat, flour, etc. consists of substances. Accounting policy regarding inventories is explained in Note 2.6, and related inventory amounts are explained in Note 10. Inventories are considered a key audit matter for our audit, as they constitute a significant portion of the Group's total assets.	<p>During our audit, the following audit procedures regarding inventories were applied:</p> <ul style="list-style-type: none"> · Analytical evaluations and detailed tests were carried out regarding the recording and valuation process of inventories. · The mathematical suitability of the data used in the valuation work was tested. · The physical existence of the inventories has been verified by the censuses carried out in the presence of the experts within the Group. · The technical competence and ability of the expert used during the counting of inventories were evaluated. · Inventory turnover rate is compared with the previous year. · In the year-end inventory counts, it has been observed whether there are any stocks that have not moved for a long time or are damaged. <p>As a result of these studies on inventories, we did not find any significant findings.</p>

4. Key Auditing Matters (Continued)

Key Auditing Subjects	How the key auditing subject was handled in the audit
<p>Recoverability of Trade Receivables</p> <p>As of December 31, 2021, trade receivables from unrelated parties amounting to 1.147.207.026 TRY have a significant size in the consolidated financial statements.</p> <p>While evaluating the recoverability of the said trade receivables, the Group management; It takes into account past collection performances, maturity analysis, disputes or lawsuits related to receivables. As a result of all these evaluations, the determination of doubtful receivables and the determination of the provision amounts for these receivables also include the assumptions and estimates of the management.</p> <p>For these reasons, the recoverability of such receivables has been determined by us as a key audit matter.</p>	<p>During our audit, the following audit procedures regarding recoverability of trade receivables were applied:</p> <ul style="list-style-type: none"> · The Group's credit follow-up and credit risk management policy, including credit limit management, has been understood and evaluated. · Trade receivable balances from unrelated parties were tested by sending confirmation letters by way of sampling. · The aging of trade receivable balances from unrelated parties has been analyzed. · Collections of revenue made in the following period were tested by sampling. · It was investigated whether there were any disputes or lawsuits regarding the collection of trade receivable balances from unrelated parties, and the evaluations of the ongoing lawsuits were received from the legal advisors. · Within the framework of the discussions with the Group management, it has been evaluated whether the basic assumptions and other judgments that form the basis of the impairment calculations are reasonable. · The appropriateness and adequacy of the disclosures in the footnotes of the consolidated financial statements regarding the recoverability of trade receivables from unrelated parties in accordance with the relevant accounting standards have been evaluated. <p>As a result of our audit procedures regarding trade receivables, we did not find any significant findings.</p>

4. Key Auditing Matters (Continued)

Key Auditing Subjects	How the key auditing subject was handled in the audit
<p>Tangible fixed assets and investment properties accounted for at fair value</p> <p>As of December 31, 2021, tangible fixed assets and investment properties, which have a significant share in the Group's total assets, are accounted for at their fair value.</p> <p>The accounting policies adopted by the Group management in the accounting of these assets are the fair value method, as detailed in Note 2.6, Note 13 and Note 16, and the fair values of these assets are determined by an independent valuation firm authorized by the Capital Markets Board (CMB) and the Group. It is taken as the basis in the consolidated balance sheet after the evaluations of the management.</p> <p>The fair values of these assets depend on the valuation method adopted and the inputs and assumptions in the valuation model.</p> <p>The work on the determination of the fair value of the said assets has been determined as a key audit matter due to the fact that the recorded values of the assets constitute a significant part of the total assets of the Group, and the subjective nature of the valuations includes important assumptions and judgments.</p>	<p>During our audit, the following audit procedures regarding Tangible fixed assets and investment properties accounted for at fair value were applied:</p> <ul style="list-style-type: none"> - The real estate valuation accreditation and license of the expert institution, which is appreciated by the Capital Markets Board, has been checked. - The competence, capability and impartiality of the expert body were evaluated. - The valuation reports prepared by the expert institution for each asset were read and the valuation studies were evaluated. - The compliance of the fair values in the valuation report with the footnotes has been checked, it has been evaluated whether the values in the footnotes are in agreement with the valuation reports and whether the footnote explanations are sufficient in terms of TFRS. <p>As a result of the procedures applied, we did not have any significant findings.</p>

5. Management and Senior Management's Responsibility for Financial Statements

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

In preparing the consolidated financial statements, the management is also responsible for evaluating the capability of the Company to remain as a going concern and make disclosures as to going concern status as necessary and relies on the going concern status of the business insofar as there exists no intention or obligation to dissolve the business or end the commercial activity.

Senior management is responsible for the supervision of the financial reporting process of the Group.

6. Independent Auditor's Responsibilities for Independent Audit of the Financial Statements

The following are the responsibilities of the independent auditor in any independent audit:

We aim to obtain a reasonable assurance as to whether or not the financial statements as a whole do not involve any error or material misstatement, whether due to fraud, and prepare an independent audit report including our opinion. The reasonable assurance given upon any independent audit conducted in accordance with the IAS is a high level of assurance; however, does not guarantee the detection of any significant misstatement at all times. Errors and misstatements may arise from error or fraud. In case misstatements are solely or collectively expected to reasonably affect the economic decisions to be taken based on such financial statements, such misstatements are considered significant.

As a requirement of an independent audit conducted in accordance with IASs, we use our professional judgment and maintain our professional skepticism throughout the independent audit. Also by us:

- Determine and evaluate "material misstatements", whether due to error and/or fraud in the financial statements, design and implement audit procedures that address such risks and obtain sufficient and proper evidence which form basis for our opinion. A risk to not detect a significant misstatement due to fraud is higher than the risk to not detect any misstatement due to error based on the fact that fraud may include acts of collusion, fraud, willful negligence, misstatement or internal control violation.
- Evaluate the internal controls for the purpose of designing audit procedures in compliance with status, but not of providing opinion for the effectiveness of the internal control of the Group.

6. Independent Auditor's Responsibilities for Independent Audit of the Financial Statements (Continued)

- Evaluate the appropriateness of the accounting policies employed by the management and rationality of the disclosures regarding accounting predictions.
- Based on the audit evidence obtained, make a deduction as to existence of any significant uncertainty concerning any event or condition which may raise doubt in respect of the capability of the Group to remain as a going concern and as to the appropriateness of management's use of going concern principle. In case we deduct on the existence of a significant uncertainty, we are required to draw attention to the relevant disclosures in the financial statements in our report or provide any opinion other than unqualified opinion. The results we deduct are based on the audit evidence obtained until the date of the independent audit report. Moreover, any future event or condition may cease the going concern status of the Group.
- Evaluate whether or not consolidated financial statements reflect the transactions and events which comprise the basis of such financial statements so as to provide fair presentation with general presentation, structure and contents, including the notes to such financial statements.
- In order to express an opinion on the consolidated financial statements, sufficient and appropriate audit evidence is obtained about the financial information regarding the businesses or operating segments within the Company. We are responsible for the direction, supervision and conduct of the company audit. We are also solely responsible for the audit opinion we give.

Alongside other matters, we inform the senior management as to the planned scope and timing of the independent audit including any significant internal control deficiencies detected during the audit, as well as significant audit results.

We have informed the senior management with which we establish compliance with the code of conduct as regards the independence. Furthermore, we have further informed the senior management about any and all relations and other matters which may impact the independence and any measures, if any.

6. Independent Auditor's Responsibilities for Independent Audit of the Financial Statements (Continued)

We select the key audit matters of great importance in the audit of the consolidated financial statements for the current annual reporting period among those already advised to the senior management. In cases where the legislation does not allow public disclosure or in exceptional cases where adverse results which may arise from public disclosure may be expected to exceed the public interest that public disclosure may bring about, we may decide upon the non-disclosure of such matter in the independent audit report.

B. Other Obligations Arising from the Legislation

1. Pursuant to the fourth paragraph of Article 402 of the Turkish Commercial Code No. 6102 ("TCC"), the Company's bookkeeping system, financial statements, and the law and the Company's articles of association do not comply with the financial reporting provisions for the accounting period of January 1 – December 31, 2021. No significant issues were found.
2. Pursuant to the fourth paragraph of Article 402 of the TCC, the Board of Directors has given us the required explanations within the scope of the audit and the requested documents.
3. The Auditor's Report on the Early Detection of Risk System and Committee, prepared in accordance with the fourth paragraph of Article 398 of the TCC, was submitted to the Company's Board of Directors on March 4, 2022.

Finansal Eksen Bağımsız Denetim ve Danışmanlık A.Ş.

Exclusive Member of GGI Global Alliance AG

Ufuk Doğruer, CPA
Principal Auditor in Charge

İstanbul, 4 Mart 2022

CONTENTS	Page
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)	1 – 2
CONSOLIDATED STATEMENT OF PROFIT OR LOSS	3
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME	4
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	5
CONSOLIDATED STATEMENT OF CASH FLOW	6
 EXPLANATORY NOTES FOR THE CONSOLIDATED FINANCIAL STATEMENTS	
FOOTNOTE 1 GROUP'S ORGANIZATION AND FIELD OF ACTIVITY	7-9
FOOTNOTE 2 GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS	10-22
FOOTNOTE 3 REPORTING BY SEGMENTS	23-24
FOOTNOTE 4 CASH AND CASH EQUIVALENTS	25
FOOTNOTE 5 FINANCIAL INVESTMENTS	25
FOOTNOTE 6 FINANCIAL BORROWING	26-28
FOOTNOTE 7 TRADE RECEIVABLES AND PAYABLES	29
FOOTNOTE 8 OTHER RECEIVABLES AND PAYABLES	30
FOOTNOTE 9 DERIVATIVE INSTRUMENTS	30-31
FOOTNOTE 10 INVENTORIES	31
FOOTNOTE 11 PREPAID EXPENSES AND DEFERRED INCOME	32
FOOTNOTE 12 INVESTMENTS VALUED BY EQUITY METHOD	32-33
FOOTNOTE 13 INVESTMENT PROPERTIES	34
FOOTNOTE 14 ASSETS RELATED TO CURRENT PERIOD TAX	35
FOOTNOTE 15 RIGHT-OF-USE ASSETS	35
FOOTNOTE 16 TANGIBLE ASSETS	36-37
FOOTNOTE 17 INTANGIBLE ASSETS	38
FOOTNOTE 18 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES	39-40
FOOTNOTE 19 PROVISIONS RELATED TO EMPLOYEE BENEFITS	41-42
FOOTNOTE 20 OTHER ASSETS AND LIABILITIES	42
FOOTNOTE 21 EQUITIES	43-45
FOOTNOTE 22 REVENUE AND COST OF SALES	46
FOOTNOTE 23 GENERAL ADMINISTRATIVE EXPENSES AND MARKETING COSTS	47-48
FOOTNOTE 24 OTHER INCOME AND EXPENSES FROM MAIN ACTIVITIES	49
FOOTNOTE 25 INCOME AND EXPENSES FROM INVESTING ACTIVITIES	50
FOOTNOTE 26 FINANCE INCOME AND EXPENSES	51
FOOTNOTE 27 INCOME TAXES	52-55
FOOTNOTE 28 EARNINGS PER SHARE	56
FOOTNOTE 29 RELATED PARTY DISCLOSURES	56-58
FOOTNOTE 30 NATURE AND LEVEL OF RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS	59-63
FOOTNOTE 31 FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND OTHER DISCLOSURES CONCERNING HEDGE ACCOUNTING)	64
FOOTNOTE 32 FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR'S	64
FOOTNOTE 33 EVENTS AFTER BALANCE SHEET DATE	65

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ
FOR THE PERIOD AS OF DECEMBER 31, 2021
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)

(All amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

		Current Period	Previous Period
	Footnote No	<i>Independently Audited</i>	<i>Independently Audited</i>
			<i>Revised</i>
Type of Financial Statement		Consolidated	Consolidated
Period		December 31, 2021	December 31, 2020
ASSETS			
Current Assets		3.002.729.564	1.339.099.007
Cash And Cash Equivalents	4	498.900.970	327.845.182
Financial Investment	5	36.038.234	32.104.780
Trade Receivables		1.153.061.819	430.505.817
- Trade Receivables from Related Parties	7,29	5.854.793	1.384.711
- Trade Receivables from Non-related Parties	7	1.147.207.026	429.121.106
Other Receivables		4.862.290	15.144.060
- Other Receivables from Related Parties	29	600	-
- Other Receivables from Non-related Parties	8	4.861.690	15.144.060
Derivative Instruments	9	225.374.770	10.668.553
Inventories	10	860.125.939	459.113.825
Prepaid Expenses	11	187.217.176	48.896.941
Assets Related to Current Period Tax	14	8.278.620	1.262.430
Other Current Assets	20	28.869.746	13.557.419
Non-Current Assets		691.976.988	334.240.587
Trade Receivables		10.197.097	10.197.097
- Trade Receivables from Non-related Parties	7	10.197.097	10.197.097
Other Receivables		543.541	285.615
- Other Receivables from Non-related Parties	8	543.541	285.615
Investments Valued by Equity Method	12	5.316.148	4.936.299
Investment Properties	13	16.292.000	12.863.685
Right-of-use Assets	15	3.657.701	2.395.579
Tangible Assets	16	592.884.673	285.597.731
Intangible Assets	17	3.587.810	1.356.251
Prepaid Expenses	11	8.027.627	3.042.014
Deferred Tax Assets	27	51.470.391	13.566.316
TOTAL ASSETS		3.694.706.552	1.673.339.594

The attached footnotes constitute an integral part of these consolidated financial statements

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ
FOR THE PERIOD AS OF DECEMBER 31, 2021
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
(All amounts are expressed in Turkish Lira (TRY) unless otherwise stated.)

		Current Period	Previous Period
	Footnote	<i>Independently Audited</i>	<i>Independently Audited</i>
Type of Financial Statement	No	Consolidated	Consolidated
Period		December 31, 2021	December 31, 2020
LIABILITIES			
Short-term Liabilities		2.565.639.858	973.418.067
Short-term Borrowings		1.051.300.420	340.126.709
- Bank Loans	6	1.051.300.420	340.126.709
Short-term Portions of Long-term Borrowings	6	266.558.959	185.994.988
Trade Payables		1.139.289.953	392.005.623
- Trade Payables to Related Parties	7,29	5.822.384	89.877
- Trade Payables to Unrelated Parties	7	1.133.467.569	391.915.746
Payables Related to Employee Benefits	19	2.701.254	1.818.309
Other Payables		8.835.403	15.479.323
- Other Payables to Related Parties	8,29	8.707.586	14.959.964
- Other Payables to Unrelated Parties	8	127.817	519.359
Derivative Instruments	9	55.543	2.017.984
Deferred Income	11	74.225.292	20.913.623
Tax Liability for the Current Period Profit	27	-	61.225
Short-term Provisions		582.474	6.613.745
- Short-term Provisions Related to Employee Benefits	19	157.474	45.101
- Other Short-term Provisions	18	425.000	6.568.644
Other Short-term Liabilities	20	22.090.560	8.386.538
Long-term Liabilities		400.871.188	315.413.045
Long-term Borrowings	6	282.251.126	293.157.916
Long-term Provisions		3.657.593	2.564.363
- Long-term Provisions Related to Employee Benefits	19	3.657.593	2.564.363
Deferred Tax Liability	27	114.962.469	19.690.766
Total Equity	21	728.195.506	384.508.482
Paid-in Capital		190.970.000	84.500.000
Repurchased Shares (-)		(26.765.386)	-
Premiums (Discounts) Related to Shares		15.269.029	57.194.029
Other Comprehensive Income (Expenses) not to be Reclassified to Profit or Loss		251.661.140	61.443.837
- Increases/Decreases in Tangible Assets Due to Revaluation		252.938.157	62.149.360
- Revaluation Gains (Losses) on Defined Benefit Plans		(1.238.083)	(705.523)
- Shares of Other Comprehensive Income from Investments Valued by the Equity Method Not to be Classified in Profit and Loss		(38.934)	-
Other Comprehensive Income (Expenses) to be Reclassified to Profit or Loss		55.993.439	15.353.588
- Foreign Currency Exchange Differences		55.993.439	15.353.588
Reserves on Retained Earnings		36.867.423	7.726.207
Retained Earnings or Losses		64.604.605	115.008.531
Net Profit or Loss for the Period		139.595.256	43.282.290
Parent Company Equity		728.195.506	384.508.482
Non-Controlling Interests		-	-
TOTAL LIABILITIES AND EQUITY		3.694.706.552	1.673.339.594

The attached footnotes constitute an integral part of these consolidated financial statements.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ
FOR THE PERIOD JANUARY 1–DECEMBER 31, 2021
CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(All amounts are expressed in Turkish lira (TRY) unless otherwise stated.)

Type of Financial Statement	Footnote No	Current Period	Previous Period
		<i>Independently Audited</i>	<i>Independently Audited</i>
Period		Consolidated	Consolidated
		January, 1-December 31, 2021	January, 1-December 31, 2021
Revenue	22	9.308.745.555	4.344.809.129
Cost of Sales	22	(8.785.308.210)	(4.141.713.998)
GROSS PROFIT/LOSS		523.437.345	203.095.131
General Administrative Expenses	23	(41.266.820)	(20.376.206)
Marketing Expenses	23	(140.909.095)	(69.972.865)
Research and Development Expenses	23	(20.235)	(86.517)
Other Operating Income	24	675.096.205	209.046.253
Other Operating Expenses	24	(266.228.816)	(135.702.758)
OPERATING PROFIT/LOSS		750.108.584	186.003.038
Income from Investing Activities	25	4.387.105	3.581.016
Expenses from Investment Activities	25	-	(105.630)
Cancelled Impairment Earnings and Losses Determined as per TFRS 9	25	(638.241)	(76.521)
Shares from Profits (Losses) of Investments Valued by Equity Method	12	1.200.919	867.151
OPERATING PROFIT/LOSS BEFORE FINANCE EXPENSES		755.058.367	190.269.054
Finance Income	26	581.329.612	371.238.230
Finance Expenses	26	(1.150.381.668)	(517.753.882)
PROFIT/LOSS BEFORE TAX FROM CONTINUING OPERATIONS		186.006.311	43.753.402
Tax Expense/Income from Continuing Operations		(46.411.055)	(471.112)
Tax Expense/Income for the Period	27	(17.614.285)	(3.771.719)
Deferred Tax Expense/Income	27	(28.796.770)	3.300.607
PROFIT (LOSS) FOR THE PERIOD		139.595.256	43.282.290
Distribution of the Profit (Loss) for the Period		139.595.256	43.282.290
Non-Controlling Interests		-	-
Parent Company Shares		139.595.256	43.282.290
Earnings (Losses) per Share		0,7376	0,5122
Earnings per Share from Continuing Operations	28	0,7376	0,5122

The attached footnotes constitute an integral part of these consolidated financial statements.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ
FOR THE PERIOD JANUARY 1–DECEMBER 31, 2021
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
(All amounts are expressed in Turkish lira (TRY) unless otherwise stated.)

	Footnote No	Current Assets	Previous Assets
		<i>Independently Audited</i>	<i>Independently Audited</i>
Type of Financial Statement		Consolidated	Consolidated
Period		January, 1- December 31, 2021	January, 1- December 31, 2020
Profit For the Period		139.595.256	43.282.290
Other Income not to be Reclassified to Profit or Loss		218.776.529	43.604.338
Increases/Decreases in Tangible Assets Due to Revaluation		219.518.730	43.735.705
Revaluation Gains (Losses) on Defined Benefit Plans		(691.637)	(131.367)
Shares of Other Comprehensive Income from Investments Valued by the Equity Method Not to be Classified in Profit or Loss		(50.564)	-
Taxes Related to Other Comprehensive Income not to be Reclassified to Profit or Loss		(28.559.228)	(8.710.550)
Revaluation Gains (Losses) on Defined Benefit Plans, Tax Effect		159.076	26.274
Increases/Decreases in Tangible Assets Due to Revaluation, Tax Effect		(28.729.934)	(8.736.824)
Shares of Other Comprehensive Income from Investments Valued by the Equity Method Not to be Classified in Profit or Loss, Tax Effect		11.630	-
Other Income to be Reclassified to Profit or Loss		40.639.851	11.007.457
Foreign Currency Exchange Differences		40.639.851	11.007.457
Taxes Related to Other Comprehensive Income to be Reclassified to Profit or Loss		-	-
Deferred Tax Expense/Income		-	-
OTHER COMPREHENSIVE INCOME (EXPENSES)		230.857.153	45.901.245
TOTAL COMPREHENSIVE INCOME (EXPENSES)		370.452.409	89.183.535
Distribution of Total Comprehensive Income		370.452.409	89.183.535
Non-Controlling Interests		-	-
Parent Company Shares		370.452.409	89.183.535

The attached footnotes constitute an integral part of these consolidated financial statements.

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ
FOR THE PERIOD JANUARY 1–DECEMBER 31, 2021
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(All amounts are expressed in Turkish lira (TRY) unless otherwise stated.)

Other Accumulated Comprehensive Income or Expenses not to be Reclassified to Profit or Loss							Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss	Accumulated Profits				
Footnote No	Paid-in Capital	Reacquired Shares	Share Issuance Premiums/ Discounts	Increases/ Decreases in Tangible Assets Due to Revaluation	Revaluation Gains (Losses) on Defined Benefit Plans	Shares of Other Comprehensive Income from Investments Valued by the Equity Method Not to be Classified in Profit and Loss	Foreign Currency Exchange Differences	Reserves on Retained Earnings	Retained Profits/ Losses	Net Profit/ Loss for the Period	Equities	
Balances as of 01.01.2020	84.500.000	(3.445.108)	38.607.992	27.202.058	(600.430)	-	4.346.131	11.171.315	84.516.493	26.995.351	273.293.802	
Transfers				(51.579)					27.046.930	(26.995.351)	-	
Total Comprehensive Income (Expenses)				34.998.881	(105.093)		11.007.457			43.282.290	89.183.535	
- Profit (Loss) for the Period										43.282.290	43.282.290	
- Other Comprehensive Income (Expenses)				34.998.881	(105.093)		11.007.457				45.901.245	
Increase (Decrease) Due to Share Buyback Transactions		3.445.108	18.586.037					(3.445.108)	3.445.108		22.031.145	
Balances as of 31.12.2020	21	84.500.000	-	57.194.029	62.149.360	(705.523)	-	15.353.588	7.726.207	115.008.531	43.282.290	384.508.482
Balances as of 01.01.2021		84.500.000	-	57.194.029	62.149.360	(705.523)	-	15.353.588	7.726.207	115.008.531	43.282.290	384.508.482
Transfers								2.375.830	40.906.460	(43.282.290)	-	
Total Comprehensive Income (Expenses)				190.788.797	(532.560)	(38.934)	40.639.851			139.595.256	370.452.409	
- Profit (Loss) for the Period										139.595.256	139.595.256	
- Other Comprehensive Income (Expenses)				190.788.797	(532.560)	(38.934)	40.639.851				230.857.153	
Capital Increase		106.470.000	(41.925.000)						(64.545.000)		-	
Increase (Decrease) Due to Share Buyback Transactions			(26.765.386)					26.765.386	(26.765.386)		(26.765.386)	
Balances as of 31.12.2021	21	190.970.000	(26.765.386)	15.269.029	252.938.157	(1.238.083)	(38.934)	55.993.439	36.867.423	64.604.605	139.595.256	728.195.506

The attached footnotes constitute an integral part of these consolidated financial statements

ULUSOY UN SANAYİ VE TİCARET ANONİM ŞİRKETİ
FOR THE PERIOD JANUARY 1–DECEMBER 31, 2021
CONSOLIDATED STATEMENT OF CASH FLOW

(All amounts are expressed in Turkish lira (TRY) unless otherwise stated.)

Type of Financial Statement	Footnote No	Current Period	Previous Period
		Independently Audited	Independently Audited
		Consolidated	Consolidated
Period		January, 1-December 31, 2021	January, 1-December 31, 2020
Cash Flows from Operating Activities		227.690.083	(184.619.598)
Profit (Loss) for the Period		139.595.256	43.282.290
- Profit (Loss) for the Period from Continuing Operations	21	139.595.256	43.282.290
Adjustments Related to Net Profit (Loss) Reconciliation for the Period		(63.786.310)	5.507.773
- Adjustments Related to Depreciation and Amortization Expenses	16,17	(14.165.811)	13.826.810
- Adjustments Related to Provisions	7,19	(25.046.349)	6.727.084
- Adjustments Related to Interest Income (Expenses)	26	(81.941.777)	(10.922.581)
- Adjustments Related to Tax (Income) Expenses	27	57.367.627	(4.123.540)
Changes in Operational Capital		151.881.137	(233.409.661)
- Adjustments Related to Decreases (Increases) in Trade Receivables	7,29	69.430.651	110.240.724
- Adjustments Related to Decreases (Increases) in Other Receivables Related to Operations	8,29	(146.153.544)	(4.671.472)
- Adjustments Related to Increases (Decreases) in Inventories	10	(309.051.294)	(156.144.584)
- Adjustments Related to Increases (Decreases) in Trade Payables	7,29	644.034.786	(182.929.213)
- Adjustments Related to Increases (Decreases) in Other Payables Related to Operations	8,29	65.175.818	11.697.559
- Adjustments Related to Other Increases (Decreases) in Operational Capital		(171.555.280)	(11.602.675)
Cash Flows from Investing Activities		(126.949.960)	(117.860.720)
Cash Inflows from Sale of Shares of Other Entities or Funds or Debt Instruments		-	(29.871.854)
Cash Inflows from Sale of Tangible and Intangible Assets		2.969.922	1.360.645
- Cash Inflows from Sale of Tangible Assets	16	2.969.922	1.360.645
Cash Outflows to Purchase of Tangible and Intangible Assets		(102.471.159)	(81.184.898)
- Cash Outflows to Purchase of Tangible Assets	16	(99.777.998)	(81.184.898)
- Cash Outflows to Purchase of Intangible Assets	17	(2.693.161)	-
Cash Outflows from the Purchase of Investment Property		-	(1.363.685)
Cash Outflows from Derivative Instruments	9	(134.700.859)	(6.800.928)
Dividends Received	12	782.136	-
Increase of Capital	21	106.470.000	-
Cash Flows from Financing Activities		29.675.814	470.751.644
Cash Inflows from Selling of Own Shares and Other Equity Instruments of the Entity		-	22.031.145
Cash Inflows from Borrowing	6	630.940.204	781.807.387
- Cash Inflows from Loans		630.940.204	781.807.387
Cash Outflows Related to Debt Repayments	6	(462.205.227)	(278.772.750)
- Cash Outflows Related to Loan Repayments		(462.205.227)	(278.772.750)
Cash Outflows Related to Debt Payments Arising from Lease Contracts		(2.456.904)	-
Paid Interest	26	(152.788.825)	(67.277.007)
Interest Earned	26	16.186.566	12.962.869
Net Increases (Decreases) in Cash and Cash Equivalents Before the Effect of Foreign Currency Exchange Differences		130.415.937	168.271.326
The Effect of Foreign Currency Exchange Differences on Cash and Cash Equivalents		40.639.851	11.007.457
Net Increases (Decreases) in Cash and Cash Equivalents		171.055.788	179.278.783
Cash and Cash Equivalents at the Beginning of the Period	4	327.845.182	148.566.399
Cash and Cash Equivalents at the End of the Period	4	498.900.970	327.845.182

The attached footnotes constitute an integral part of these consolidated financial statements.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 1- GROUP'S ORGANIZATION AND FIELD OF ACTIVITY

Ulusoy Un Sanayi ve Ticaret Anonim Şirketi ("Company") was established in 1989 to manufacture, trade in, import and export any foodstuff made of grains and legumes, such as flour, semolina, pasta and biscuits.

The headquarters of the Company is in Denizevleri District Alacam Street B Block No:42/1 Atakum/Samsun. The address of the Company's production plant in Samsun is Sabanoglu District Ataturk Boulevard No:180/1 Tekkeköy, Samsun. The address of its production plant in Çorlu is Hıdırağa District İstasyon Street No: 20 Çorlu/Tekirdağ.

The Company's authorized capital is 422.500.000 TRY. The authorized capital permission granted by the Capital Markets Board ("CMB") is valid for the period 2020–2024 (5 years).

The issued capital of the Company as of December 31, 2021 is 190.970.000 TRY. (One hundred ninety million nine hundred seventy thousand Turkish liras) This capital is divided into a total of 190.970.000 shares each with nominal value of 1 TRY, namely 22.035.000 Group A shares, 14.690.000 Group B shares and 154.245.000 Group C shares. Group A and B shares are registered, while the part of the Group C shares listed in Istanbul Stock Exchange is bearer shares and the other part is registered shares. In the election of Group, A shares' Board of Directors, Group A and B shares have voting privileges at the General Assembly. At least two members in case of a Board of Directors consisting of five members, at least three members in case of a Board of Directors consisting of six or seven members, at least four members in case of a Board of Directors consisting of eight or nine members, and at least five members in case of a Board of Directors consisting of ten or eleven members, excluding independent members, are elected among candidates to be nominated by the majority of Group A shareholders. Group A, Group B and Group C shareholders or their agents present at the Ordinary and Extraordinary General Assembly meetings have 15 (fifteen), 10 (ten) and 1 (one) voting rights for each share, respectively.

The number of personnel employed in the Group as of December 31, 2021 is 381 (December 31, 2020: 377 personnel).

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 1 - GROUP'S ORGANIZATION AND FIELD OF ACTIVITY (Cont.)

The Group's capital distribution as of December 31, 2021 is as follows:

Shareholders	Number of Shares	Group	Percentage (%)	Amount
Fahrettin Ulusoy	10.283.000	A	5,38	10.283.000
	4.407.000	B	2,31	4.407.000
	-	C	-	-
	14.690.000		7,69	14.690.000
Nevin Ulusoy	1.469.000	A	0,77	1.469.000
	2.938.000	B	1,54	2.938.000
	27.589.237	C	14,45	27.589.237
	31.996.237		16,76	31.996.237
Onur Erhan Ulusoy	1.469.000	A	0,77	1.469.000
	3.407.000	B	1,78	3.407.000
	13.024.001	C	6,82	13.024.001
	17.900.001		9,37	17.900.001
Eren Günhan Ulusoy	8.814.000	A	4,62	8.814.000
	3.938.000	B	2,06	3.938.000
	48.380.357	C	25,33	48.380.357
	61.132.357		32,01	61.132.357
Mithat Denizcigil	215.518	C	0,11	215.518
	215.518		0,11	215.518
Kâmil Adem	60.887	C	0,03	60.887
	60.887		0,03	60.887
Open To Public	64.975.000	C	34,02	64.975.000
Total	190.970.000		100,00	190.970.000

Subsidiaries

The Company's its subsidiaries in the scope of consolidation as of December 31, 2021 and December 31, 2020 are as follows;

Subsidiaries	Subsidiaries Percent (%)	
	December 31, 2021	December 31, 2020
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	100	100
GK Tarım Ürünleri Lisanslı Depoculuk A.Ş.	100	100
Rolweg SA	100	100
Alfaway Gıda Sanayi ve Ticaret A.Ş.	100	100

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 1 - GROUP'S ORGANIZATION AND FIELD OF ACTIVITY (Cont.)

Disclosures Concerning the Subsidiaries' Field of Activity

Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.

Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş. ("Uludaş") was established on February 27, 2015 to provide licensed warehousing services for storage of agricultural products under healthy conditions.

The headquarters of Uludaş is located in Sabanoglu District Ataturk Boulevard No:180/1 Tekkeköy, Samsun. It has 25 personnel as of December 31, 2021. (December 31, 2020: 21 personnel)

As of December 31, 2021 and December 31, 2020, its capital is 25.000.000 TRY and it does not have any outstanding capital.

Uludaş an acquired 100% of the shares of GK Tarım Ürünleri Lisanslı Depoculuk A.Ş. ("GK Tarım") in July 2020. The financial statements of Uludaş as of December 31, 2021 and December 31, 2020 were prepared in consolidation with GK Tarım.

Rolweg SA

Rolweg SA was established on March 15, 2018 to trade in grains with a capital of 1.000.000 CHF. 100% of Rolweg SA's capital is owned by Ulusoy Un Sanayi ve Ticaret A.Ş. Rolweg SA's headquarters is in Rue du Nant6, 1207 Geneva, Switzerland. Rolweg SA's capital is 7.500.000 CHF. (December 31, 2020: 3.000.000 CHF)

Alfaway Gıda Sanayi ve Ticaret A.Ş.

Alfaway Gıda Sanayi ve Ticaret A.Ş., ("Alfaway") was established on September 24, 2019 to engage in manufacture, retail and wholesale trade, import and export of any foodstuff. Alfaway's headquarters is in Kilicdede District Ülkem Street Niş Borkonut Business Center No:8 A-Block Floor: 6 Apartment: 56-57 İlkadım/Samsun

Its capital as of December 31, 2021 and December 31, 2020. is 5.000.000 TRY. It has 69 personnel as of December 31, 2021. (December 31, 2020: 58 personnel)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2- GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS

2.1 Guidelines for Presentation

Consolidated financial statements; In accordance with the provisions of the Capital Markets Board ("CMB"), Serial II, No. 14.1 "Communiqué on Principles Regarding Financial Reporting in the Capital Markets" ("Communiqué") published in the Official Gazette dated 13 June 2013 and numbered 28676, Public Oversight, Accounting and Audit It has been prepared in accordance with the Turkish Financial Reporting Standards ("TFRS"), which was put into effect by the Turkish Standards Institution ("KGK"), and its annexes and comments. TFRS is updated through communiqués in order to provide parallelism with the changes in International Financial Reporting Standards ("IFRS").

The Group keeps its accounting records and statutory financial statements in Turkish Lira ("TRY") in accordance with the commercial legislation and financial legislation valid in Turkey and the Uniform Chart of Accounts ("UCA") published by the Ministry of Finance. The Subsidiary operating in foreign countries has prepared its statutory financial statements in accordance with the laws and regulations in force in the country in which it operates. Consolidated financial statements are presented at fair value; Except for financial investments, derivative instruments, investment properties and tangible fixed assets, they have been prepared by reflecting the necessary adjustments and classifications in accordance with TFRS to the legal records prepared on the basis of historical cost.

Consolidated financial statements have been presented in accordance with the formats specified in the "Announcement on TAS Taxonomy" published by POA on April 15, 2019 and the "Financial Statement Samples User Guide".

The consolidated financial statements prepared as of December 31, 2021 were approved by the Company Management on March 4, 2022. The General Assembly has the authority to change the consolidated financial statements after they are published.

Valid and reporting currency

The Group's consolidated financial statements for the period are presented in TRY, the functional and presentation currency. The assets and liabilities in the financial statements of the subsidiary operating in the foreign country, prepared in USD, were converted into TRY based on the exchange rate on the date of the balance sheet, whereas its income and expenses were converted based on the average exchange rate. The exchange differences arising from the use of the closing and average exchange rates are kept track of under the changes in foreign exchange rates.

Netting/Offsetting

Financial assets and liabilities are presented as net values in cases where there is a legal claim or an intention to evaluate the assets and liabilities as net values, or where the acquisition of the assets and the fulfillment of the liabilities succeed each other.

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.1 Guidelines for Presentation (Cont.)

Consolidation Guidelines

a) Subsidiaries

Consolidated financial statements include the financial statements of the Company and its subsidiaries. The Company is deemed to have control over its subsidiaries if it meets the following conditions:

- Having influence over the investee;
- Being open or entitled to the variable returns to be obtained from the investee;
- Being able to exercise its control over the returns.

In cases where the company does not have the majority voting right over the investee, it has controlling interest in the investee if it has sufficient voting rights to direct the activities of the relevant investment alone.

The company considers all relevant events and conditions, including the following, in assessing whether the majority of the votes in the relevant investee is sufficient to have controlling interest:

- Comparing the voting right of the company with the voting rights of other shareholders;
- Potential voting rights owned by the company and other shareholders;
- Rights arising from other contracts;
- Other events and conditions that may show whether the Company currently has interest in managing the relevant activities (including voting at the general assembly meetings in previous periods) in cases where a decision is required.

Should any situation or event that may cause change in any of the abovementioned criteria occur, the Company reevaluates whether it has controlling interest in its investee.

Inclusion of a subsidiary in the scope of consolidation starts with the Company gaining control over the subsidiary and ends with the loss of this control. Income and expenses of the subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

The Subsidiaries' statements of financial position and statements of profit or loss and other comprehensive income were consolidated using the full consolidation method.

Each item of consolidated profit or loss and other comprehensive income belongs to the parent company shareholders and non-controlling interests. Even if non-controlling interests result in red balance, total consolidated profit or loss and other comprehensive income of subsidiaries are transferred to parent company shareholders and non-controlling interests.

Where necessary, adjustments regarding the accounting policies were made in the financial statements of the subsidiaries to ensure uniformity with the accounting policies followed by the Group.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**2.1 Guidelines for Presentation (Cont.)****Consolidation Guidelines (Cont.)****a) Subsidiaries (Cont.)**

All intragroup assets and liabilities, equity, income and expenses and cash flows from transactions between Group companies are eliminated in the consolidation process.

Shareholding percentages of the subsidiaries controlled by the Company as of December 31, 2021 and December 31, 2020 are as follows:

Subsidiaries	Shareholding Percentages (%)	
	December 31,	December 31,
	2021	2020
Uludaş Tarım Ürünleri Lisanslı Depoculuk San. ve Tic. A.Ş.	100	100
GK Tarım Ürünleri Lisanslı Depoculuk A.Ş.	100	100
Rolweg SA	100	100
Alfaway Gıda Sanayi ve Ticaret A.Ş.	100	100

b) Affiliates

Affiliates are recognized by equity method. They are entities where the Group has 20–50% of the voting rights or has significant influence over their activities although it does not have authority to control those activities.

Unrealized gains/losses arising from the transactions between the Group and the Affiliate were corrected to the extent of the Group's share in the Affiliate. In the case that the book value of the investment in the Affiliate is zero or the Group's significant influence has ceased, the use of the equity method was discontinued as long as the Group has not entered into an obligation or made a commitment concerning the Affiliate. The book value of the investment as of the date when the significant influence has ceased is indicated at fair value if the fair value can be measured reliably following that date.

The interests in the affiliate as of December 31, 2021 and December 31, 2020 are shown below.

Affiliates	Shareholding Percentages (%)	
	December 31,	December 31,
	2021	2020
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş. ("Sasbaş")	17	17

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.2 New and Revised Standards and Interpretations

a) The new standards in force as of 31 December 2021 and the amendments and interpretations to the existing previous standards:

Amendments to TFRS 7, TFRS 4 and TFRS 16 - Benchmark interest rate reform Phase 2

Effective for annual reporting periods beginning on or after January 1, 2021. These Phase 2 amendments address issues arising from the implementation of reforms, including replacing a benchmark interest rate with an alternative. Phase 2 amendments provide temporary additional ease in applying certain TAS 39 and TFRS 9 hedge accounting requirements to hedging relationships directly affected by the IBOR reform.

b) Standards and amendments published but not yet effective as of December 31, 2021

Amendments to TFRS 16 'Leases - COVID 19 Lease concessions' extension of facilitating application

Due to the COVID-19 outbreak, some concessions have been provided to tenants in rent payments. These concessions can take various forms, including suspending or deferring rental payments. With the amendment published in IFRS 16 Leases standard on May 28, 2020, International Accounting Standards Board (IASB) introduced an optional facilitating practice for the lessees to evaluate whether the privileges granted due to COVID-19 in the lease payments are a change in the lease. Lessees may choose to account for such lease concessions in accordance with the terms that would apply in the absence of a lease modification. This ease of application often causes the lease concession to be recognized as a variable lease payment during periods when the event or condition that triggers the reduction in lease payments occurs.

IFRS 17 – New insurance contracts standard

TFRS 17, a comprehensive new accounting standard covering recognition and measurement, presentation and disclosure for insurance contracts, has been published. 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 over 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.

Change in references to the conceptual framework (Amendments to IFRS 3)

Changes have been made in the IFRS Business Combinations standard. The change was made with the intention of replacing the reference to the old version of the Conceptual Framework (1989 framework) with a reference to the current version (Conceptual Framework) released in March 2018, without materially changing the requirements of TFRS 3. However, it added a new paragraph 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 TFRS standards that refer to the Conceptual Framework (March 2018) at the same time or earlier.

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.2 New and Revised Standards and Interpretations (Cont.)

b) Standards and amendments published but not yet effective as of December 31, 2021 (Cont.)

Economically Disadvantaged Contracts-Costs to fulfill the contract (Amendments to TAS 37)

Amendments have been made to TAS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendment made in TAS 37, which will be applied for annual accounting periods beginning on or after 1 January 2022, has been made to determine the costs to be considered when assessing whether a contract is economically "disadvantaged" or "damaging" 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.

Adaptation to Intended Use (Amendments to TAS 16)

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

Annual Improvements - 2018-2020 Period

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

- *TFRS 1- First Application of International Financial Reporting Standards – Partner as First Implementer:* 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 considered in the 10% test for derecognition of financial liabilities:* The amendment clarifies the fees that an entity considers when assessing whether new or modified financial liability terms differ materially from the original financial liability terms. These fees include only fees paid or received between the borrower and the lender, including fees paid by the parties on behalf of each other.
- *TAS 41 Agricultural Activities – Taxes in determining fair value:* With the amendment, the provision in TAS 41 paragraph 22 that companies do not consider cash flows for taxation in determining the fair value of their assets within the scope of TAS 41 has been removed.

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

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.2 New and Revised Standards and Interpretations (Cont.)

b) Standards and amendments published but not yet effective as of 31 December 2021 (Cont.)

TAS 12, Amendment to deferred tax on assets and liabilities arising from a single transaction

Effective for annual reporting periods beginning on or after January 1, 2023. These amendments require deferred tax recognition on transactions that cause equal amounts of taxable and deductible temporary differences when first recognized by companies.

Narrow changes to TAS 1, Statement of Practice 2, and TAS 8

Effective for annual reporting periods beginning on or after January 1, 2023. These changes are intended to improve accounting policy disclosures and help financial statement users distinguish between changes in accounting estimates and changes in accounting policies.

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

In January 2021, POA made changes to the "TAS 1 Presentation of Financial Statements" standard. These amendments, which are effective for the annual reporting periods beginning on or after January 1, 2024, clarify the criteria for long- and short-term classification of liabilities. Changes made should be applied retrospectively in accordance with TAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors". Early application is permitted.

2.3 Changes in Accounting Policies

Accounting policy changes resulting from the first application of a new TFRS, in accordance with the transitional provisions of the said TFRS, if any; If there is no transitional provision or if there is an optional material change in the accounting policy, it is applied retrospectively and the previous period financial statements are restated.

2.4 Comparative Information and Restatement of Prior Period Financial Statements

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

"Right-of-use assets" amounting to 2.395.579 TRY, which were classified under "tangible fixed assets" in the consolidated statement of financial position of the Group as of December 31, 2020, were reclassified in the current period, and in the consolidated financial statements of December 31, 2021 and December 31, 2020 they were classified as "separate assets" is presented as a financial statement item.

2.5 Errors and Changes in the Prediction of Accounting

If the effect of a change in an accounting estimate relates to only one period, in the current period in which the change is made; If it is related to future periods, it is reflected in the consolidated financial statements both in the future and in the future period, to be taken into account in determining the net profit or loss for the period.

The amount of correction of an error is considered retrospectively. An error is corrected by restating the comparative amounts for previous periods in which it arose or, when it occurs before the next reporting period, by restating the retained earnings account for that period. If the rearrangement of the information causes an excessive cost, the comparative information of the previous periods is not rearranged, and the retained earnings account of the next period is rearranged with the cumulative effect of the error before the said period starts.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies

Revenue

Revenues are recognized on an accrual basis at the time when deliveries are made, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group at the fair value of considerations that is or can be received. Net sales represent the sale price of goods sold net of the price of returned goods, discounts, commissions and related taxes. The Group recognizes the revenues based on the following conditions:

- (a) identification of customer contracts,
- (b) identification of performance liabilities,
- (c) determination of transaction price in the contract,
- (d) sorting of the prices related to the performance liabilities,
- (e) recognition of revenue when the performance liabilities are fulfilled.

The Group solely records the revenues earned from the customers when the conditions mentioned below are met:

- (a) If the contracting parties have approved the contract (in writing, verbally or by other usual business practices) and undertaken to fulfill the individual liabilities specified in the contract,
- (b) If the Group can define its rights and liabilities of both parties in relation to the product or service,
- (c) If the Company can stipulate terms of payment for the products and services,
- (d) If the contract has the characteristics of a business transaction,
- (e) The Group is likely to collect the prices of the goods and services provided to the customers.
- (f) The Company should take into account only the solvency and willingness-to-pay of the customer on the due date when assessing the collectability of the mentioned fee.

The Group's revenues arise from sale of wheat, corn, flour, bran, razmol and ear.

Investment Properties

Lands or buildings or parts thereof held (by the owner or by the lessee depending on the financial lease contract) to obtain rental income or appreciation gains or both instead of being used for production or procurement of goods and services or for administrative purposes or being sold in the ordinary course of business are classified as investment properties.

An investment property is recognized as an asset in the case that the future economic benefits associated with it are likely to flow to the company and its cost can be reliably measured. Investment properties are reflected in the consolidated financial statements based on their revalued amount. Appreciation gains or impairment losses based on valuation reports are recognized in profit or loss in the period in which they arise.

Investment properties are reviewed to determine a potential impairment, and the book value of an investment property is reduced to the recoverable value by setting aside a provision in the event of the book value exceeding its recoverable value.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)**2.6 Summary of Significant Accounting Policies (Cont.)****Tangible Assets**

The Group's tangible assets, such as its underground and ground plants and fixtures, are shown as cost values, including the costs incurred to make them available for use, net of accumulated depreciation and accumulated impairment. Lands, buildings, machinery, facilities, equipment and vehicles are included in the consolidated financial statements based on the revaluation model and the value differences are reported among the equities under the revaluation reserve and in the comprehensive income statement for the relevant period. In the case that an item of property, plant and equipment is sold, the cost and accumulated depreciation of this item is removed from the relevant accounts and the arising profit or loss is recognized in the profit or loss statement. Assets other than plots of land are subjected to depreciation based on the rate of depreciation designated according to the asset's useful life.

The expenses arising from the replacement of any part of the tangible assets can be capitalized along with the maintenance and repair costs if they increase the future economic benefit of the asset. All other expenses are recognized as expense items in the income statement. In case of conditions suggesting an impairment in an item of property, plant and equipment, a review is carried out and the book value of the item is reduced to the recoverable value by setting aside a provision if its book value exceeds its recoverable value.

If the book value of the item of tangible assets increases as a result of revaluation, this increase is directly included in the consolidated financial statement under the name "revaluation reserve" in the equity account group. However, any increase in value as a result of revaluation is recognized as revenue in consolidated financial statements to the extent that the same asset reverses the revaluation impairment previously recognized as an expense. If the book value of the asset decreases as a result of the revaluation, this impairment is recognized as an expense in the financial statements. However, if a revaluation reserve has been established regarding the asset, the impairment is first removed from that account. In the event that the impairment exceeds the revaluation reserve, the exceeding part is associated with the income statement.

The estimated economic lives of tangible assets are as follows:

Type of Tangible Assets	Estimated Economic Life
Underground and Ground Plants	25-50 Years
Buildings	25-50 Years
Facilities, Machinery and Equipment	4-50 Years
Vehicles	2-15 Years
Fixtures	3-50 Years

Depreciation methods, useful lives and residual values are reviewed as of each reporting date and adjusted when necessary.

Intangible Assets

Intangible assets are recognized based on their acquisition cost and subjected to depreciation based on the rate of depreciation designated according to their useful life.

Type of Intangible Assets	Estimated Economic Life
Rights	3-15 Years

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 Summary of Significant Accounting Policies (Cont.)

Impairment of assets

For financial assets that are not recognized in profit or loss, an assessment is made, at the end of each reporting period, as to whether there is any objective evidence that they are impaired.

Objective evidence of impairment of financial assets includes:

- significant financial difficulty of the issuer or obligor;
- the lender granting to the Group a concession that the lender would not otherwise consider;
- it becoming probable that the borrower or issuer will enter bankruptcy;
- a default or delinquency of these persons;
- the disappearance of an active market for a financial asset or
- observable data indicating that there is a measurable decrease in the estimated future cash flows from the financial asset.

The fair value of an investment based on equity shares dropping significantly or permanently below its cost value is also objective evidence of impairment.

Borrowing costs

In case of assets for which it takes considerable time to make them available for use and sale, the borrowing costs that can be directly associated with the purchase, construction or production of the asset are capitalized as an item of its cost until the asset is made available for use or sale. The borrowing costs that do not fall into this scope are recognized as expense in the period in which they are incurred. The Group recognizes all financing expenses in profit or loss in the period in which they are incurred.

Inventories

Inventories are valued at the lower of net realizable value or cost. The cost of inventories includes all purchasing costs and other costs incurred in bringing the inventories to their current state and location. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated cost of selling necessary to make the sale. Weighted average cost method is applied as inventory valuation method.

Financial Assets

Cash and Cash Equivalents

Cash and cash equivalent items include cash, demand deposits, term deposits (with a maturity less than three months) and other highly liquid short-term investments that are due in three months or less from the date of purchase, can be converted into cash immediately and have no risk of considerable change in value. The Group reviews its cash and cash equivalents for impairment using the expected credit loss model.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 The Summary of Important Accounting Policies (Cont.)

Financial Assets (Cont.)

Trade Receivables

Trade receivables resulting from the supply of products to the buyer are accounted for at the amortized value using the effective interest method of the amounts to be obtained in the following periods of the receivables recorded at the original invoice value. Short-term receivables with no specified interest rate are shown at the invoice amount unless the effect of the original effective interest rate is significant. If there is a situation that indicates that the amounts that must be paid cannot be collected, a provision is made for the estimated uncollectible amounts for trade receivables and recorded in the profit/loss account. The Group reviews its trade receivables for impairment using the expected credit loss model.

Following the provision for impairment, if all or part of the amount of the impaired receivable is collected, the collected amount is deducted from the provision for impairment and recorded in other income from main activities. Interest income/expenses related to commercial transactions and foreign exchange gains/losses are accounted for in the "Other Operating Income/Expense" account in the consolidated statement of profit or loss.

Derivative Instruments

Derivative instruments are initially recognized at their acquisition cost reflecting their fair value and measured at fair value in the periods following their initial recognition. While they provide effective economic protection against risks for the Company, they are recognized as derivative instruments for trade purposes in cases where they do not meet the necessary conditions from the perspective of hedge accounting and changes in their fair value are recognized in income statement.

Financial Liabilities

Financial Payables

Interest-bearing financial payables are initially recognized at fair value and subsequently measured using the effective interest rate method.

Trade and Other Payables

Trade and other payables are initially recognized at fair value and subsequently measured at amortized value using the effective interest rate method.

Effects of currency change

Transactions accounted in foreign currency (currencies other than TRY) in the Group's legal records are translated into Turkish Lira using the exchange rates on the date of the transaction. Foreign currency-linked assets and liabilities in the consolidated statement of financial position are translated into Turkish Lira using the exchange rates prevailing at the reporting date. Foreign exchange gains and losses arising from this translation and collections and payments of foreign currency transactions are included in the consolidated statement of profit or loss.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 The Summary of Important Accounting Policies (Cont.)

Earnings / (Loss) Per Share

Earnings per share / (loss) is calculated by dividing the net profit or loss for the period by the weighted average of the number of ordinary shares owned by the ordinary shareholders in the current period.

Companies in Turkey can increase their capital by distributing shares (bonus shares) to their existing shareholders from retained earnings and equity inflation adjustment differences in proportion to their shares. When calculating earnings/(loss) per share, these bonus shares are counted as issued shares. Therefore, the weighted average of shares used in the calculation of earnings / (loss) per share is obtained by applying it retrospectively in terms of bonus shares.

Events after the reporting period

This refers to events, whether positive and negative for the company, which occur between the end of the reporting period and the date authorization is given for the publication of the consolidated statement of financial position. The two types of events after the reporting period are:

- New evidence related to events being present as of the end of the reporting period (events that require adjustment after the reporting period) and
- Evidence indicating that the events occurred after the reporting period (events that do not require adjustment after the reporting period).

If new evidence emerges that the events were present at the end of the reporting period, or that they occurred after the reporting period and thus require adjustment of consolidated financial statements, the Group adjusts them in accordance with the new situation. If the events do not require the financial statements to be adjusted, the Group provides explanations for these matters.

Related parties

The Group's shareholders, the companies owned by them, their managers and other persons and entities that are known to be related to them are defined as related parties in the attached consolidated financial statements. Related party refers to direct or indirect control of the Group, a right to have significant influence over the Group, or an affiliate, board member and general manager of the Group.

Taxation

Income tax expenses consist of the current tax and total deferred tax.

(i) Current tax

Current tax is the expected tax liability or tax claim over profit or loss that is subject to taxation within the current year, and includes the tax liability and related adjustment records from the previous years.

It is calculated based on the tax rates that are applicable or will almost definitely be in effect as of the end of the reporting period. Current tax assets and liabilities can be offset only when certain conditions are met.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 The Summary of Important Accounting Policies (Cont.)

Taxation (Cont.)

(ii) Deferred tax

Deferred tax is calculated using the liability method, based on the temporary differences between the recognized values of assets and liabilities in the consolidated financial statements and their tax values.

Deferred tax liabilities are calculated for all taxable temporary differences, whereas deferred tax assets resulting from deductible temporary differences are calculated on condition that the utilization of these differences to earn taxable profits in the future is highly likely.

Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are expensed as the related service is rendered. A liability is recognized for the amounts expected to be paid when the Group has a legal or constructive obligation to pay as a result of past service of its employees and the obligation can be estimated reliably.

(ii) Other long-term employee benefits

The provision for employment termination benefits represents the present value of the estimated future probable obligation of the Group in the event of the retirement of its employees on a 30-day basis. The provision for severance pay is calculated as if all employees will be subject to such a payment, and is reflected in the consolidated financial statements on an accrual basis. The provision for severance pay has been calculated according to the severance pay ceiling announced by the Government.

As of December 31, 2021, the severance pay ceiling is exactly 8,284.51 TRY (December 31, 2020: 7,117,17 TRY). The Group management has used some estimates in calculating the provision for employment termination benefits.

All actuarial gains and losses related to employment termination benefits are recognized in other comprehensive income.

Contingent Assets and Liabilities

According to TAS 37 "Provisions, Contingent Liabilities and Contingent Assets", the Group must have an existing statutory or implied liability arising from previous events, the outflow of resources involving economic benefits must be probable and the said liability must be able to be estimated in a reliable manner so that any provision amount can be included in the financial statements. In the event of such criteria not being met, the Group explains such issues in the relevant footnotes.

If the inflow of economic benefit becomes probable, explanations regarding the contingent asset are provided in the footnotes to the consolidated financial statements. If the inflow of economic benefit becomes definite, the asset and the associated income are recognized in the consolidated financial statements on the date of the change.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 2 - GUIDELINES FOR THE PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

2.6 The Summary of Important Accounting Policies (Cont.)

Leasing Transactions

Determining whether a contract contains a lease element

At the inception of a contract, the Group determines whether it is a lease or a contract with a lease element. At the inception of the contract or following its reassessment, the Group separates the payments required by such a contract as payments for leases and other matters at their fair value.

If the group determines that a reliable separation of payments is not possible for a finance lease, an asset and a liability are recognized at the fair value of the asset. The liability decreases as later payments are made and the financing costs added on the liability are recorded using the Group's alternative borrowing rate.

Leased assets

Assets used through leases in which all the significant risks and rewards of ownership of the asset are transferred to the Group are classified as finance leases. First of all, fixed assets obtained through finance leases are measured at the lower of the fair value of the related asset and the present value of the minimum financial lease payments. After initial recognition, it is accounted for in accordance with the accounting policies applicable to the related asset.

Lease payments

Minimum lease payments made under financial leasing are apportioned as financial expenses and reduction of remaining liability. Financial expenses are allocated to each period over the lease term, with a fixed period interest rate on the remaining balance of the liability.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 3 - REPORTING BY SEGMENTS

The information grouped under reportable segments as of December 31, 2021 and December 31, 2020 are as follows:

December 31, 2021	Wheat and Flour Trade	Licensed Warehousing Services	Elimination	Total
Sales	9.801.828.663	7.870.615	(500.953.723)	9.308.745.555
Cost of Sales	(9.280.437.855)	(5.824.078)	500.953.723	(8.785.308.210)
Gross Operating Profit	521.390.808	2.046.537	-	523.437.345
Research and Development Expenses	(20.235)	-	-	(20.235)
General Administrative Expenses (-)	(39.358.226)	(1.908.594)	-	(41.266.820)
Marketing, Sale and Distribution Expenses (-)	(142.046.654)	-	1.137.559	(140.909.095)
Other Operating Income	674.755.622	2.368.291	(2.027.708)	675.096.205
Other Operating Expenses (-)	(263.256.660)	(2.972.156)	-	(266.228.816)
Operating Profit/Loss	751.464.655	(465.922)	(890.149)	750.108.584
Income from Investing Activities	4.270.790	116.315	-	4.387.105
Cancelled Impairment Earnings and Losses Determined as per TFRS 9	(638.241)	-	-	(638.241)
Shares from Profits (Losses) of Investments Valued by Equity Method	1.200.919	-	-	1.200.919
Operating Profit/Loss Before Finance Expense	756.298.123	(349.607)	(890.149)	755.058.367
Finance Income	586.862.352	3.320.833	(8.853.573)	581.329.612
Finance Expenses (-)	(1.151.528.301)	(7.706.940)	8.853.573	(1.150.381.668)
Profit Before Tax	191.632.174	(4.735.714)	(890.149)	186.006.311
Tax Expense	(46.310.519)	(100.536)	-	(46.411.055)
Net Profit/Loss for the Period	145.321.655	(4.836.250)	(890.149)	139.595.256

December 31, 2020	Wheat and Flour Trade	Licensed Warehousing Services	Elimination	Total
Sales	4.626.024.111	9.303.284	(290.518.266)	4.344.809.129
Cost of Sales	(4.423.086.471)	(5.137.388)	286.509.861	(4.141.713.998)
Gross Operating Profit	202.937.640	4.165.896	(4.008.405)	203.095.131
Research and Development Expenses	(86.517)	-	-	(86.517)
General Administrative Expenses (-)	(19.437.177)	(1.804.579)	865.550	(20.376.206)
Marketing, Sale and Distribution Expenses (-)	(72.439.645)	-	2.466.780	(69.972.865)
Other Operating Income	206.760.732	4.203.606	(1.918.085)	209.046.253
Other Operating Expenses (-)	(137.490.693)	(806.225)	2.594.160	(135.702.758)
Operating Profit/Loss	180.244.340	5.758.698	-	186.003.038
Income from Investing Activities	3.517.973	63.043	-	3.581.016
Cancelled Impairment Earnings and Losses Determined as per TFRS 9	-	(105.630)	-	(105.630)
Shares from Profits (Losses) of Investments Valued by Equity Method	(76.521)	-	-	(76.521)
Operating Profit/Loss Before Finance Expense	184.552.943	5.716.111	-	190.269.054
Finance Income	371.432.738	899.392	(1.093.900)	371.238.230
Finance Expenses (-)	(515.026.808)	(3.820.974)	1.093.900	(517.753.882)
Profit Before Tax	40.958.873	2.794.529	-	43.753.402
Tax Expense	(1.302.117)	831.005	-	(471.112)
Net Profit/Loss for the Period	39.656.756	3.625.534	-	43.282.290

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 3 - REPORTING BY SEGMENTS (Cont.)

December 31, 2021	Wheat and Flour Trade	Licensed Warehousing Services	Elimination	Total
Total Assets	4.156.485.368	115.494.132	(577.272.948)	3.694.706.552
Total Liabilities	3.373.490.060	39.885.112	(446.864.126)	2.966.511.046
Parent Company Equity	782.995.308	75.609.020	(130.408.822)	728.195.506
Non-Controlling Interests	-	-	-	-

December 31, 2020	Wheat and Flour Trade	Licensed Warehousing Services	Elimination	Total
Total Assets	1.767.226.391	84.799.343	(178.686.140)	1.673.339.594
Total Liabilities	1.372.321.199	39.817.132	(123.307.219)	1.288.831.112
Parent Company Equity	394.905.192	44.982.211	(55.378.921)	384.508.482
Non-Controlling Interests	-	-	-	-

December 31, 2021	Wheat and Flour Trade	Licensed Warehousing Services	Total
Investment Expenditures	96.443.964	6.027.199	102.471.162
Depreciation Expense for the Period	10.059.786	747.898	10.807.684

December 31, 2020	Wheat and Flour Trade	Licensed Warehousing Services	Total
Investment Expenditures	52.864.316	9.586.356	62.450.672
Depreciation Expense for the Period	12.178.931	1.647.879	13.826.810

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 4 - CASH AND CASH EQUIVALENTS

Details of the cash and cash equivalents as of December 31, 2021 and December 31, 2020 are as follows:

Cash and Cash Equivalents	December 31, 2021	December 31, 2020
Cash	81.788	63.954
Demand Deposits	369.364.679	109.332.781
Time Deposits	129.418.712	199.760.780
POS Accounts	358.584	238.675
Fund Accounts	-	18.613.878
Expected Credit Loss	(322.793)	(164.886)
	498.900.970	327.845.182

As of 31 December 2021; The USD Time Deposit Interest Rate Range is 0.60%-1.25%, and the TRY Time Deposit Rate Range is 21.50%-24.00%. (31 December 2020: USD Time Deposits: 1.75%-3.5%, TRY Time Deposits: 15%-17.75%)

Bank deposits as of December 31, 2021 are as follows:

	December 31, 2021
Banks	498.783.391
Demand Deposits	369.364.679
- TRY Bank	6.985.884
- EURO Bank	5.230.887
- USD Bank	356.751.325
- GBP Bank	43.909
- CHF Bank	352.666
- JPY Bank	8
Time Deposits	129.418.712
- TRY Time Deposits	47.728.531
- USD Time Deposits	81.690.181
	498.783.391

FOOTNOTE 5 - FINANCIAL INVESTMENTS

Details of the financial investments as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Financial Investments	December 31, 2021	December 31, 2020
Bonds	32.572.387	29.712.658
Blocked Bank Accounts	3.465.847	2.392.122
	36.038.234	32.104.780

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 6 – FINANCIAL BORROWING

Short-term borrowings as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Financial Borrowings	December 31, 2021	December 31, 2020
Short-term Borrowings	1.051.300.420	340.126.709
- Bank Loans	1.051.300.420	340.126.709
	1.051.300.420	340.126.709

Bank loans as of December 31, 2021 are as follows:

Currency	Interest Rate Range	Amount in Foreign Currency	Amount in TRY
USD	%0,17-%5,40	37.240.807	497.187.917
TRY	%15,65-%21,00		554.112.503
			1.051.300.420

Short-term borrowings as of December 31, 2020 are as follows:

Currency	Interest Rate Range	Amount in Foreign Currency	Amount in TRY
USD	%0,29-%1,84	15.737.218	115.519.049
TRY	%7,44-%16,20		224.607.660
			340.126.709

Short-term portions of long-term borrowings as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Portions of Long-term Borrowings	December 31, 2021	December 31, 2020
Principal Instalments of Long-term Loans	256.426.341	181.930.423
Leasing Payables	10.507.649	4.064.565
Finance Lease Cost of Borrowing Account (-)	(375.031)	-
	266.558.959	185.994.988

Short-term portions of long-term borrowings as of December 31, 2021 are as follows:

Currency	Interest Rate Range	Amount in Foreign Currency	Amount in TRY
USD	%4,32-%5,63	3.946.769	52.701.206
TRY	%7,52-%24		203.725.135
			256.426.341

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 6 – FINANCIAL BORROWING (Cont.)

Short-term portions of long-term borrowings as of December 31, 2020 are as follows:

Currency	Interest Rate Range	Amount in Foreign Currency	Amount in TRY
USD	%0,29-%7,43	4.509.980	33.105.506
EUR	%3- %4	2.256.317	20.324.676
TRY	%7,5- %16,5		128.500.241
			181.930.423

Payables related to short-term leases as of December 31, 2021 are as follows:

Currency	Amount in Foreign Currency	Amount in TRY
USD	639.214	8.535.421
TRY		1.597.197
		10.132.618

Payables related to short-term leases as of December 31, 2020 are as follows:

Currency	Amount in Foreign Currency	Amount in TRY
USD	445.171	3.267.776
TRY		796.789
		4.064.565

Long-term borrowings as of December 31, 2021 and December 31, 2020 are as follows:

Long-term Borrowings	December 31, 2021	December 31, 2020
Long-term Bank Loans	278.166.521	286.395.403
Leasing Payables	4.099.386	6.762.513
Finance Lease Cost of Borrowing (-)	(14.781)	-
	282.251.126	293.157.916

Long-term borrowings as of December 31, 2021 are as follows:

Currency	Interest Rate Range	Amount in Foreign Currency	Amount in TRY
USD	5,63%	9.920.474	132.468.092
TRY	%7,52-%24		145.698.429
			278.166.521

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 6 – FINANCIAL BORROWING (Cont.)

Long-term borrowings as of December 31, 2020 are as follows:

Currency	Interest Rate Range	Amount in Foreign Currency	Amount in TRY
USD	%0,29 - %7,43	16.348.967	120.009.591
TRY	%7,5- %16,5		166.385.812
			286.395.403

Payables related to long-term leases as of December 31, 2021 are as follows:

Currency	Amount in Foreign Currency	Amount in TRY
USD	123.117	1.643.983
TRY		2.440.622
		4.084.605

Payables related to long-term leases as of December 31, 2020 are as follows:

Currency	Amount in Foreign Currency	Amount in TRY
USD	786.396	5.772.539
TRY	-	989.974
		6.762.513

The details of the loans used as of December 31, 2021 are as follows;

Currency	Amount in Foreign Currency	Amount in TRY	Loan Type
USD	19.800.000	264.389.400	CBT Rediscount Loan
USD	13.867.243	185.169.298	USD Installment
USD	17.440.807	232.798.517	Revolving Loan
TRY		400.429.114	Installment Loan
TRY		419.830.876	Spot Loan
TRY		83.276.077	Participation Banks
	51.108.050	1.585.893.282	

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 7 – TRADE RECEIVABLES AND PAYABLES

Short-term trade receivables as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Trade Receivables	December 31, 2021	December 31, 2020
Trade Receivables from Related Parties	375.857	904.662
Trade Receivables from Unrelated Parties	1.064.359.274	403.520.504
Notes Receivable from Related Parties	5.478.936	480.049
Notes Receivable from Unrelated Parties	91.364.305	28.260.053
Deferred Due Date Difference Income (-)	(8.516.553)	(2.659.451)
Bad Debt	6.815.828	7.521.114
Provision for Bad Debt (-)	(6.815.828)	(7.521.114)
	1.153.061.819	430.505.817

Bad debt activity as of December 31, 2021 and December 31, 2020 is as follows:

Bad Debt	December 31, 2021	December 31, 2020
Bad Debt at the Beginning of the Period	7.521.114	7.588.747
Provision Set Aside within the Period	3.642.617	520.408
Taken over by GK Tarım	-	10.613
Canceled Provisions (-)	(4.347.903)	(598.654)
	6.815.828	7.521.114

Long-term trade receivables as of December 31, 2021 and December 31, 2020 are as follows:

Long-term Trade Receivables	December 31, 2021	December 31, 2020
Trade Receivables from Related Parties	-	-
Trade Receivables from Unrelated Parties (*)	10.197.097	10.197.097
	10.197.097	10.197.097

(*) See Footnote 18.

Short-term trade payables as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Trade Payables	December 31, 2021	December 31, 2020
Trade Payables to Related Parties	5.822.384	89.877
Trade Payables to Unrelated Parties (*)	1.137.258.341	394.667.095
Notes Payable to Related Parties	-	-
Notes Payable to Unrelated Parties	5.519.018	-
Deferred Due Date Difference Expense (-)	(9.309.790)	(2.751.349)
	1.139.289.953	392.005.623

(*) 1.025.497.706 TRY of trade payables to unrelated parties as of December 31, 2021 is letter of credit payables. (December 31, 2020: 345.032.008 TRY)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 8 – OTHER RECEIVABLES AND PAYABLES

Other short-term receivables as of December 31, 2021 and December 31, 2020 are as follows:

Other Short-term Receivables	December 31, 2021	December 31, 2020
Deposits and Guarantees Given	279.437	564.318
Other Receivables from Related Parties	600	-
Other Receivables from Unrelated Parties	-	917.753
Receivables from Public Bodies	4.556.953	13.661.989
Receivables from Employees	25.300	-
	4.862.290	15.144.060

Other long-term receivables from unrelated parties as of December 31, 2021 and December 31, 2020 are as follows:

Other Long-term Receivables	December 31, 2021	December 31, 2020
Deposits and Guarantees Given	543.541	285.615
	543.541	285.615

Other short-term payables as of December 31, 2021 and December 31, 2020 are as follows:

Other Short-term Payables	December 31, 2021	December 31, 2020
Other Payables to Unrelated Parties	127.817	519.359
Other Payables to Related Parties	8.707.586	14.959.964
	8.835.403	15.479.323

FOOTNOTE 9 – DERIVATIVE INSTRUMENTS

Derivative financial assets as of December 31, 2021 and December 31, 2020 are as follows:

Derivative Financial Assets	December 31, 2021	December 31, 2020
Derivatives Market Collaterals	138.625.143	7.426.028
Derivative Financial Instruments	86.749.627	3.242.525
	225.374.770	10.668.553

Derivative financial liabilities as of December 31, 2021 and December 31, 2020 are as follows:

Derivative Financial Liabilities	December 31, 2021	December 31, 2020
Derivative Financial Instruments	55.543	2.017.984
	55.543	2.017.984

(*) Collaterals given to carry out transactions in the derivatives market are classified as derivatives market collaterals, and fair values of forward contracts and option contracts are classified as derivative financial instruments. Profits or losses arising from the transactions carried out during the period are reported as derivative financial instrument income and expenses in finance income and expenses in the profit or loss statement, and the fair value differences of open positions as of the reporting date are reported as finance income and expenses.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 9 – DERIVATIVE INSTRUMENTS (Cont.)**Fair Value of Financial Instruments**

Based on the source of valuation inputs of each financial instrument class, the Group categorizes the financial instruments recognized at fair value according to the three-level hierarchy.

Level 1: Valuation techniques using quoted prices in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date;

Level 2: Other valuation techniques involving inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Valuation techniques using unobservable inputs for the assets or liability.

December 31, 2021	Level 1	Level 2	Level 3
Forward Exchange Contracts (for Trade Purposes)	-	225.319.227	-
	-	225.319.227	-
December 31, 2020	Level 1	Level 2	Level 3
Forward Exchange Contracts (for Trade Purposes)	-	8.650.569	-
	-	8.650.569	-

Forward exchange transactions (Level 2) are valued using foreign exchange rates on the date of the balance sheet and discounting the fair value of the forward exchange contract to the present day.

FOOTNOTE 10 – INVENTORIES

Inventories as of December 31, 2021 and December 31, 2020 are as follows:

Inventories	December 31, 2021	December 31, 2020
Raw Materials and Supplies	190.521.591	139.309.235
Finished Goods	17.003.486	6.470.765
Goods in Transit	-	3.083.530
Merchandise	605.287.606	309.705.504
Other Inventories	1.313.014	668.518
Provision for Inventory Impairment (-)	(146.486)	(123.727)
Semi-Finished Goods	46.146.728	-
	860.125.939	459.113.825

There is no lien, claim or pledge on the inventories, which are insured.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 11 - PREPAID EXPENSES AND DEFERRED INCOME

Short-term prepaid expenses as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Prepaid Expenses	December 31, 2021	December 31, 2020
Advances Given for Purchase Orders with Related Parties	6.898.543	415.012
Advances Given for Purchase Orders Placed with Unrelated Parties	178.351.308	46.750.495
Insurance and Other Pre-paid Expenses	1.967.326	1.731.434
	187.217.176	48.896.941

Long-term prepaid expenses as of December 31, 2021 and December 31, 2020 are as follows:

Long-term Prepaid Expenses	December 31, 2021	December 31, 2020
Insurance Expenses	4.985.613	-
Advances Given for Purchase Orders with Unrelated Parties	3.042.014	3.042.014
	8.027.627	3.042.014

(*) See Footnote 18.

Short-term deferred income as of December 31, 2021 and December 31, 2020 is as follows:

Short-term Deferred Income	December 31, 2021	December 31, 2020
Advances Received from Related Parties	428.212	-
Advances Received from Unrelated Parties	73.797.080	20.813.623
Deferred Income	-	100.000
	74.225.292	20.913.623

FOOTNOTE 12 – INVESTMENTS VALUED BY EQUITY METHOD

Investments valued by equity method as of December 31, 2021 and December 31, 2020 are as follows:

Name of Affiliate	%	December 31, 2021	%	December 31, 2020
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	17	5.316.148	17	4.936.299

Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	January 1 - December 31, 2021	January 1 - December 31, 2020
As of January, 1	4.936.299	4.612.490
Shares of Profits/Losses	1.200.919	867.151
Shares of Other Comprehensive Income / Expenses	(38.934)	-
Accrued Dividend Income	(782.136)	(543.342)
End of the Period	5.316.148	4.936.299

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 12 – INVESTMENTS VALUED BY EQUITY METHOD (Cont.)

Condensed financial statements of the investment valued by equity method are as follows:

Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	December 31, 2021	December 31, 2020
Current Assets	9.238.620	4.844.084
Non-current Assets	9.519.273	11.425.865
Total Assets	18.757.893	16.269.949
Short-term Liabilities	3.966.827	677.535
Long-term Liabilities	3.476.507	6.512.261
Equities	11.314.559	9.080.153
Total Liabilities and Equity	18.757.893	16.269.949
	January 1 - December 31, 2021	January 1 - December 31, 2020
Sales Income	13.436.279	12.517.873
Net Profit/Loss for the Period	7.064.232	5.100.889

Interests in profits/losses of the investments valued by equity method as of the periods ended December 31, 2021 and December 31, 2020 are as follows:

	January 1 - December 31, 2021	January 1 - December 31, 2020
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşleticisi A.Ş.	1.200.919	867.151
	1.200.919	867.151

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 13 – INVESTMENT PROPERTIES

Investment properties as of December 31, 2021 and December 31, 2020 are as follows:

Description	January 1, 2021	Acquisitions	Re-Appraisal	Transfers	December 31, 2021
Plot of Land	8.283.231	-	1.013.769	-	9.297.000
Building	4.580.454	-	2.414.546	-	6.995.000
Total Cost	12.863.685	-	3.428.315	-	16.292.000

Description	January 1, 2020	Acquisitions	Re-Appraisal	Transfers	December 31, 2020
Plot of Land	7.515.000	1.845	766.386	-	8.283.231
Building	3.985.000	157.840	437.614	-	4.580.454
Total Cost	11.500.000	159.685	1.204.000	-	12.863.685

Investment properties are reported at fair value. To determine the fair value, a valuation report was drawn up by Varlık Taşınmaz Değerleme ve Danışmanlık A.Ş. on September 30, 2021. The fair values of the investment properties have been appraised as 16.292.000 TRY. Fair value differences of investment properties as of the reporting date are reported in the investment income/expenses account.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 14 – ASSETS RELATED TO CURRENT PERIOD TAX

Assets relating to current tax as of December 31, 2021 and December 31, 2020 are as follows:

Assets Related to Current Period Tax	December 31, 2021	December 31, 2020
Prepaid Taxes and Funds	8.278.620	1.262.430
	8.278.620	1.262.430

FOOTNOTE 15 – RIGHT-OF-USE ASSETS

Right-of-use assets as of December 31, 2021 and December 31, 2020 are as follows:

Description	January 1, 2021	Acquisitions	Disposals	Transfers	December 31, 2021
Buildings	2.008.867	-	(502.877)		1.505.990
Vehicles	1.617.902	2.576.373	(14.481)		4.179.794
Total	3.626.769	2.576.373	(517.358)		5.685.784

Buildings	(388.331)	(415.407)	109.938		(693.800)
Vehicles	(842.859)	(500.112)	8.688		(1.334.283)
Accumulated Depreciation	(1.231.190)	(915.519)	118.626		(2.028.083)
Net Book Value	2.395.579				3.657.701

Description	January 1, 2020	Acquisitions	Disposals	Transfers	December 31, 2020
Buildings	-	2.008.867	-	-	2.008.867
Vehicles	-	1.617.902	-	-	1.617.902
Total	-	3.626.769	-	-	3.626.769

Buildings	-	(388.331)	-	-	(388.331)
Vehicles	-	(842.859)	-	-	(842.859)
Accumulated Depreciation	-	(1.231.190)	-	-	(1.231.190)
Net Book Value	-	2.395.579			2.395.579

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 16 – TANGIBLE ASSETS

Tangible assets as of December 31, 2021 and December 31, 2020 are as follows:

Description	January 1, 2021	Acquisitions	Disposals	Transfers	Re-Appraisal	December 31, 2021
Lands and Plots	23.141.629	30.984.949	(536.254)		48.867.677	102.458.001
Buildings	84.302.093	6.043.172	-		27.386.932	117.732.197
Underground and Ground Plants	4.530.713	274.786	-		-	4.805.499
Facilities, Machinery and Equipment	182.909.160	15.144.395	(1.690.650)		116.354.728	312.717.633
Vehicles	14.363.043	2.250.356	(695.957)	(23.780)	-	15.893.662
Fixtures	4.759.051	5.398.506	(47.131)	23.780	-	10.134.206
Special Costs	82.081	5.617.219	-		-	5.699.300
Ongoing Investments	3.259.198	34.064.620	-		-	37.323.818
Total Cost	317.346.968	99.778.003	(2.969.992)	-	192.609.337	606.764.316
Accumulated Depreciation	January 1, 2021	Acquisitions	Disposals	Transfers	Re-Appraisal	December 31, 2021
Lands and Plots	-	-	-	-	-	-
Buildings	(6.035.873)	(637.277)	6.035.873	-	-	(637.277)
Underground and Ground Plants	(113.337)	(101.288)	-	-	-	(214.625)
Facilities, Machinery and Equipment	(21.018.077)	(3.374.660)	21.017.831	-	-	(3.374.906)
Vehicles	(3.410.955)	(3.779.934)	219.003	-	-	(6.971.886)
Fixtures	(1.158.416)	(1.363.136)	27.454	-	-	(2.494.098)
Special Costs	(12.579)	(174.272)	-	-	-	(186.851)
Ongoing Investments	-	-	-	-	-	-
Total	(31.749.237)	(9.430.567)	27.300.161	-	-	(13.879.643)
Tangible Assets (Net)	285.597.731					592.884.673

As of December 31, 2021, there are bank mortgages on fixed assets amounting to 64.800.000 USD and 8.475.000 TRY in total.

The company, the tangible fixed assets of which the revaluation model has been adopted; CMB authorized Varlık Gayrimenkul Değerleme ve Danışmanlık A.Ş. for land, plots and buildings, CMB authorized Aden Gayrimenkul Değerleme ve Danışmanlık A.Ş. and the revalued amounts calculated over the fair values dated 30 September 2021.

As of September 30, 2021, the difference between the fair values and book values of the said assets amounting to 219.518.730 TRY; has been added to tangible fixed assets in assets and to "Tangible Fixed Assets Revaluation Increases (Decreases)" in liabilities (net Tangible Fixed Assets Revaluation amount is 178.46.919 TRY after the deferred tax amount recognized in equity (41.057.811 TRY).

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 16 – TANGIBLE ASSETS (Cont.)

Description	January 1, 2020	Acquisitions	Disposals	Transfers	Re-Appraisal and Reclassification	Subsidiary Acquisition	December 31, 2020
Lands and Plots	21.938.350	1.164.903	-	38.376	-	-	23.141.629
Buildings	72.384.788	1.468.300	-	9.238.851	-	1.210.154	84.302.093
Underground and Ground Plants	3.369.822	1.039.685	-	121.206	-	-	4.530.713
Facilities, Machinery and Equipment	87.651.386	13.482.231	-	17.130.128	43.735.705	20.909.710	182.909.160
Vehicles	9.270.006	7.721.276	(1.190.521)	-	(1.555.237)	117.519	14.363.043
Fixtures	2.497.858	2.739.061	(653.647)	71.475	-	104.304	4.759.051
Special Costs	43.995	38.086	-	-	-	-	82.081
Ongoing Investments	-	29.916.939	-	(26.778.608)	-	120.867	3.259.198
Total Cost	197.156.205	57.570.481	(1.844.168)	(178.572)	42.180.468	22.462.554	317.346.968
Accumulated Depreciation	January 1, 2020	Acquisitions	Disposals	Transfers	Re-Appraisal and Reclassification	Subsidiary Acquisition	December 31, 2020
Buildings	(3.937.636)	(2.008.133)	19.619	-	19.128	(128.851)	(6.035.873)
Underground and Ground Plants	(30.639)	(82.698)	-	-	-	-	(113.337)
Facilities, Machinery and Equipment	(9.011.706)	(8.741.513)	-	-	-	(3.264.858)	(21.018.077)
Vehicles	(3.903.409)	(885.066)	713.756	-	770.483	(106.719)	(3.410.955)
Fixtures	(1.022.160)	(602.701)	551.638	-	-	(85.193)	(1.158.416)
Special Costs	(121)	(12.458)	-	-	-	-	(12.579)
Ongoing Investments	-	-	-	-	-	-	-
Total	(17.905.671)	(12.332.569)	1.285.013	-	789.611	(3.585.621)	(31.749.237)
Tangible Assets (Net)	179.250.534						285.597.731

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 17 – INTANGIBLE ASSETS

Intangible assets as of December 31, 2021 and December 31, 2020 are as follows:

Description	January 1, 2021	Acquisitions	Disposals	Transfers	December 31, 2021
Rights (Computer Software)	545.121	321.280	-	-	866.401
Trademark Rights	324.724	1.314.298	-	-	1.639.022
Ongoing Investments	784.547	1.057.583	-	-	1.842.130
Total Cost	1.654.392	2.693.161	-	-	4.347.553

Accumulated Depreciation	January 1, 2021	Expenses for the Period	Disposals	Transfers	December 31, 2021
Rights (Computer Software)	(147.661)	(321.792)	-	-	(469.453)
Trademark Rights	(150.480)	(139.810)	-	-	(290.290)
Ongoing Investments	-	-	-	-	-
Total	(298.141)	(461.602)	-	-	(759.743)
Intangible Assets (Net)	1.356.251				3.587.810

Description	January 1, 2020	Acquisitions	Disposals	Transfers	December 31, 2020
Rights (Computer Software)	227.370	468.768	(151.017)	-	545.121
Trademark Rights	324.724	-	-	-	324.724
Ongoing Investments	-	784.547	-	-	784.547
Total Cost	552.094	1.253.315	(151.017)	-	1.654.392

Accumulated Depreciation	January 1, 2020	Expenses for the Period	Disposals	Transfers	December 31, 2020
Rights (Computer Software)	(68.207)	(230.471)	151.017	-	(147.661)
Trademark Rights	(118.008)	(32.472)	-	-	(150.480)
Ongoing Investments	-	-	-	-	-
Total	(186.215)	(262.943)	151.017	-	(298.141)
Intangible Assets (Net)	365.879				1.356.251

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 18 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Short-term provisions as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Provisions	December 31, 2021	December 31, 2020
Other Provisions	425.000	376.575
Provision for Fines Imposed by the Competition Authority	-	6.192.069
	425.000	6.568.644

(*) It was paid on 26/10/2021 pursuant to the Competition Board's decision dated 07.01.2021 and numbered 21-01/18-8. (Footnote 23)

The Group's receivables from Samsun Yem Sanayi ve Ticaret A.Ş. ("Samsun Yem"), Yemsel Tavukçuluk Hayvancılık Yem Hammaddeleri Sanayi ve Ticaret A.Ş. ("Yemsel") and Çakıroğlu Gıda Tarım Ürünleri Hayvancılık ve Yem Tavukçuluk Nakliyat Ticaret ve Sanayi A.Ş. ("Çakıroğlu") as of December 31, 2021 are as follows:

Company Title (*)	Trade Receivables	Advances Given for Purchase Orders	Total	Liens Received
Samsun Yem	1.232.128		1.232.128	700.000
Yemsel	1.293.727	3.042.014	4.335.741	6.000.000
Çakıroğlu	7.671.242		7.671.242	10.000.000
	10.197.097	3.042.014	13.239.111	16.700.000

(*) Referred to as Çakıroğlu Group collectively.

Samsun Yem, Yemsel and Çakıroğlu applied to Samsun Commercial Court of First Instance requesting suspension of bankruptcy. The Group put a lien on the real estate of Samsun Yem, Yemsel and Çakıroğlu for its receivables detailed above. The lien put by the Group allows all receivables to be claimed from any encumbered real estate belonging to the Çakıroğlu Group. The Group ranks first in the lien on Samsun Yem and Çakıroğlu. It ranks second in the lien on Yemsel's real estate. Akbank T.A.Ş. ranks first in the lien on Yemsel's real estate. The total lien amount of Akbank T.A.Ş. is 6.000.000 TRY.

A notification was sent to Çakıroğlu Group regarding the payment of its debts. On 8 January 2016, a valuation was requested for the real estate. On December 29, 2016, an exploration was carried out for valuation with the court committee. On January 18, 2017, the experts submitted their reports to the court. A total value of 10.858.440,75 TRY was appraised for the encumbered real estate belonging to Çakıroğlu. A total value of 11.527.728,25 TRY was appraised for the encumbered real estate belonging to Yemsel. A total value of 263.249,19 TRY was appraised for the encumbered real estate belonging to Samsun Yem.

The decision to suspend the bankruptcy of Samsun Yem Sanayi ve Ticaret A.Ş. was rejected by the Samsun Commercial Court of First Instance on September 30, 2020. The Group requested a revaluation for the real estate. Samsun Commercial Court of First Instance issued a bankruptcy decision for Çakıroğlu and Yemsel on 30 September 2020.

The Group retained Varlık Real Estate Appraisal and Consultancy Company to issue real estate valuation reports for the first rank encumbered real estate of Çakıroğlu and Samsun Yem on February 17, 2021, and the total value of the two properties was appraised at 13.364.000 TRY. Since the fair values of the liens and real estate in the valuation reports were sufficient to cover the entire receivables, no provision was made.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 18 - PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (Cont.)

Assurance, pleadings and lien as of December 31, 2021 and December 31, 2020 are as follows:

December 31, 2021	TRY Amount	USD	EUR	TRY
Total amount of assurance, pleadings and lien given by its own legal entity and other companies within the scope of consolidation				
-Assurance	170.649.068	5.536.713	2.000.000	66.676.827
-Lien	872.194.200	64.800.000	-	8.475.000
-Pleadings	-	-	-	-
Total	1.042.843.268	70.336.713	2.000.000	75.151.827

December 31, 2020	TRY Amount	USD	EUR	TRY
Total amount of assurance, pleadings and lien given by its own legal entity and other companies within the scope of consolidation				
-Assurance	418.380.428	-	-	418.380.428
-Lien	173.613.960	23.400.000	-	-
-Pleadings	-	-	-	-
Total	591.994.388	23.400.000	-	418.380.428

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 19 – PROVISIONS RELATED TO EMPLOYEE BENEFITS

Within the framework of the existing laws in Turkey, a member of staff of the Group whose job is terminated without valid reason after having completed one year of service, or who are called up for military service, who are deceased, who have completed 25 years in service for men and 20 years for women, or who have reached retirement age (58 for women, 60 for men), are entitled to severance pay. The amendments to the legislation on September 8, 1999 introduced certain transitional liabilities regarding creditable service period.

These payments are calculated based on 30-day salary at the full amount of 8.284,51 TRY as of December 31, 2021 using the rate as at the date of retirement or termination (December 31, 2020: 7,117.17 TRY). Severance pay provisions are calculated on a current basis and reflected in the financial statements. The provision is calculated based on the estimated present value of possible future liabilities due to the retirement of the Group's employees. The calculations are made in accordance with the severance pay cap announced by the Government.

Severance pay liability is calculated based on the estimated present value of possible future liabilities due to the retirement of the Group's employees. Pursuant to the TFRS, the Group is required to calculate its liabilities using actuarial valuation methods under its defined benefit plans. Accordingly, the actuarial assumptions that are to be used to calculate the total liabilities are specified below.

The main assumption is that the maximum liabilities for each year of service will increase in line with inflation. Accordingly, the applied discount rate refers to the expected real interest rate after adjustment for the effect of future inflation. Therefore, the liabilities as of December 31, 2021 in the attached financial statements are calculated based on the estimated present value of possible future liabilities due to the retirement of employees. The provision as at December 31, 2021 was calculated assuming a 14,50 percent annual inflation rate, a 21,00 percent interest rate and a 5,68 percent discount rate. (The provision as at December 31, 2020 was calculated assuming a 6,14 percent annual inflation rate, a 12,49 percent interest rate and a 5,98 percent discount rate.)

Provision for severance pay as of December 31, 2021 and December 31, 2020 is as follows:

	December 31, 2021	December 31, 2020
Balance on January 1	2.564.363	2.055.194
Current Service Cost	685.617	949.356
Cost of Interest	768.094	137.646
Taken over	-	56.896
Payments within the Period	(1.052.118)	(753.072)
Actuarial Difference	691.637	118.343
End of Period Balance	3.657.593	2.564.363

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 19 – PROVISIONS RELATED TO EMPLOYEE BENEFITS (Cont.)

Short-term provisions related to employee benefits as of December 31, 2021 and December 31, 2020 are as follows:

Short-term Employee Benefits	December 31, 2021	December 31, 2020
Provisions for Accumulated Leave	157.474	45.101
	157.474	45.101

Payables related to employee benefits as of December 31, 2021 and December 31, 2020 are as follows:

Payables Related to Employee Benefits	December 31, 2021	December 31, 2020
Social Security Premiums Payable	814.020	512.100
Payables to Personnel	1.887.234	1.306.209
	2.701.254	1.818.309

FOOTNOTE 20 – OTHER ASSETS AND LIABILITIES

Other current assets as of December 31, 2021 and December 31, 2020 are as follows:

Other Current Assets	December 31, 2021	December 31, 2020
Deductible VAT	28.821.521	13.506.837
Advance Payments to Personnel	15.048	-
Business Advance Payments	1.891	47.232
Other VAT	31.286	3.350
	28.869.746	13.557.419

Other short-term liabilities as of December 31, 2021 and December 31, 2020 are as follows:

Other Short-term Liabilities	December 31, 2021	December 31, 2020
Taxes and Funds Payable	20.434.155	1.258.749
Accrued Expenses	223.635	7.127.789
Overdue, Deferred or Installed Taxes and Other Liabilities	1.432.770	-
	22.090.560	8.386.538

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 21 – EQUITIES**Capital and Reserves**

The issued capital of the Company as of December 31, 2021 is 190.970.000 TRY. (One hundred ninety million nine hundred seventy thousand Turkish Liras) This capital is divided into a total of 190.970.000 shares each with nominal value of 1 TRY, namely 22.035.000 Group A shares, 14.690.000 Group B shares and 154.245.000 Group C shares.

The Company's capital structure as of December 31, 2021 is as follows:

Shareholders	Number of Shares	Group	Percentage (%)	Amount
Fahrettin Ulusoy	10.283.000	A	5,38	10.283.000
	4.407.000	B	2,31	4.407.000
	-	C	-	-
	14.690.000		7,69	14.690.000
Nevin Ulusoy	1.469.000	A	0,77	1.469.000
	2.938.000	B	1,54	2.938.000
	27.589.237	C	14,45	27.589.237
	31.996.237		16,76	31.996.237
Onur Erhan Ulusoy	1.469.000	A	0,77	1.469.000
	3.407.000	B	1,78	3.407.000
	13.024.001	C	6,82	13.024.001
	17.900.001		9,37	17.900.001
Eren Günhan Ulusoy	8.814.000	A	4,62	8.814.000
	3.938.000	B	2,06	3.938.000
	48.380.357	C	25,33	48.380.357
	61.132.357		32,01	61.132.357
Mithat Denizcigil	215.518	C	0,11	215.518
	215.518		0,11	215.518
Kâmil Adem	60.887	C	0,03	60.887
	60.887		0,03	60.887
Publicly-held	64.975.000	C	34,02	64.975.000
Total	190.970.000		100,00	190.970.000

Upon the Board of Directors' decision on January 5, 2021, the Company increased its paid-in capital by 126 percent from 84.500.000,00 TRY (as of December 31, 2020) to 190.970.000,00 TRY through issuance of bonus shares.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 21 – EQUITIES (Cont.)

The Company's capital structure as of December 31, 2020 is as follows:

Shareholders	Number of Shares	Group	Percentage (%)	Amount
Fahrettin Ulusoy	4.550.000	A	5,38	4.550.000
	1.950.000	B	2,31	1.950.000
	-	C	-	-
	6.500.000		7,69	6.500.000
Nevin Ulusoy	650.000	A	0,77	650.000
	1.300.000	B	1,54	1.300.000
	12.207.627	C	14,45	12.207.627
	14.157.627		16,76	14.157.627
Onur Erhan Ulusoy	650.000	A	0,77	650.000
	1.950.000	B	2,31	1.950.000
	15.638.791	C	18,5	15.638.791
	18.238.791		21,58	18.238.791
Eren Günhan Ulusoy	3.900.000	A	4,62	3.900.000
	1.300.000	B	1,54	1.300.000
	16.781.279	C	19,86	16.781.279
	21.981.279		26,02	21.981.279
Kamil Adem	26.941	C	0,03	26.941
	26.941		0,03	26.941
Mithat Denizcigil	95.362	C	0,11	95.362
	95.362		0,11	95.362
Open to Public	23.500.000	C	27,81	23.500.000
	84.500.000		100	84.500.000

According to the Turkish Commercial Code, legal reserves are divided into two as first and second legal reserves. According to the Turkish Commercial Code, primary legal reserves are set aside as 5% of the legal net profit, until 20% of the paid-in capital of the Company is reached.

Publicly-held companies make their dividend distributions in accordance with the CMB's Dividend Communiqué no. II-19.1 published in the Official Gazette no 28891 on January 23, 2014.

Subsidiaries distribute their profits within the framework of the profit distribution policies to be formulated by their general assembly and in accordance with the provisions of the relevant legislation. The communiqué does not provide for a minimum distribution rate. Companies distribute dividends as determined in their articles of association or profit distribution policy. In addition, dividends can be paid in installments of equal or different amounts, and dividend advances can be distributed in cash based on the profit in the interim financial statements.

Unless the reserves required to be set aside in accordance with the Turkish Commercial Code and the dividend determined for the shareholders in the articles of association or the profit distribution policy are set aside, no decision can be made to set aside other reserves, to carry forward profits to the next year, and to distribute dividends to shareholders, members of the board of directors, subsidiary employees and non-shareholders, and no dividends can be distributed to the shareholders unless the dividend determined for them is paid in cash.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 21 – EQUITIES (Cont.)

Equity items as of December 31, 2021 and December 31, 2020 are as follows:

Equities	January 1- December 31, 2021	January 1- December 31, 2020
Paid-in Capital	190.970.000	84.500.000
Repurchased Shares	(26.765.386)	-
Premiums (Discounts) Related to Shares	15.269.029	57.194.029
Other Comprehensive Income (Expenses) not to be Reclassified to Profit or Loss	251.661.140	61.443.837
<i>Tangible Assets Revaluation Difference (net)</i>	<i>252.938.157</i>	<i>62.149.360</i>
- <i>Actuarial Earnings/Losses Related to Employee Benefits</i>	<i>(1.238.083)</i>	<i>(705.523)</i>
- <i>Shares of Other Comprehensive Income of Investments Valued by the Equity Method Not to be Reclassified in Profit or Loss</i>	<i>(38.934)</i>	-
Other Comprehensive Income (Expenses) to be Reclassified to Profit or Loss	55.993.439	15.353.588
- <i>Foreign Currency Exchange Differences</i>	<i>55.993.439</i>	<i>15.353.588</i>
Reserves on Retained Earnings	36.867.423	7.726.207
Retained Earnings/Losses	64.604.605	115.008.531
Net Profit/Loss for the Period	139.595.256	43.282.290
	728.195.506	384.508.482

Repurchased Shares

Pursuant to the decision of the Board of Directors of the Company on June 30, 2021, the share buyback program was initiated. Within the scope of the current program, between 1 July and 31 December 2021, shares with a nominal value of 5.000.000 TRY, corresponding to 2,62% of the Company's capital, were bought back for 26.765.386 TRY. (December 31, 2020: None). Share repurchases are financed by the Company's cash and cash equivalents. As of the report date, there has been no sale of repurchased shares. Information on share repurchases realized after the balance sheet date is presented in the Post-Balance Sheet Events footnote (Note 33).

In accordance with Article 520 of the Law No. 6102, a reserve fund is set aside for the shares bought back in an amount that meets the acquisition value. As of December 31, 2021, the Group has set aside reserves for the repurchased shares amounting to 26.765.386 TRY (31 December 2020: None) incurred during the purchase within the restricted reserves set aside from profit in the Consolidated financial statements.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 22 – REVENUE AND COST OF SALES

The revenue and cost of sales for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Revenue and Cost of Sales	January 1- December 31, 2021	January 1- December 31, 2020
Domestic Sales Income	2.222.633.854	1.214.312.247
Overseas Sales Income	7.102.710.572	3.139.618.717
Other Income	7.998.295	-
Gross Sales	9.333.342.721	4.353.930.964
Sales Returns (-)	(19.579.410)	(3.977.603)
Sales Discounts (-)	(2.888.139)	(4.218.985)
Other Discounts	(2.129.617)	(925.247)
Net Sales	9.308.745.555	4.344.809.129
Cost of Sales	(8.785.308.210)	(4.141.713.998)
Cost of Merchandise Sold	(7.486.784.363)	(3.373.381.319)
Cost of Goods Sold	(1.287.150.541)	(757.952.730)
Cost of Services Sold	(11.373.306)	(10.379.949)
Gross Profit/Loss	523.437.345	203.095.131

The cost of sales for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Cost of Sales	January 1- December 31, 2021	January 1- December 31, 2020
Cost of Goods Sold	(1.287.150.541)	(757.952.730)
Cost of Merchandise Sold	(7.486.784.363)	(3.373.381.319)
Cost of Services Sold	(11.373.306)	(10.379.949)
Vehicle Expenses	(3.277.098)	(3.079.307)
Outsourced Benefits and Services	(1.580.896)	(1.739.120)
Personnel Expenses	(3.988.591)	(3.273.277)
Amortization Expenses	(1.589.758)	(1.592.669)
Insurance Expenses	(533.715)	(412.165)
Transport Expenses	(160.369)	-
Other Expenses	(108.411)	(203.275)
Taxes, Duties and Charges	(134.468)	(80.136)
	(8.785.308.210)	(4.141.713.998)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 23 – GENERAL ADMINISTRATIVE EXPENSES AND MARKETING COSTS

Total operating expenses for the periods ended December 31, 2021 and December 31, 2020 are as follows:

	January 1- December 31, 2021	January 1- December 31, 2020
General Administrative Expenses	(41.266.820)	(20.376.206)
Marketing Expenses	(140.909.095)	(69.972.865)
Research and Development Expenses	(20.235)	(86.517)
	(182.196.150)	(90.435.588)

General administrative expenses for the periods ended December 31, 2021 and December 31, 2020 are as follows

General Administrative Expenses	January 1- December 31, 2021	January 1- December 31, 2020
Personnel Expenses	(12.436.046)	(8.266.054)
Consultancy Expenses	(6.486.748)	(2.687.174)
Outsourced Benefits and Services	(2.663.871)	(3.154.520)
Transport Expenses	(467.068)	(24.329)
Trade Fair Expenses	(2.116)	(224.927)
Other Expenses	(1.630.095)	(623.322)
Insurance Expenses	(1.685.751)	(80.164)
Donations and Grants	(674.539)	(1.122.162)
Taxes, Duties and Charges	(1.560.070)	(359.408)
Trademark, Patent Application and Renewal Expenses	(31.961)	(48.357)
Legal Expenses	(117.078)	(10.077)
Rent Expenses	(807.787)	(97.661)
Electricity, Water and Gas Expenses	(238.117)	(91.760)
Registration and Notice Expenses	(97.471)	(22.147)
Commission Expenses	(54.944)	(174.302)
Amortization Expenses	(2.772.443)	(2.109.280)
Food Expenses	(436.146)	(350.356)
Vehicle Expenses	(478.783)	(594.108)
Training and Publication Expenses	(964.689)	(104.731)
Advertisement Expenses	(193.717)	(117.688)
Representation and Hospitality Expenses	(464.073)	-
Maintenance and Repair Expenses	(154.797)	(59.602)
Amortization Expense on Lease Transactions	(338.778)	-
Overdue Fines (*)	(6.270.986)	(4.537)
Accommodation Expenses	(234.967)	-
Notary Expenses	(3.779)	(49.540)
	(41.266.820)	(20.376.206)

(*) See Footnote 18.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 23 – GENERAL ADMINISTRATIVE EXPENSES AND MARKETING COSTS (Cont.)

Marketing expenses for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Marketing Expenses	January 1- December 31, 2021	January 1- December 31, 2020
Transportation Expenses	(35.941.880)	(34.534.056)
Export Expenses	(87.154.840)	(22.686.291)
Personnel Expenses	(8.518.508)	(5.118.922)
Commission Expenses	(1.499.429)	(1.487.165)
Tax, Duty and Charge Expenses	(864.158)	(1.656.815)
Outsourced Benefits and Services	(1.646.830)	(1.352.890)
Insurance Expenses	(930.236)	(713.281)
Amortization Expenses	(117.119)	(857.686)
Trade Fair Expenses	(459.298)	(260.221)
Vehicle Expenses	(1.300.893)	(606.970)
Other Expenses	(255.992)	(232.356)
Food Expenses	(362.349)	(256.439)
Transport Expenses	(115.599)	(11.888)
Consultancy Expenses	(42.797)	(17.060)
Overdue Fines	(34.401)	(5.224)
Rent Expenses	(455.365)	(175.601)
Accommodation Expenses	(67.925)	-
Amortization Expenses of Leases	(1.141.476)	-
	(140.909.095)	(69.972.865)

Research and development expenses for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Research And Development Expenses	January 1- December 31, 2021	January 1- December 31, 2020
Vehicle Expenses	(16.077)	(39.570)
Amortization Expenses	(831)	-
Outsourced Benefits and Services	-	(4.597)
Other Expenses	(1.081)	(3.114)
Commission Expenses	(167)	(167)
Personnel Expenses	-	(37.118)
Insurance Expenses	(9)	(810)
Transport Expenses	(731)	-
Tax, Duty and Charge Expenses	(1.339)	(1.141)
	(20.235)	(86.517)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 24 – OTHER INCOME AND EXPENSES FROM MAIN ACTIVITIES

Other income from main activities for the periods ended December 31, 2021 and December 31, 2020 is as follows:

Other Income from Main Activities	January 1- December 31, 2021	January 1- December 31, 2020
Exchange Rate Difference Income from Trade Receivables and Payables	542.448.443	159.423.864
Due Date Difference Income	54.818.067	23.484.384
Income from Returned Expenses	173.485	5.310.350
Licensed Warehouse Rent Support	1.821.801	3.600.034
Compensation Income	254.076	769.759
Service Reflection Income	22.414.529	8.105.597
Provisions No Longer Required	12.715.009	598.654
Other Income	2.484.609	4.154.635
Income from Law no: 5510 and Law no: 6661	1.400.561	1.588.331
Balance Collection Income	120.786	565.652
Price Difference Income	23.629.520	1.216.009
Income from Incentives and Subsidies	820.824	228.984
Rediscount Interest Income	11.994.495	-
	675.096.205	209.046.253

Other expenses from main activities for the periods ended December 31, 2021 and December 31, 2020 is as follows:

Other Expenses from Main Activities	January 1- December 31, 2021	January 1- December 31, 2020
Exchange Rate Difference Expense from Trade Receivables and Payables	(178.553.750)	(95.721.963)
Due Date Difference Expenses	(60.023.114)	(25.040.661)
Provision Expenses	(4.081.329)	(520.410)
Returned Expenses	(6.801.331)	(4.200.578)
Balance Collection Expenses	(492.391)	(399.320)
Competition Authority Penalty Provision Expense	-	(6.192.069)
Price Difference Expenses	(2.099.328)	(322.971)
Other Expenses	(2.666.380)	(1.135.287)
Rediscounted Interest Expenses	(11.340.331)	-
Tax Penalty Expenses	(170.862)	(2.169.499)
	(266.228.816)	(135.702.758)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 25 – INCOME AND EXPENSES FROM INVESTING ACTIVITIES

Income from investing activities for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Income from Investing Activities	January 1- December 31, 2021	January 1- December 31, 2020
Fixed Asset Sale Income	958.790	1.029.310
Sale and Lease Back Income	-	400.206
Investment Property Rent Income	-	947.500
Investment Property Value Increase	3.428.315	1.204.000
	4.387.105	3.581.016

Expense from investing activities for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Expenses from Investing Activities	January 1- December 31, 2021	January 1- December 31, 2020
Fixed Asset Sale Expense	-	(102.008)
Other Expenses	-	(3.622)
	-	(105.630)

Impairment Earnings/Losses and Cancelled Impairment Losses as per TFRS 9 are as follows:

	January 1- December 31, 2021	January 1- December 31, 2020
Expected Credit Loss	(638.241)	(76.521)
	(638.241)	(76.521)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 26 – FINANCE INCOME AND EXPENSES

Finance income for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Finance Income	January 1- December 31, 2021	January 1- December 31, 2020
Interest Income	16.186.566	12.962.869
Foreign Exchange Profits	333.203.357	257.351.702
Fair Value Differences of Derivative Financial Instruments	107.845.226	98.570.034
Profit on Sale of Securities	124.094.463	2.353.625
	581.329.612	371.238.230

Finance expense for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Finance Expenses	January 1- December 31, 2021	January 1- December 31, 2020
Foreign Exchange Losses	(821.496.854)	(393.152.847)
Finance Expenses	(156.678.871)	(67.277.007)
Losses on the Sale of Securities	(55.544.692)	(671.666)
Fair Value Differences of Derivative Financial Instruments	(115.553.047)	(56.652.362)
Finance Expenses Arising from Leasing Liability	(1.108.204)	-
	(1.150.381.668)	(517.753.882)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 27 – INCOME TAXES

Corporate tax

As of 31 December 2021, the corporate tax rate valid in Turkey is 25%. With the amendment in the Corporate Tax Law, which was published in the Official Gazette dated April 22, 2021 and numbered 31462, it will be applied at the rate of 25% for corporate earnings in 2021 and 23% for corporate earnings in 2022 in Turkey. The said application will be effective starting from January 1, 2021.

In addition, as a result of the amendment made in the Corporate Tax Law No. 5520, the 75% exemption granted for the gains arising from the sale of the immovables that are in the assets of the institutions for at least two full years, effective as of January 1, 2018, will be applied as 50%.

According to Turkish tax legislation, financial losses can be carried forward for a maximum period of five years to be set off against the future income of the entity. Financial losses, however, cannot be set off from the previous years' profits.

The Company's subsidiary Rolweg is operating in Switzerland. Income tax in Switzerland is 12,5 percent

Income tax withholding

There is no practice of reaching an agreement with the tax authority under the tax legislation of Turkey. Corporate tax returns are submitted within four months following the month in which the accounting period ends. Competent authorities related to tax investigations can examine the tax returns and the accounting records on which they are based within five years of the accounting period, and can carry out assessments as a consequence of their findings.

By the Presidential Decree dated 21.12.2021 and numbered 4936, by joint stock companies residing in Turkey; The income tax withholding rate has been reduced from 15% to 10% in dividend payments made to real persons residing in Turkey, non-income and corporate taxpayers or exempted from these taxes, and real and legal persons who are not resident in Turkey. Dividend payments made from joint stock companies residing in Turkey to joint stock companies residing in Turkey are not subject to tax withholding. In addition, if the profit is not distributed or added to the capital, no tax withholding is made.

The provisions on transfer pricing in Turkey are contained in Article 13 "Disguised Profit Distribution through Transfer Pricing" of the Corporate Tax Law. The Communiqué on disguised profit distribution through transfer pricing of November 18, 2007 sets forth the details of this practice.

In the event of the taxpayer purchasing or selling goods or services to related persons in return for a price or value that is against the arm's length principle, the earnings are considered disguised profits, distributed, wholly or in part, through transfer pricing. Such disguised profits distributed through transfer pricing are deemed to be non-tax-deductible expenses for corporate tax.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 27 – INCOME TAXES (Cont.)**Deferred tax assets and liabilities**

The Group calculates its taxable assets and liabilities taking into account the effect of temporary differences resulting from different assessment of balance sheet items in statutory financial statements and those prepared pursuant to the TFRS. Such temporary differences usually arise from recognition of income and expenses in different reporting periods pursuant to the TFRS and tax laws.

The Group's deferred tax assets and liabilities as of December 31, 2021 are as follows:

December 31, 2021- Deferred Tax Assets	Temporary Differences	Deferred Tax Effect
Bad Debt	10.608.296	2.309.065
Adjustment for Receivables from Personnel	69.016	13.803
Adjustment for Advance Payments Made	3.225.609	645.122
Value Adjustment for Tangible Assets and Intangible Assets	81.321.826	16.693.332
Inventory Impairment Expense and Other Inventory Adjustments	4.816.498	969.119
Adjustment for Amortized Cost of Receivables	11.198.905	2.657.989
Adjustment for Amortized Cost of Payables	2.823.778	701.479
Interest Accrual Adjustment	354.934	84.641
Derivative Instrument Fair Value Difference Adjustment	3.400.255	850.064
Exchange Rate Difference	36.681.740	9.153.492
Sale and Lease Back Adjustment	710.270	177.567
Adjustment for Loans	16.911.136	8.161.141
Litigation Provisions	425.000	106.250
Accounting Policy Change	541.307	75.315
Provisions for Severance Pay	1.628.498	402.509
Letter of Credit Interest Adjustment	10.952.486	2.738.122
Severance Pay Actuarial Difference	1.483.650	316.987
Other Adjustments	824.888	1.446.188
Investment Allowance	18.324.661	3.968.206
	206.302.753	51.470.391

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 27 – INCOME TAXES (Cont.)

December 31, 2021 - Deferred Tax Liabilities	Temporary Differences	Deferred Tax Effect
Value Adjustment for Tangible Assets and Intangible Assets	351.649.759	65.621.035
Inventory Impairment Expense and Other Inventory Adjustments	11.513.230	2.878.307
Amortized Cost Value Adjustment of Receivables	2.682.352	642.082
Derivative Instrument Fair Value Difference Adjustment	88.610.579	21.990.519
Letter of Credit Interest Adjustment	378.153	94.538
Bad Debt	9.497.954	2.374.488
Adjustment for Loans	32.541.252	8.135.313
Leasing liability	24.107	6.027
Bad Debt	400.441	100.110
Adjustment for Amortized Cost of Payables	2.885.036	580.004
Exchange Rate Difference	36.639.037	8.272.879
Provisions for Unused Leave Days	685	158
Severance Pay Actuarial Difference	4.588	1.055
Provisions for Severance Pay	10.381.879	2.222.205
Adjustment for Receivables from Personnel	120	24
Competition Authority Penalty Cancellation	6.192.069	1.238.414
Other Adjustments	3.221.246	805.311
	556.622.487	114.962.469

(*) As of December 5, 2017, the date of publication of Law No. 7061, 50% of the profits arising from the sale of immovable properties included in the assets of the institutions for a period of two years are exempt from corporate tax. The exception rate before this date is 75%. In order to benefit from the exemption, the income must be kept in a passive fund account and not withdrawn from the business for 5 years. The sales price must be collected until the end of the second calendar year following the sale. For this reason, the tax rate based on the deferred tax liability calculated over the net difference between the book values of the investment properties and tangible fixed assets within the scope of investment incentives and their tax bases has been accepted as 11.5%.

The Group's deferred tax assets and liabilities as of December 31, 2020 are as follows:

December 31, 2020 - Deferred Tax Assets	Temporary Differences	Deferred Tax Effect
Bad Debt	6.860.167	1.372.033
Adjustment for Receivables from Personnel	68.895	13.779
Adjustment for Advance Payments Made	3.225.609	645.122
Value Adjustment for Tangible Assets and Intangible Assets	1.459.578	563.942
Inventory Impairment Expense and Other Inventory Adjustments	4.700.118	940.024
Adjustment for Amortized Cost of Receivables	2.682.353	536.471
Interest Accrual Adjustment	81.860	16.372
Adjustment for Loans	19.666.785	3.933.357
Other Adjustments	6.985.420	1.397.086
Severance Pay Actuarial Difference	885.447	179.924
Investment Allowance	18.324.661	3.968.206
	64.940.893	13.566.316

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 27 – INCOME TAXES (Cont.)

December 31, 2020 - Deferred Tax Liabilities	Temporary Differences	Deferred Tax Effect
Value Adjustment for Tangible Assets and Intangible Assets	100.407.362	17.345.758
Derivative Instrument Fair Value Difference Adjustment	3.242.525	648.505
Adjustment for Amortized Cost of Payables	2.823.782	564.756
Provisions for Severance Pay	5.661.992	1.131.747
	112.135.661	19.690.766
Deferred Tax Liability	January 1- December 31, 2021	January 1- December 31, 2020
Balance on January 1	(6.124.450)	1.689.783
Recognized in profit or loss	(28.796.770)	3.300.607
Taken over by GK Tarım	-	822.933
Tangible Assets Revaluation Reserve and Actuarial Difference Deferred Tax Effect		(11.937.773)
	(63.492.078)	(6.124.450)
	January 1- December 31, 2021	January 1- December 31, 2020
Tax Income/Expense for the Period	(17.614.285)	(3.771.719)
Deferred Tax Income/Expense	(28.796.770)	3.300.607
	(46.411.055)	(471.112)
	January 1- December 31, 2021	January 1- December 31, 2020
Tax Liability for the Current Period Profit		
Provisions for Tax on Current Period Profit and Other Legal Liabilities	17.614.284	371.748
Prepaid Tax and Other Liabilities Related to the Current Period Profit	(17.614.284)	(310.523)
	-	61.225

The law on amending the Tax Procedure Law and the Corporate Tax Law was enacted on January 20, 2022, Law No. It has been enacted with the number 7352 and it has been decided that the financial statements will not be subject to inflation adjustment in the 2021 and 2022 accounting periods, including the temporary accounting periods, and in the provisional tax periods of the 2023 accounting period, regardless of whether the conditions for the inflation adjustment within the scope of the Repeated Article 298 are met.

The Public Oversight, Accounting and Auditing Standards Authority made a statement on the Implementation of Financial Reporting in High Inflation Economies under TFRS on January 20, 2022, and it was stated that there was no need to make any adjustments within the scope of TAS 29 Financial Reporting in High Inflation Economies in the consolidated financial statements for 2021.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 28 – EARNINGS PER SHARE

Earnings per share for the periods ended December 31, 2021 and December 31, 2020 are as follows:

	January 1- December 31, 2021	January 1- December 31, 2020
Net Profit/Loss for the Period	139.595.256	43.282.290
Weighted Average Number of Ordinary Shares in Circulation	189.256.175	84.500.000
Earnings Per Share	0,7376	0,5122

FOOTNOTE 29 – RELATED PARTY DISCLOSURES

Related party disclosures for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Receivables from Related Parties	December 31, 2021	December 31, 2020
GFC Denizcilik ve Ticaret A.Ş.	-	850.487
Unay Un San. ve Tic. A.Ş.	375.857	18.388
Ulusoy Çay Gıda San. ve Tic. A.Ş.	-	27.088
Ulusoy Petrol Ürünleri Tic. A.Ş.	-	8.699
	375.857	904.662
Notes Receivable from Related Parties	December 31, 2021	December 31, 2020
Unay Un San. ve Tic. A.Ş.	5.478.936	480.049
	5.478.936	480.049
Other Receivable from Related Parties	December 31, 2021	December 31, 2020
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	600	-
	600	-
Trade Payables to Related Parties	December 31, 2021	December 31, 2020
Unay Un San. ve Tic. A.Ş.	5.485.122	-
Ulusoy Petrol Ürünleri Tic. A.Ş.	87.440	31.538
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	223.142	58.339
Ulusoy Çay Gıda San. ve Tic. A.Ş.	23.920	-
GFC Denizcilik ve Ticaret A.Ş.	2.760	-
	5.822.384	89.877
Other Payables to Related Parties	December 31, 2021	December 31, 2020
Unay Un San. ve Tic. A.Ş.	8.707.586	14.959.964
	8.707.586	14.959.964
Advances Given for Purchases to Related Parties	December 31, 2021	December 31, 2020
Unay Un San. ve Tic. A.Ş.	6.898.543	415.012
	6.898.543	415.012

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 29 – RELATED PARTY DISCLOSURES (Cont.)

Related party disclosures for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Sales Revenues from Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	135.783.887	35.551.695
Ulusoy Çay Gıda San. ve Tic. A.Ş.	-	9.000
Eren Gülhan Ulusoy	4.067	-
	135.787.954	35.560.695
Raw Material and Material Purchases from Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	178.103.102	33.894.537
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	279.107	-
	178.382.209	33.894.537
Purchases from Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Ulusoy Çay Gıda San. ve Tic. A.Ş.	47.230	15.404
Unay Un San. ve Tic. A.Ş.	198.448.077	96.390.294
Ulusoy Petrol Ürünleri Tic. A.Ş.	2.099.234	2.144.552
GFC Denizcilik ve Ticaret A.Ş.	26.428	-
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	4.757.922	1.358.571
	205.378.891	99.908.821
Other Income from Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	788.687	980.602
GFC Denizcilik ve Ticaret A.Ş.	18.000	1.288.140
Ulusoy Petrol Ürünleri Tic. A.Ş.	-	31.309
	806.687	2.300.051
General Production and Service Expenses to Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	(39.394)	(96.090)
Ulusoy Petrol Ürünleri Tic. A.Ş.	(75.970)	(45.732)
	(115.364)	(141.822)
Financial Income from Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	4.233.103	2.221.523
	4.233.103	2.221.523

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 29 – RELATED PARTY DISCLOSURES (Cont.)

Related party disclosures for the periods ended December 31, 2021 and December 31, 2020 are as follows:

Marketing Expenses to Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	(243.804)	(210.557)
Ulusoy Petrol Ürünleri Tic. A.Ş.	(531.968)	(393.975)
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	(992)	-
	(776.764)	(604.532)
Sales Returns from Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	(1.139.700)	(7.071)
	(1.139.700)	(7.071)
General Administrative Expenses to Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Ulusoy Petrol Ürünleri Tic. A.Ş.	(68.348)	(197.547)
Unay Un San. ve Tic. A.Ş.	(13.446)	(127)
GFC Denizcilik ve Ticaret A.Ş.	(2.076)	-
Fahrettin Ulusoy	(10.500)	-
Sasbaş Samsun Serbest Bölgesi Kurucu ve İşletmecisi A.Ş.	(257.645)	-
	(352.015)	(197.674)
Other Expenses to Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	(75.385)	(1.457.757)
Ulusoy Petrol Ürünleri Tic. A.Ş.	(39.172)	-
	(114.557)	(1.457.757)
Finance Expenses to Related Parties	January 1- December 31, 2021	January 1- December 31, 2020
Unay Un San. ve Tic. A.Ş.	(10.806.993)	(2.304.594)
	(10.806.993)	(2.304.594)

The Group's senior management consists of board members, general manager and department managers. The benefits and fees provided by the Group to its senior management as of December 31, 2021 are 3.323.500 TRY (December 31, 2020: 1.829.640 TRY).

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 30 – NATURE AND LEVEL OF RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS**Credit Risk**

December 31, 2021	Receivables				Bank Deposits	Derivative instruments	Others
	Trade receivables		Other receivables				
	Related party	Related party	Related party	Related party			
Maximum credit risk as of the date of the report (A+B+C+D+E+F)	5.854.793	1.157.404.123	600	5.405.231	498.783.391	225.374.770	117.579
- The portion of the maximum risk hedged by collateral, etc.							
A. Net book value of the financial assets that are not overdue or impaired	5.854.793	1.158.042.364	600	5.405.231	498.783.391	225.374.770	117.579
B. Net book value of the financial assets the conditions of which were renegotiated, or otherwise deemed to be overdue or impaired	-		-	-	-	-	-
C. Net book value of the financial assets that are overdue, but not impaired	-		-	-	-	-	-
- The portion hedged by collaterals, etc.	-		-	-	-	-	-
D. Net book value of the assets that are impaired	-		-	-	-	-	-
- Past due (gross book value)	-		-	-	-	-	-
- Impairment (-)	-		-	-	-	-	-
- Undue (gross book value)	-	6.815.828	-	-	-	-	-
- Impairment (-)	-	(6.815.828)	-	-	-	-	-
E. Components involving off-balance sheet credits	-		-	-	-	-	-
F. Expected Credit Loss	-	(638.241)	-	-	-	-	-

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 30 – NATURE AND LEVEL OF RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Cont.)**Credit Risk (Cont.)**

December 31, 2020	Receivables				Bank Deposits	Derivative instruments	Others
	Trade receivables		Other receivables				
	Related party	Related party	Related party	Related party			
Maximum credit risk as of the date of the report (A+B+C+D+E+F)	1.384.711	439.318.203	-	15.144.060	309.093.561	10.668.553	106.101.153
- The portion of the maximum risk hedged by collateral, etc.							
A. Net book value of the financial assets that are not overdue or impaired	1.384.711	439.318.203	-	15.144.060	309.093.561	10.668.553	106.101.153
B. Net book value of the financial assets the conditions of which were renegotiated, or otherwise deemed to be overdue or impaired	-	-	-	-	-	-	-
C. Net book value of the financial assets that are overdue, but not impaired	-	-	-	-	-	-	-
- The portion hedged by collaterals, etc.	-	-	-	-	-	-	-
D. Net book value of the assets that are impaired	-	-	-	-	-	-	-
- Past due (gross book value)	-	-	-	-	-	-	-
- Impairment (-)	-	-	-	-	-	-	-
- Undue (gross book value)	-	7.521.114	-	-	-	-	-
- Impairment (-)	-	(7.521.114)	-	-	-	-	-
E. Components involving off-balance sheet credits	-	-	-	-	-	-	-
F. Expected Credit Loss	-	-	-	-	-	-	-

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 30 – NATURE AND LEVEL OF RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Cont.)**Liquidity risk**

December 31, 2021						
Non-derivative Financial Liabilities	Book Value	Total cash outflow under the Contract (I+II+III+IV)	Less than 3 months (I)	3–12 months (II)	1–5 years (III)	More than 5 years (IV)
Bank Loans	1.600.110.505	1.600.110.505	221.493.871	1.096.365.508	273.837.815	8.413.311
Trade Payables	1.139.289.953	1.139.289.953	-	1.139.289.953	-	-
Other Payables	8.835.403	8.835.403	-	8.835.403	-	-
Total Liabilities	2.748.235.861	2.748.235.861	221.493.871	2.244.490.864	273.837.815	8.413.311

December 31, 2020						
Non-derivative Financial Liabilities	Book Value	Total cash outflow under the Contract (I+II+III+IV)	Less than 3 months (I)	3–12 months (II)	1–5 years (III)	More than 5 years (IV)
Bank Loans	819.279.613	819.279.613	92.746.556	433.375.141	263.818.680	29.339.236
Trade Payables	392.005.623	392.005.623	-	392.005.623	-	-
Other Payables	15.479.323	15.479.323	-	15.479.323	-	-
Total Liabilities	1.226.764.559	1.226.764.559	92.746.556	840.860.087	263.818.680	29.339.236

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 30 – NATURE AND LEVEL OF RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Cont.)**Foreign Currency Risk**

	December 31, 2021				December 31, 2020		
	TRY equivalent	USD	EUR	Other	TRY equivalent	USD	EUR
1. Trade receivables	1.046.286.205	77.423.047	785.284	12.275.193	366.624.547	49.384.032	457.494
2a. Monetary financial assets (including cash bank accounts)	447.534.816	33.153.827	346.722	26.665	305.316.284	41.155.663	356.702
2b. Non-monetary financial assets	-	-	-	-	-	-	-
3. Other	67.508	5.065	-	-	-	-	-
4. Current assets (1+2+3)	1.493.888.530	110.581.939	1.132.006	12.301.858	671.940.831	90.539.695	814.196
5. Trade receivables	-	-	-	-	-	-	-
6a. Monetary financial assets	86.404.603	6.482.452	-	-	34.500.221	4.699.982	-
6b. Non-monetary financial assets	-	-	-	-	-	-	-
7. Other	-	-	-	-	6.356.983	633.802	189.229
8. Non-current assets (5+6+7)	86.404.603	6.482.452	-	-	40.857.204	5.333.784	189.229
9. Total assets (4+8)	1.580.293.133	117.064.391	1.132.006	12.301.858	712.798.035	95.873.479	1.003.425
10. Trade payables	1.165.053.132	87.024.400	198.796	650	385.739.937	52.240.430	251.897
11. Financial liabilities	558.424.544	41.820.156	-	-	172.217.007	20.692.369	2.256.317
12a. Other monetary liabilities	-	-	-	-	13.679.449	1.506.043	291.338
12b. Other non-monetary liabilities	-	-	-	-	-	-	-
13. Short-term liabilities (10+11+12)	1.723.477.676	128.844.556	198.796	-	571.636.393	74.438.842	2.799.552
14. Trade payables	-	-	-	-	-	-	-
15. Financial liabilities	134.112.074	10.043.592	-	-	125.782.130	17.135.363	-
16 a. Other monetary liabilities	-	-	-	-	260	35	-
16 b. Other non-monetary liabilities	-	-	-	-	-	-	-
17. Long-term liabilities (14+15+16)	134.112.074	10.043.592	-	-	125.782.390	17.135.398	-
18. Total liabilities (13+17)	1.857.589.750	138.888.148	198.796	-	697.418.783	91.574.240	2.799.552
19. Net asset/liability position of off-balance sheet derivative financial instruments (19a-19b)	161.002.874	12.079.141	-	-	75.253.497	8.000.000	1.835.000
19a. Total amount of hedged assets	161.002.874	12.079.141	-	-	75.253.497	8.000.000	1.835.000
19b. Total amount of hedged liabilities	-	-	-	-	-	-	-
20. Net foreign currency asset/liability position (9-18+19)	(116.293.743)	(9.744.615)	933.210	12.301.858	90.632.749	12.299.239	38.873
21. Total fair value of financial instruments used for foreign currency hedging (1+2a+3+5+6a-10-11 -12a-14-15-16a)	(277.296.617)	(21.823.757)	933.210	12.301.208	15.379.252	4.299.239	1.796.127

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 30 – NATURE AND LEVEL OF RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS (Cont.)**Foreign Currency Risk (Cont.)**

The following table shows the Group's sensitivity to a 10 percent increase and decrease in the exchange rates. This sensitivity analysis covers only the open foreign currency monetary items at the end of the period, and shows the effects of a 10 percent change in foreign currency rates on the items. Positive values refer to increases in profit/loss and other equity items.

Statement of exchange rate sensitivity analysis				
December 31, 2021				
	Profit/loss		Equities	
	FOREIGN CURRENCY APPRECIATION	FOREIGN CURRENCY DEPRECIATION	FOREIGN CURRENCY APPRECIATION	FOREIGN CURRENCY DEPRECIATION
In the event of USD increasing/decreasing 10% in value against TRY				
1- Net assets/liabilities in USD	(29.422.217)	29.422.217	(29.422.217)	29.422.217
2- The portion hedged against the USD risk (-)				
3- USD net effect (1+2)	(29.422.217)	29.422.217	(29.422.217)	29.422.217
In the event of EUR increasing/decreasing 10% in value against TRY				
4- Net assets/liabilities in EUR	1.407.365	(1.407.365)	1.407.365	(1.407.365)
5- The portion hedged against the EUR risk (-)				
6- EUR net effect (4+5)	1.407.365	(1.407.365)	1.407.365	(1.407.365)
In the event of GBP increasing/decreasing 10% in value against TRY				
7- Other net assets/liabilities	285.190	(285.190)	285.190	(285.190)
8- The portion hedged against other risks (-)				
9- Other net effect (7+8)	285.190	(285.190)	285.190	(285.190)
Total (3+6+9)	(27.729.662)	27.729.662	(27.729.662)	27.729.662

Statement of exchange rate sensitivity analysis				
December 31, 2020				
	Profit/loss		Equities	
	FOREIGN CURRENCY APPRECIATION	FOREIGN CURRENCY DEPRECIATION	FOREIGN CURRENCY APPRECIATION	FOREIGN CURRENCY DEPRECIATION
In the event of USD increasing/decreasing 10% in value against TRY				
1- Net assets/liabilities in USD	3.155.856	(3.155.856)	3.155.856	(3.155.856)
2- The portion hedged against the USD risk (-)				
3- USD net effect (1+2)	3.155.856	(3.155.856)	3.155.856	(3.155.856)
In the event of EUR increasing/decreasing 10% in value against TRY				
4- Net assets/liabilities in EUR	(1.617.933)	1.617.933	(1.617.933)	1.617.933
5- The portion hedged against the EUR risk (-)				
6- EUR net effect (4+5)	(1.617.933)	1.617.933	(1.617.933)	1.617.933
Total (3+6)	1.537.923	(1.537.923)	1.537.923	(1.537.923)

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 31 – FINANCIAL INSTRUMENTS (FAIR VALUE DISCLOSURES AND OTHER DISCLOSURES CONCERNING HEDGE ACCOUNTING)**Fair Value of Financial Instruments**

Based on the source of valuation inputs of each financial instrument class, the Group categorizes the financial instruments recognized at fair value according to the three-level hierarchy.

Level 1: Valuation techniques using quoted prices in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date;

Level 2: Other valuation techniques involving inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Valuation techniques using unobservable inputs for the assets or liability.

Financial Assets (December 31, 2021)	Level 1	Level 2	Level 3
Derivative assets	-	225.374.770	-
Short-term Financial Investments	36.038.234	-	-
Financial liabilities (December 31, 2021)	Level 1	Level 2	Level 3
Derivative liabilities	-	55.543	-
Short-term Financial Investments	-	-	-
Financial Assets (December 31, 2020)	Level 1	Level 2	Level 3
Derivative assets	-	10.668.553	-
Short-term Financial Investments	32.104.780	-	-
Financial liabilities (December 31, 2020)	Level 1	Level 2	Level 3
Derivative liabilities	-	2.017.984	-
Short-term Financial Investments	-	-	-

FOOTNOTE 32 – FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR'S

Which was prepared by the POA pursuant to the Board Decision published in the Official Gazette on 30 March 2021, and the preparation principles of which were based on the POA letter dated 19 August 2021, the explanation of the Company regarding the fees for the services rendered by the independent audit firms are as follows:

	January 1- December 31, 2021	January 1- December 31, 2020
Independent Audit Fee for the Reporting Period	509.700	191.500
	509.700	191.500

(*) The fees above have been determined by including the legal audit fees of all subsidiaries, and the foreign currency fees of foreign subsidiaries have been converted into TRY using the annual average rates of the relevant years.

ULUSOY UN SANAYİ VE TİCARET A.Ş.

Notes to the Consolidated Financial Statements as of December 31, 2021

(Unless otherwise stated, amounts are expressed in Turkish Lira ("TRY").)

FOOTNOTE 33 – EVENTS AFTER BALANCE SHEET DATE

- With the decision of the Board of Directors dated 11 January 2022, the company became a subsidiary of Söke Değirmencilik Sanayi ve Ticaret A.Ş. its controlling shareholder, Moms Kitchen International S.a.r.l. and other partners, Söke Değirmencilik Sanayi ve Ticaret A.Ş. An agreement has been reached for the purchase of all of its shares, to be paid 168.900.000 TRY in cash on 11/01/2022 and 650,000 EUR on 11/01/2023, and the purchase agreement has been signed. All of the shares of Söke Değirmencilik Sanayi ve Ticaret A.Ş. have been purchased by the Company. This decision was taken in line with the Group's medium-term growth strategies, and with the acquisition, it is planned to integrate the Group's wholesale and retail product structures and increase its competitive power and value.
- The Company has evaluated some of its deposit accounts in the Currency Protected Deposit Account within the scope of the Temporary Article 14 of the Law on the Amendment of the Tax Procedure Law and the Corporate Tax Law published in the Official Gazette dated January 29, 2021 and numbered 31734. A tax advantage of 331,684 TRY will be obtained in terms of corporate tax expense for 2021 from the said transaction.
- Within the scope of the share buyback program initiated pursuant to the decision of the Board of Directors of the Company on 1 February 2022, shares with a nominal value of 2.147.589 TRY were bought back between 2 February 2022 and 3 March 2022 in exchange for 14.129.341 TRY.
- The tension between Russia and Ukraine since January 2022 has turned into a crisis and a hot conflict environment as of the date of the report. Due to the significant share of the two countries in world wheat and wheat products exports and being the main supplier of Turkey, this crisis may have an impact on raw material prices and supply processes. As the course of the crisis is uncertain as of the report date, its impact on the Group's operations cannot be reasonably estimated.