

**UĞURAS KIYMETLİ MADENLER
SANAYİ VE DİŐ TİCARET
ANONİM ŐİRKETİ
FINANCIAL STATEMENTS
AT 31 DECEMBER 2022
TOGETHER WITH
AUDITOR'S REPORT
(Convenience translation of the
independent auditors' report and
financial statements
originally issued in Turkish)**

**UĞURAS KIYMETLİ MADENLER SANAYİ VE DIŞ TİCARET
ANONİM ŞİRKETİ**
01.01. – 31.12.2022 INDEPENDENT AUDITOR'S REPORT
(Convenience translation of a report and financial statement originally issued in Turkish)

Uğuras Kıymetli Madenler Sanayi ve Dış Ticaret A.Ş.
To the Shareholders and to the Board of Directors of
İstanbul /Turkey

A. Audit of the Financial Statements

1. Opinion

We have audited the accompanying financial statements of Uğuras Kıymetli Madenler Sanayi ve Dış Ticaret A.Ş.' ("the Company" or "Uğuras Kıymetli"), which comprise the statement of financial position as at 31 December 2022 and the statements of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements comprising a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards.

2. Basis for opinion

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



NAR BAĞIMSIZ DENETİM A.Ş.

Gayrettepe Mahallesi Yıldız Posta Caddesi Vefabey Sokak No:7
Yeşil Apartmanı B Blok D: 3-5 Tel: 0212 603 05 61
Beşiktaş / İstanbul

3. Other Consideration

The financial statements of the company, prepared in accordance with the Turkish Financial Reporting Standard (TFRS) for the accounting period ending on 31 December 2021, have been audited by another audit firm and a "Positive Opinion" has been expressed in the independent auditor's report dated as 27 June 2022.

4. Key Audit Matters

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

Key audit matters	How our audit addressed the key audit matter
<p><i>Revenue recognition</i></p> <p>The Company is engaged in the purchase and sale of precious metals which, standards and purity levels determined by T.C.</p> <p>Revenue is accounted in the financial statements on an accrual basis over the fair value of the price received , upon the realization of the delivery, the reliable determination of the revenue amount and the possibility of transferring the economic benefits related to the transaction to the Company. Net sales are presented by deducting returns, discounts and commissions from the sales of the goods from the sales amount.</p> <p>The amount of revenue in terms of financial statements is considered as a key audit subject because of the nature of the transactions such as the sale of foreign currency and precious metal, resulting from many transactions.</p>	<p>The audit procedures performed include a combination of validation of key controls in revenue recognition process, substantive tests and analytical procedures.</p> <p>By analyzing the risk and return transfers through the sales documents received for the sales transactions selected with the sampling method, it has been evaluated whether the revenue is in accordance with the accounting policies and included in the financial statements in the appropriate financial reporting period.</p> <p>By examining the provisions regarding the commercial and shipping conditions in the contracts made with the customers; Evaluation of the inclusion of revenue in financial statements for different shipping arrangements has been made.</p> <p>Analytical examinations were carried out in order to send a reconciliation for the trade receivables selected with the sampling method, to check their compliance with the financial statements, and to detect the presence of unusual transactions.</p>



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

5. Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

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

Responsibilities of independent auditors in an independent audit are as follows:

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

As part of an independent audit conducted in accordance with SIA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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

6. Auditor's Responsibilities for the Audit of the Financial Statements ,cont'd

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to cont'd as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to cont'd as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



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

6. Auditor's Responsibilities for the Audit of the Financial Statements ,cont'd

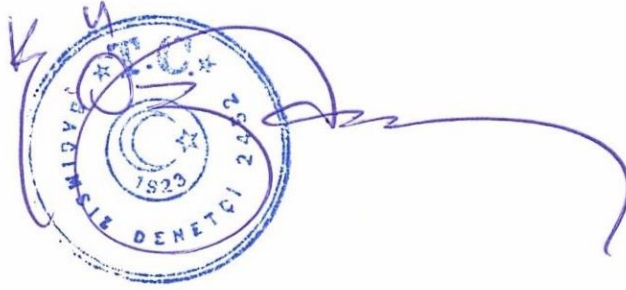
B. Other Responsibilities Arising From Regulatory Requirements

1. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2022 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.

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

The name of the engagement partner who supervised and concluded this audit is Kemal Özden.

NAR BAĞIMSIZ DENETİM A.Ş.



KEMAL ÖZDEN
Partner

İstanbul, 20.06.2023

UĞURAS KIYMETLİ MADENLER SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
NOTES TO THE FINANCIAL STATEMENTS AS AT 31.12.2022

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1
UĞURAS KIYMETLİ MADENLER
SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2022 AND 2021

(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

Assets	Note	Audited 31.12.2022	Revised (*) 31.12.2021
Current assets			
Cash and cash equivalents	4	219.551.919	177.313.877
Trade receivables			
- Trade receivables from third parties	5	19.231	12.810
Other receivables			
- Other receivables from third parties	10	97.848.300	46.366.808
Inventories	8	9.631.860	7.325.849
Prepaid expenses	7	274.946.836	16.493
Other current assets	18	1.432.629	1.743.126
Total current assets		603.430.775	232.778.963
Non-current assets			
Financial investments	6	14.938	14.938
Other receivables			
- Other receivables from third parties	10	181	126
Tangible assets	12	5.528.150	4.012.316
Properties for investment	15	11.255.835	11.502.573
Intangible assets	13	7.911	--
Right of use assets	11	92.956	141.497
Total non-current assets		16.899.971	15.671.450
Total assets		620.330.746	248.450.413

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

(*) The effects of restatement are explained in footnote 2.5.



**UĞURAS KIYMETLİ MADENLER
SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2022 AND 2021**

(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

Liabilities	Note	Audited 31.12.2022	Revised (* 31.12.2021
Short term liabilities			
Liabilities arising from rental transactions	17	11.548	5.278
Short term liabilities	17	197.070.612	39.172.665
Trade payables			
- Trade payables to third parties	14	1.742.081	344.768
Employee benefit obligations	9	88.449	7.355
Derivative instruments	16	319.569	--
Other payables			
- Other payables to third parties	10	53.129.645	50.606.628
Short term provisions			
- Other short term provisions	19	180.000	180.000
Current income tax liabilities	18	1.667.582	83.152
Total current liabilities		254.209.486	90.399.846
Non- current liabilities			
Liabilities arising from rental transactions	17	52.860	81.354
Long term provisions			
- Long term employee benefit obligations	21	122.545	32.392
Deferred tax liability	29.a	1.043.824	1.603.429
Total non-current liabilities		1.219.229	1.717.175
Equity			
Paid in capital	22.a	220.000.000	80.000.000
<i>Additional capital contributions of shareholders</i>			
<i>Other comprehensive income/(expense) not to be reclassified to profit or loss</i>			
- Actuarial gain / (loss) on defined benefit plans	22.b	(60.007)	(21.602)
Additional capital contributions of shareholders	22.c	121.750.000	70.000.000
Profit of previous years	22.d	18.751.494	2.760.879
Net profit for the year	22.e	4.460.544	3.594.115
Total equity		364.902.031	156.333.392
Total liabilities and equity		620.330.746	248.450.413

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

(*) The effects of restatement are explained in footnote 2.5.



**UĞURAS KIYMETLİ MADENLER
SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2022 AND 2021**

(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

	Note	<i>Audited</i> 01.01.- 31.12.2022	<i>Revised</i> 01.01.- 31.12.2021
Revenue	23	31.750.275.381	14.735.897.857
Cost of sales (-)	23	(31.726.330.450)	(14.772.509.327)
Gross profit		23.944.931	(36.611.470)
General administrative expenses (-)	24	(2.222.595)	(1.060.600)
Marketing, selling and distribution expenses (-)	24	(1.189.032)	(38.594)
Other operating income	25	4.858.492	4.725.870
Other operating expense (-)	25	(4.895.180)	(2.027.349)
Operating profit/ loss		20.496.616	(35.012.143)
Income from investment activities	26	52.648	18.671
Operating profit / (loss) before financing expense		20.549.264	(34.993.472)
Financial income	27	11.249.018	50.294.109
Financial expense (-)	28	(25.502.574)	(10.451.916)
Profit/ (loss) before tax		6.295.708	4.848.721
Tax charge for the period	29.a	(2.383.297)	(232.817)
Deferred tax income	29.b	548.133	(1.021.789)
Net income for the period		4.460.544	3.594.115
Earnings per share			
Earnings per share from continuing operations	31	20,2752	44,9264
Number of share	31	220.000	80.000
Other comprehensive income/ (expense)			
- Actuarial gain arising from defined benefit plans	22.b	(49.878)	(10.923)
- Tax effect other comprehensive income not to be reclassified to profit or loss	22.b	11.472	2.731
Total comprehensive income		4.422.138	3.585.923

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

(*) The effects of restatement are explained in footnote 2.5.



**UĞURAS KIYMETLİ MADENLER
SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE YEARS ENDED 31.12.2021 AND 31.12.2021**

(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

	Paid in Capital	Additional capital contributions of shareholders	Other comprehensive income / (expense) not to be reclassified to profit or loss	Retained earnings		Total equity
			Actuarial gain/loss arising from defined benefit plans	Retained earnings	Net income (loss) for the period	
Balances at 01.01.2021	50.000.000	30.000.000	(13.410)	790.306	1.970.573	82.747.469
Transfer to previous years profit/loss	--	--	--	1.970.573	(1.970.573)	--
Additional capital contributions of Shareholders	--	40.000.000	--	--	--	40.000.000
Net Profit/(Loss) for the Period	--	--	(8.192)	--	3.594.115	3.585.923
Capital Increase	30.000.000	--	--	--	--	30.000.000
Balances at 01.01.2022	80.000.000	70.000.000	(21.602)	2.760.879	3.594.115	156.333.392
Transfer to previous years profit/loss	--	--	--	3.594.115	(3.594.115)	--
Additional capital contributions of Shareholders	--	51.750.000	--	--	--	51.750.000
Net Profit/(Loss) for the Period	--	--	(38.405)	--	4.460.544	4.422.139
Capital Increase	140.000.000	--	--	--	--	140.000.000
Other Cash In-Out	--	--	--	12.396.500	--	12.396.500
Balances at 31.12.2022	220.000.000	121.750.000	(60.007)	18.751.494	4.460.544	364.902.031

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

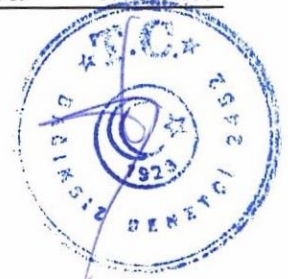


**UĞURAS KIYMETLİ MADENLER
SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ**
STATEMENTS OF CASH FLOW
FOR THE YEARS ENDED 31 DECEMBER 2022 AND 31 DECEMBER 2021
(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

	Note	Audited 01.01.- 31.12.2022	Revised 01.01.- 31.12.2021
Net profit for the period	22.e	4.460.544	3.594.115
Profit before tax and net operating income adjustments to reconcile cash flows		6.360.818	5.642.901
Adjustments to depreciation and amortization expenses		547.235	384.428
-Depreciation of property, plant and equipment	12	251.491	109.071
- Amortization of intangible assets	13	465	--
-Depreciation of right-of-use assets	11	48.541	28.619
-Depreciation of investment properties	15	246.738	246.738
Arising from the disposal of tangible and intangible assets fixes on losses/gains		(28.449)	--
-Profit from sales of property, plant and equipment	26	(28.449)	--
Adjustments to provision expenses		39.918	193.994
-Provision for severance pay	21	39.918	13.994
-Provision for lawsuits	19	--	180.000
Adjustments to finance income and expenses		6.350.247	4.042.690
- Fixes related to financing expenses	28	6.350.219	4.042.721
- Adjustments for deferred finance expense arising from forward purchases	28	83	55
- Adjustments to deferred finance income from futures purchases	27	(55)	(86)
Adjustments for tax expense		(548.133)	1.021.789
Other adjustments related to profit/loss reconciliation		10.821.362	9.237.016
Changes in company capital		(322.828.000)	21.691.184
Changes in trade receivables		(6.503)	(95)
Adjustments for increase/decrease in inventories		(2.306.011)	(4.316.124)
Adjustments for increase/decrease in other receivables		(51.481.547)	(18.752.469)
Adjustments for increase/decrease in other assets		(274.619.848)	(752.541)
Changes in trade payables		1.397.368	113.288
Adjustments for increase/decrease in other liabilities		2.523.017	45.359.006
Adjustments for increase/decrease in other sources		1.665.524	51.615
Severance pay payments		--	(11.496)
Net cash provided by operating activities		(312.006.638)	30.928.200
Net cash flows from investing activities			
Cash outflows from the purchase and sale of tangible assets	12	(1.767.325)	(4.047.161)
Cash outflows from the purchase and sale of intangible assets	13	(8.376)	--
Cash inflows from the sale of property, plant and equipment		28.450	--
Net cash flows from investing activities		(1.747.251)	(4.047.161)
Net cash flow from financing activities			
Cash inflows from borrowing		364.137.499	240.676.411
Cash outflows related to debt payments		(206.239.552)	(231.447.025)
Cash outflows from lease obligations		(22.224)	(76.160)
Cash inflows from capital increase	22.a	140.000.000	70.000.000
Interest paid		(6.349.861)	(4.042.646)
Cash inflows from derivative Instruments		12.716.069	--
Other cash inflows / (outflows)	22.c	51.750.000	--
Net cash flow from financing activities		355.991.931	75.110.580
Net increase (decrease) in cash and cash equivalents		42.238.042	101.991.619
Cash and cash equivalents at the beginning of the year		177.313.877	75.322.258
Cash and cash equivalents at the end of the period	4	219.551.919	177.313.877

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

(*) The effects of restatement are explained in footnote 2.5.



(CONVENIENCE TRANSLATION INTO ENGLISH OF
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

UĞURAS KIYMETLİ MADENLER
SANAYİ VE DIŞ TİCARET ANONİM ŞİRKETİ
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES

Uğuras Kıymetli Madenler Sanayi ve Dış Ticaret Anonim Şirketi, (Former Title: Uğuras Kuyumculuk ve Değerli Madenler Sanayi Dış Ticaret Limited Şirketi) was registered with the Istanbul Trade Registry on January 15, 2007 and announced in the Turkish Trade Registry Gazette dated January 19, 2007.

The main activity of the company is production, export, import, domestic and foreign marketing of gold, silver and manufacturing of precious metals, sells, imports, exports, wholesales and retails goods.

The company is a member of the Istanbul Gold Exchange with the number 098 and was granted the permission to operate as a member on 18.05.2009.

The company operates in Turkey and its headquarters is located at Ataköy 2-5-6 Kısım Mahallesi, Rauf Orbay Caddesi, Yalı Ataköy Sitesi, C Blok No: 4 İç Kapı No: 22 Bakırköy/İstanbul.

The company's total equity amount is 220.000.000 TRY (31.12.2021: 80.000.000 TRY).

As announced on the 1474th page of TTSG dated 22 September 2022 and numbered 10666, the company is subject to the registered capital system, and its capital is increased from 80.000.000 TL to 150.000.000 TL and as announced on page 14 of TTSG dated 6 December 2022 and numbered 10719, the Company has increased its capital from 150.000.000 TL to 220.000.000 TL, subject to the registered capital system.

Of the last capital increased, 220,000,000 TL was fully met from the receivables from shareholders of the company, and there are no debts arising from the capital commitment.

As of 31.12.2022, the majority shareholders of the Company and their share ratios are as follows:

	Shareholding percentage %
Uğur URAS	%100,00

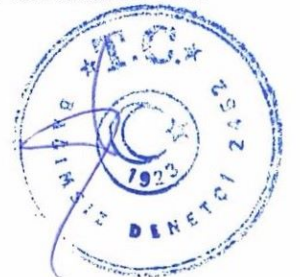
As of 31 December 2022, the number of personnel employees is 16 (31 December 2021: 11).

Globalization Activities:

Uğuras started trading transactions with international prestigious brokerage houses and Refineries within the scope of its globalization strategy in 2022, and positive effects were seen on the company's turnover and operating profit. A rapid increase was experienced in operating profit by using advantageous procurement costs in international markets.

Approval of financial statements:

The financial statements were approved by the Board of Directors and authorized for publication on 20.06.2023. The General Assembly has the authority to change the financial statements.



(CONVENIENCE TRANSLATION INTO ENGLISH OF
FINANCIAL STATEMENTS ORIGINALLY ISSUED IN TURKISH)

UĞURAS KIYMETLİ MADENLER
SANAYİ VE DİŐ TİCARET ANONİM ŐİRKETİ
NOTES TO FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2022

(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

2.1 Basis of preparation

The financial statements of The Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The Company and its subsidiaries operating in Turkey, maintains its accounting records and prepares its statutory financial statements in accordance with the Turkish Commercial Code (the "TCC"), tax legislation and the uniform chart of accounts issued by the Ministry of Finance. These consolidated financial statements are based on the statutory records, which are maintained under historical cost conversion, with the required adjustments and reclassifications reflected for the purpose of fair presentation in accordance with the IAS.

IAS 29 Financial Reporting in Hyperinflation Economies requires entities whose functional currency is that of a hyperinflationary economy to prepare their financial statements in terms of the measuring unit current at the end of the reporting period. IAS 29 describes characteristics that may indicate that an economy is hyperinflationary, and it requires all entities that report in the currency of the same hyperinflationary economy apply this Standard from the same date. Therefore, it is expected that IAS 29 will start to be applied simultaneously by all entities with the announcement of Public Oversight Accounting and Auditing Standards Authority to ensure consistency of the application required by IAS 29 throughout the country. However, the Authority has not published any announcement that determines entities would restate their financial statements for the accounting period ending on 31 December 2022 in accordance with IAS 29. In this context, IAS 29 is not applied and inflation adjustment has not been reflected in the financial statements as of December 31, 2022.

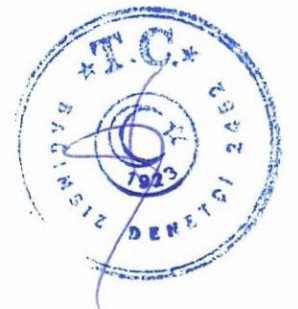
2.2. Going Concern

The Company has prepared their financial statements in accordance with the going concern principle.

2.3. Measurement currency, reporting currency

The Company's functional and reporting currency is Turkish Lira ("TL"). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation are recognized in the consolidated statement of income.

Transactions in foreign currency are translated at the exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into the functional currency at the exchange rates at the end of the reporting period. Foreign currency, non-monetary assets and liabilities measured at fair value are translated into the functional currency at the exchange rate at the date the fair value was determined in foreign currency. Currency differences on reconversion are generally recognized in profit or loss.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS, *continued*

2.4. Changes in Turkish Financial Reporting Standards

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of December 31, 2022 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRS interpretations effective as of January 1, 2022 and thereafter. The effects of these standards and interpretations on The Company's financial position and performance have been disclosed in the related paragraphs.

i) The new standards, amendments and interpretations which are effective as of January 1, 2022 are as follows:

Amendments to IFRS 3 – Reference to the Conceptual Framework

In July 2020, POA issued amendments to IFRS 3 Business combinations. The amendments are intended to replace a reference to a previous version of the Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing requirements of IFRS 3. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments must be applied prospectively.

The amendments did not have a significant impact on the financial position or performance of The Company.

Amendments to IAS 16 – Proceeds before intended use

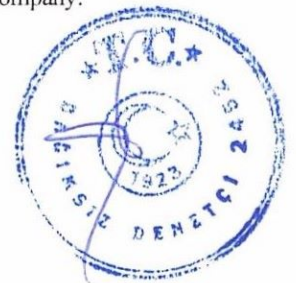
In July 2020, POA issued amendments to IAS 16 Property, plant and equipment. The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and costs of producing those items, in profit or loss. The amendments must be applied retrospectively only to items of PP&E made available for use on or after beginning of the earliest period presented when the entity first applies the amendment.

The amendments did not have a significant impact on the financial position or performance of The Company.

Amendments to IAS 37 – Onerous contracts – Costs of Fulfilling a Contract

In July 2020, the POA issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent assets. The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making and also apply a "directly related cost approach". Amendments must be applied prospectively to contracts for which an entity has not fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

The amendments did not have a significant impact on the financial position or performance of The Company.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS, *continued*

2.4. Changes in Turkish Financial Reporting Standards, *continued*

Annual Improvements – 2018–2020 Cycle

In July 2020, the POA issued Annual Improvements to IFRS Standards 2018–2020 Cycle, amending the followings:

- *IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter:* The amendment permits a subsidiary to measure cumulative translation differences using the amounts reported by the parent. The amendment is also applied to an associate or joint venture.
- *IFRS 9 Financial Instruments – Fees in the “10 per cent test” for derecognition of financial liabilities:* The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either borrower or lender on the other’s behalf.
- *IAS 41 Agriculture – Taxation in fair value measurements:* The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring fair value of assets within the scope of IAS 41.

The amendments did not have a significant impact on the financial position or performance of The Company.

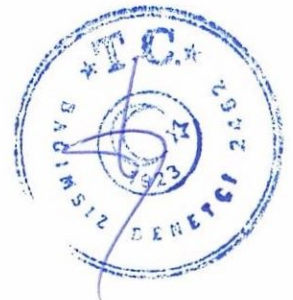
ii) Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the consolidated financial statements are as follows. The Company will make the necessary changes if not indicated otherwise, which will be affecting the consolidated financial statements and disclosures, when the new standards and interpretations become effective.

IFRS 17 - The new Standard for insurance contracts

The POA issued IFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. IFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2023; early application is permitted.

The standard is not applicable for The Company and will not have an impact on the financial position or performance of The Company.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS, *continued*

2.4. Amendments in Turkey Financial Reporting Standards, *continued*

Amendments to IAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In January 2020 and January 2023, POA issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or non-current. According to the amendments made in January 2023 if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. In addition, January 2023 amendments require an entity to provide disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. This disclosure must include information about the covenants and the related liabilities. The amendments clarified that the classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period. The amendments are effective for periods beginning on or after 1 January 2024. The amendments must be applied retrospectively in accordance with IAS 8. Early application is permitted. However, an entity that applies the 2020 amendments early is also required to apply the 2023 amendments, and vice versa.

Amendments to IAS 8 - Definition of Accounting Estimates

In August 2021, POA issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments issued to IAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the POA. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted.

The Company is in the process of assessing the impact of the amendments on financial position or performance of The Company.

Amendments to IAS 1 - Disclosure of Accounting Policies

In August 2021, the POA issued amendments to IAS 1, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments issued to IAS 1 are effective for annual periods beginning on or after 1 January 2023. In the absence of a definition of the term 'significant' in IFRS, the POA decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in IFRS and is widely understood by the users of financial statements, according to the POA. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

The Company is in the process of assessing the impact of the amendments on financial position or performance of The Company.



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS, *continued*

2.4. Amendments in Turkey Financial Reporting Standards, *continued*

Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In August 2021, POA issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments issued to IAS 12 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

The Company is in the process of assessing the impact of the amendments on financial position or performance of The Company.

2.5. Significant accounting judgments, estimates and assumptions

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

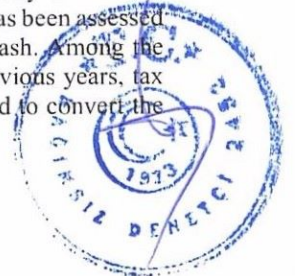
- In accordance with the accounting policy stated in Note 3, tangible and intangible assets are presented with their net value after deducting accumulated depreciation and impairment, if any. Depreciation is allocated using the straight-line method based on the useful lives of tangible assets. Useful lives are based on management's best estimates, reviewed at each balance sheet date and modified if necessary.

- While provisions for lawsuits are allocated, the probability of loss of the relevant lawsuits and the consequences that will be incurred in case of loss are evaluated in line with the opinions of the Company's legal advisors, and the Company Management makes its best estimations using the data at hand and allocates the provision it deems necessary. For The Company, as of date 31.12.2022 provision of lawsuits are available (Note 19).

- Severance pay is determined using actuarial assumptions such as discount rates, future salary increases and staff turnover. Forecasts include significant uncertainties arising from these long-term plans. For The Company, as of date 31.12.2022 provision of severance pay is available (Note 21).

- Provisions for doubtful receivables reflect the amounts that the Company management believes will cover the future losses of the receivables that exist as of the balance sheet date but have the risk of being uncollectible within the current economic conditions. While evaluating whether the receivables are impaired or not, the past performance of the debtors other than the related parties and key customers, their credibility in the market, their performance from the balance sheet date to the approval date of the financial statements and the renegotiated conditions are also taken into consideration. In addition, while determining the amount of the provision, the guarantees obtained during the period until the approval date of the financial statements are also taken into account, apart from the guarantees held as of the balance sheet date. As of the relevant balance sheet date, provisions for doubtful receivables are disclosed in footnote 5. As of 31.12.2022, the company management has no provision for doubtful trade receivables.

- Deferred tax assets and liabilities are recorded using tax rates that are largely used for temporary differences between the carrying values and bases of assets and liabilities. Based on the available evidence, it has been assessed that it is probable that all or some of the deferred tax assets may or may not be converted into cash. Among the main factors taken into account are the potential for future income, accumulated losses from previous years, tax planning strategies to be implemented if necessary, and the nature of the income that can be used to convert the deferred tax asset into cash (note 29).



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2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS, *continued*

2.5. Significant accounting judgments, estimates and assumptions, *continued*

- Derivative financial instruments; are held for trading or hedging purposes. The difference between the cost value and the fair value of the derivative financial instrument is associated with the profit or loss statement. As of 31.12.2022, the Company has derivative financial instruments. (Note 16).

2.6 Restatement of comparative financial statements

As of 31 December 2022, the company presents its financial position statement as of 31 December 2021, and the profit or loss statement for the accounting period ended 31 December 2022, with the profit or loss statement for the accounting period ended 1 January - 31 December 2021 and The cash flow statement and the statement of changes in shareholders' equity for the 31 December 2022 accounting period have been prepared in comparison with the relevant period financial statements for the 1 January - 31 December 2021 accounting period.

The financial statements of the Company are prepared comparatively with the previous period in order to enable the determination of the financial situation and performance trends.

Assets and liabilities at the end of the period are valued in foreign currency and reflected in the financial statements and deferred tax adjustments are made. Real estates with rental income reported in tangible fixed assets are classified as investment properties and depreciation calculations are made. In accordance with TFRS 16, lease liabilities are calculated and reflected in the financial statements. . A lawyer's letter has been obtained and the provision for the period has been reflected in the financial statements. Since the related correction is considered as an error made in the financial statements in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, it should be corrected retrospectively. For this reason, the financial statements of 01.01.2020 and 31.12.2020-01.01.2021 and 31.12.2021-01.01.2022 and 31.12.2022 and the profit or loss statement ending in 31.12.2022 and 31.12.2021 and the cash flow statement have been rearranged.

2.7 Netting / Offset

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



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Foreign currency translations

Transactions are recorded in Turkish Lira, which is the Company's functional currency. Transactions in foreign currencies during the periods have been translated at the exchange rates prevailing at the dates of these transactions. Balance sheet items denominated in foreign currencies have been translated at the exchange rates prevailing at the balance sheet dates. Exchange gains or losses arising from settlement and translation of foreign currency items have been included in the financing income or expense accounts as appropriate.

As of 31.12.2022 and 2020, the foreign exchange rates used by the Company are as follows:

<u>Buy Currency</u>	<u>31.12.2022</u>	<u>31.12.2021</u>	<u>Sell Currency</u>	<u>31.12.2022</u>	<u>31.12.2021</u>
EURO	19,9349	15,0867	EURO	19,9708	15,1139
USD	18,6983	13,3290	USD	18,7320	13,3530

Tangible Fixed Assets

Tangible assets are presented with their net value after acquisition costs less accumulated depreciation. Depreciation is calculated over the useful lives of tangible assets using the straight-line method.

Normal maintenance and repair expenses of tangible fixed assets are recognized as expense. Investment expenditures, which increase the capacity of the tangible asset and increase the benefit to be obtained from it in the future, are added to the cost of the tangible asset. Post-capitalization expenses, such as replacement, added to the cost of the asset, are depreciated over their economic lives.

If the book value of the tangible fixed asset is more than its recoverable value, the book value is reduced to its recoverable value by making a provision.

The depreciation rates of tangible fixed assets are calculated based on their estimated useful lives and are shown below:

	<u>Years</u>
Building	2-50
Vehicles	5
Furniture and fixture	3-5

Intangible Fixed Assets

Intangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. These assets are depreciated over their expected useful lives using the straight-line method. The expected useful life and depreciation method are reviewed annually to determine the possible effects of changes in estimates and changes in estimates are accounted for prospectively.

	<u>Years</u>
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Other intangible fixed assets



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Impairment of assets

The company assesses at each balance sheet date whether there is any indication that an asset is impaired. If such an indicator exists, the recoverable amount of that asset is estimated. If the carrying value of the asset or any cash generating unit of that asset is higher than the amount to be recovered through use or sale, an impairment has occurred.

The recoverable amount is determined by choosing the higher of the net selling price of the asset and its value in use. Value in use is the estimated present value of the cash flows expected to be derived from an asset's continued use and disposal at the end of its useful life. Impairment losses are recognized in the income statement.

Related parties

In the presence of one of the following criteria, the party is deemed to be related to the Company:

- a. The party in question, directly or indirectly, through one or more of its intermediaries:
 - i. Controls, is controlled by, or is under joint control with the entity (including parents, subsidiaries and subsidiaries in the same line of business);
 - ii. Having a share that will enable it to have significant influence on the company; or
 - iii. Having joint control over the company;
- b. The party is an affiliate of the Company;
- c. The party is a business partnership in which the Company is a joint venture;
- d. The party is a member of the key management personnel of the Company or its parent;
 - The party is a close family member of any individual referred to in (a) or (d);
- f. the party; is an entity that is controlled, jointly controlled, or under significant influence or in which any individual referred to in (d) or (e) has a significant voting right, directly or indirectly; or,
- g. The party must have post-employment benefit plans for employees of the entity or an entity that is a related party.

Stocks

Inventories are valued at the lower of cost or net realizable value. Costs, including some fixed and variable production overheads, are valued according to the method appropriate to the class of inventories. The Company uses the moving weighted average method in cost calculations.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs to make the sale. When the net realizable value of inventories falls below its cost, the inventories are reduced to their net realizable value and are charged to the income statement in the year in which the impairment occurred. In cases where it is proven that the conditions that previously caused inventories to be reduced to net realizable value no longer apply or an increase in net realizable value due to changing economic conditions, the reserve for impairment is reversed. The canceled amount is limited to the previously allocated impairment amount. As of 31.12.2022, The Company has stocks (Note 8).



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Recording revenues

Revenue related to performance obligations, which are in the nature of a commitment to transfer goods or services, are recognized when the control of the goods or services is in the hands of the customers.

While the company evaluates the transfer of control of the sold goods or services to the customer,

- Ownership of the Company's right to collect goods or services,
- The customer's legal ownership of the goods or services,
- Transfer of possession of goods or services,
- Customer's ownership of significant risks and rewards arising from ownership of the goods or services,
- It takes into account the conditions of the customer's acceptance of the goods or services.

If the Company, at the beginning of the contract, foresees that the period between the transfer date of the promised good or service to the customer and the date the customer pays the price of such good or service will be one year or less, it does not adjust the promised price for the effect of a significant financing component. On the other hand, if there is an important financing element in the revenue, the revenue value is determined by discounting the future collections with the interest rate included in the financing element. The difference is recognized in the relevant periods as other operating income on an accrual basis.

Interest income

Interest income is accrued in the relevant period based on the effective interest method, which brings the remaining principal balance and estimated cash inflows to the net book value of the related financial asset during its expected life. Interest income and foreign exchange gains related to commercial transactions are accounted as other operating income.

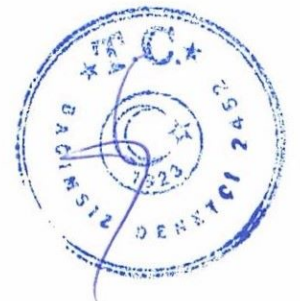
Taxation

Tax expense / (income) consists of current tax expense / (income) and deferred tax expense / (income). Corporate Tax liability is calculated over the base found after the period result is adjusted by taking into account the expenses and deductions that are not legally accepted.

Tax provision has been calculated by taking into account the profit for the period and deferred tax has been taken into account in the calculation.

Deferred tax assets and liabilities arise from significant timing differences (timing differences that can be taxed in the future) as a result of the different treatment of accounting and taxation, and are calculated over the current tax rate using the "borrowing" method.

Deferred tax asset is recorded only when this asset can be redeemed and a taxable profit is expected to occur in the future. Net deferred tax assets arising from timing differences are reduced in proportion to tax deductions in cases where it is not certain that they can be used in future years in the light of the available data.



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Rental Obligations

The Company measures the lease liability over the present value of the unpaid lease payments at the commencement date of the lease.

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

- fixed payments,
- Variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date of the lease,
- Amounts expected to be paid by the Company under residual value commitments
- If the Company is reasonably confident that it will exercise the call option, the exercise price of that option; and
- Penalties for termination of the lease if the lease term indicates that the Company will exercise an option to terminate the lease.

Variable lease payments that are not tied to an index or rate are recognized as an expense in the period when the event or condition that triggers the payment occurs.

The Company may use the revised discount rate for the remainder of the lease term, as this rate if the implied interest rate in the lease can be easily determined; If it cannot be determined easily, it is determined as the alternative borrowing interest rate of the Company at the date of reassessment.

The company measures the lease liability after the actual commencement date of the lease as follows:

- Increases the carrying amount to reflect the interest on the lease liability, and
- Decreases book value to reflect lease payments made.

In addition, if there is a change in the lease term, a change in the underlying fixed lease payments, or a change in the assessment of the option to purchase the underlying asset, the value of the finance lease liabilities is remeasured.



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Rental Transactions

Company in the case of rental

At the beginning of the contract, the company evaluates whether a contract is a lease agreement or includes rental terms. The Company accounts for the right-of-use asset and the related lease liability for all lease agreements, except for short-term leases (leases with a lease term of 12 months or less) and low-value assets. In the absence of another systematic basis that better reflects the timing structure in which the economic benefits from the leased assets are used, the Company recognizes the lease payments as operating expense on a straight-line basis over the lease term.

In the initial recognition, the lease obligations are accounted for at the present value of the lease payments that were not paid at the contract inception date, discounted at the lease rate. If this rate is not specified beforehand, the Company uses the alternative borrowing rate to be determined by itself.

The lease payments included in the measurement of the lease liability consist of:

- Fixed lease payments (substantially fixed payments) less any lease incentives;
- Variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date of the lease;
- The amount of debt expected to be paid by the lessee under residual value guarantees;
- The enforcement price of the payment options where the lessee will reasonably implement the payment options; and
- Penalty payment for the cancellation of the rental if there is a right to cancel the rental during the rental period.

The lease liability is presented as a separate item in the statements of financial position. Lease liabilities are measured by increasing the net carrying amount (using the effective interest method) to reflect the interest on the subsequent lease liability and decreasing the carrying amount to reflect the lease payment made. The company remeasures the lease liability (and makes appropriate changes to the related right-of-use asset) if:

The lease liability is remeasured by discounting the revised lease payments using the revised discount rate when a change occurs in the assessment of the lease term or exercise of a purchase option

- When the lease payments change due to changes in the index, rate, or expected payment change in the promised residual value, the restated lease payments are discounted using the initial discount rate and the lease liability is remeasured (the revised discount rate is used if the change in lease payments is due to a change in the variable interest rate).
- When a lease is changed and the lease modification is not accounted for as a separate lease, the revised lease payments are discounted using the revised discount rate and the lease liability is restated.

Right-of-use assets include the initial measurement of the corresponding lease liability, lease payments made on or before the lease commencement date, and other direct initial costs. These assets are measured at cost less accumulated depreciation and impairment losses.

A provision is recognized in accordance with IAS 37 when the company incurs costs to disassemble and dispose of a lease asset, restore the area on which the asset is located, or restore the principal asset in accordance with the lease terms and conditions. These costs are included in the relevant right-of-use asset unless they are incurred for the production of inventory.



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Rental Transactions, *continued*

Right-of-use assets are depreciated over the shorter of the lease term and useful life of the main asset. When ownership of the main asset is transferred in a lease or when the Company plans to exercise a purchase option based on the cost of the right-of-use asset, the associated right-of-use asset is depreciated over the useful life of the main asset. Depreciation begins on the date the lease actually begins.

Short-term leases and leases where the underlying asset is of low value

The company applies the short-term lease registration exemption to short-term head office leases, bus parking spaces lease agreements (i.e. assets with a lease term of 12 months or less from the start date and do not have an option to buy). It also applies the exemption from accounting for low value assets to office equipment whose rental value is considered to be of low value. Short-term leases and leases of low value assets are expensed on a straight-line basis over the lease term.

Short-term leases and leases where the underlying asset is of low value

The company applies the short-term lease registration exemption to short-term head office leases, bus parking spaces lease agreements (i.e. assets with a lease term of 12 months or less from the start date and do not have an option to buy). It also applies the exemption from accounting for low value assets to office equipment whose rental value is considered to be of low value. Short-term leases and leases of low value assets are expensed on a straight-line basis over the lease term.

Employee termination benefits

Under the provision of Turkish Labour Law, employers are required to make certain lump-sum payments to employees whose employment ceases due to retirement or due to reasons other than misconduct or resignation. Such payments are determined on basis of an agreed formula and are subject to certain upper limit (ceiling) which is revised twice a year. Severance pay provision is discounted to present value at the balance sheet date by using average market yield, expected inflation rates and an appropriate discount rate.

Annual Leave Provisions

Accumulated paid leave; These are the permits that are carried forward and can be used in the next period if the current period's rights are not fully exercised. These leaves may be vested (in other words, employees have the right to demand cash payments for the rights they have not used in case of leaving the job), or they may be unearned/undressed (in other words, employees may demand cash payments for their unused rights in case of leaving the job). they may not have the right to do so). An obligation arises for the business as employees perform services that increase their entitlement to future paid leave. Although the possibility of employees leaving the job without exercising their accumulated unearned rights affects the measurement of the related liability, even if paid leaves are not earned, an obligation exists for the entity and is recognized in the financial statements.

Derivative financial instruments

Derivative financial instruments; are held for trading or hedging purposes. The difference between the cost value and the fair value of the derivative financial instrument is associated with the profit or loss statement.

Discounted corporate tax application

The company receives discounted corporate tax support for the incomes obtained from the investments that have been granted an incentive certificate by the Ministry of Treasury and Finance, within the framework of Article 32/A of the Corporate Tax Law No. 5520. Until the investment contribution amount calculated according to the investment contribution rate determined by the Board is reached, the corporate tax amount to be paid each year is paid at a discount by applying the corporate tax discount rate determined by the Council of Ministers. In accordance with the investment incentive certificates taken within the scope of the same decision, VAT and customs tax incentives are also used.



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Provisions, contingent liabilities and contingent assets

If the Company has a present legal and constructive obligation as a result of past events, it is probable that an outflow of resources containing economic benefits to settle this obligation and the amount of the said obligation can be reliably estimated, the related liability is recognized in the financial statements. Contingent liabilities are evaluated on an ongoing basis to determine whether it is probable that resources embodying economic benefits will exit the business. Contingent liability

If it becomes probable that an outflow of resources embodying economic benefits in the future for items that are traded is probable, that contingent liability is recognized as a provision in the financial statements of the period in which the change in probability occurs, except where a reliable estimate cannot be made.

In case the contingent liabilities become probable but a reliable estimate cannot be made about the amount of resources with economic benefits, the Company presents the relevant liability in its notes.

Trade receivables / payables

Trade receivables/trade payables arising from the supply of goods or services directly to a debtor/buyer are evaluated at their amortized cost using the effective interest method. Short-term trade receivables/trade payables that do not have a specified interest rate are evaluated at the invoice amount if the effect of accruing interest is insignificant.

The Company allocates provision for doubtful receivables for related trade receivables, if there is an objective finding that collection is not possible. The amount of this provision is the difference between the book value of the receivable and the recoverable amount. The recoverable amount is the discounted value of all cash flows, including the amounts that can be collected from guarantees and guarantees, based on the original effective interest rate of the trade receivable. If the amount of impairment decreases due to a situation that will occur after writing off, this amount is reflected to other income in the current period.

Provision for lawsuits

The Company determines the amount of provision for ongoing lawsuits, taking into account the opinions of the Company's Legal Counsel and expert lawyers outside the Company, and the probabilities of loss of such lawsuits and the liabilities that will arise in case of loss, based on the possible cash outflows based on the management's best estimation. For The Company, as of date 31.12.2022 provision for lawsuits is available (Note 19).

Earnings per share

Earnings per share stated in the profit or loss statement is determined by dividing the net profit by the weighted average number of shares outstanding during the relevant year. The weighted average number of shares used in the calculation of earnings per share is obtained by retrospectively considering the issued bonus shares (Note 31)

Investment properties

Within the scope of TAS 40 "Investment properties" standard; Lands and buildings that are held for rental or appreciation, or for both, instead of being used in the production of goods and services or for administrative purposes or for sale during the normal course of business, are classified as "investment properties" and are reflected in the financial statements with their fair values.

The change between the cost value and the initial fair value of the investment properties is reflected in the equity, and the profit or loss arising from the fair value changes in the following periods is reflected in the income statement in the relevant period.

Derecognition of investment property occurs when it is disposed of, or when an investment property is withdrawn from use and no future economic benefits are expected from its disposal. The profit or loss resulting from the disposal of investment properties is reflected in the relevant income and expense accounts in the period when the disposal is realized.



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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *continued*

Events after the reporting date

In the event that events requiring adjustment occur after the reporting date, the Company adjusts the amounts recognized in the financial statements in accordance with this new situation. Non-adjusting matters after the reporting date are disclosed in the notes to the financial statements if they affect the economic decisions of users of the financial statements.

Cash and cash equivalents

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



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NOTE 4 – CASH AND CASH EQUIVALENTS

	31.12.2022	31.12.2021
Cash	1.089.503	380.365
Banks		
-Demand deposits	180.172.416	176.933.512
-XAU	38.290.000	--
Cash and cash equivalents on the cash flow	219.551.919	177.313.877

As of date 31.12.2022, there are no blocked deposits. (31.12.2021: None).

As of date 31.12.2022 and 31.12.2021, details of demand deposits are down below;

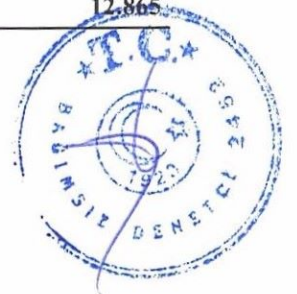
Banks		
- TRY	78.337.371	10.007.612
- USD	101.398.562	158.422.376
- EURO	436.475	8.503.524
- GBP	8	--
- XAU	38.290.000	--
Total	218.462.416	176.933.512

NOTE 5 – TRADE RECEIVABLES

Short term trade receivables		
Current account receivables		
- Receivables from third parties	19.314	12.865
	19.314	12.865
Deferred finance expense (-)		
- From third parties	(83)	(55)
	19.231	12.810

The maturity distribution of short-term trade receivables is as follows;

	31.12.2022	31.12.2021
1-3 Months	19.314	12.865
	19.314	12.865



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NOTE 6 – FINANCIAL INVESTMENTS

Short term financial investments		
Borsa İstanbul A.Ş. Share Price	14.938	14.938
Total	14.938	14.938

NOTE 7 – PREPAID EXPENSES

Order advances given(*)	274.928.335	12.058
Prepaid expenses	18.501	4.435
Short term prepaid expenses	274.946.836	16.493

(*) The amounts in the advances account were transferred against the gold to be imported from abroad, and the corresponding gold was imported in the first week of January.

NOTE 8 – INVENTORIES

Trade goods	9.631.860	7.325.849
Total	9.631.860	7.325.849

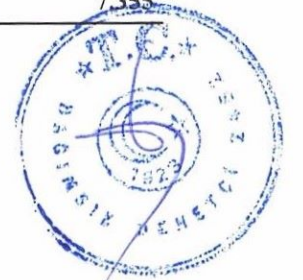
As of 31.12.2022, there is no inventory impairment. 31.12.2021 (None).

As of 31.12.2022 and 31.12.2021, the details of trade goods are as follows;

Grams of gold	6.400.908	2.756.219
Quarter gold	2.887.862	2.298.244
Grams of silver	230.112	900.317
Gold	65.502	1.213.002
Half gold	47.476	158.067
Total	9.631.860	7.325.849

NOTE 9 – LIABILITIES WITHIN THE SCOPE OF EMPLOYEE BENEFITS

	31.12.2022	31.12.2021
Due to personnel	69.441	--
Social security deductions payable	19.008	7.355
Total	88.449	7.355



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NOTE 10 – OTHER RECEIVABLES AND PAYABLES

Other short term receivables	31.12.2022	31.12.2021
Deposits and guarantees given	97.848.300	46.366.808
Total	97.848.300	46.366.808
Other long term receivables		
Deposits and guarantees given	181	126

There are Futures and Options Market (Viop) collaterals under the given deposit collateral account. Viop markets are markets that have the same risk of gain and loss in the leverage system that allows high volume transactions with small collaterals, and that also has a loss risk as well as high earning potential in the Leverage system.

The collateral system that allows trading on Viop includes the risk of loss if effective collateral management is not implemented. In order for the investor to carry the position he has opened, the initial margin of the collateral should not be dropped below the initial margin. Positions that fall below the initial margin are automatically closed by the system as per the legislation. In order to avoid these situations, it is aimed not to open a position with the entire balance, and to maintain the position by keeping the balance in the account above the initial margin.

All transactions in the Futures Options Exchange are under the control of Takasbank and daily settlement is made.

Other short term payables	31.12.2022	31.12.2021
Due to shareholders	53.129.645	50.606.628
	53.129.645	50.606.628

NOTE 11 – RIGHT OF USE ASSETS

	01.01.2022	Additions	31.12.2022
Cost			
Buildings	193.089	--	193.089
	193.089	--	193.089
Accumulated depreciation (-)			
Buildings	51.592	48.541	100.133
	51.592	48.541	100.133
Net book value	141.497		92.956



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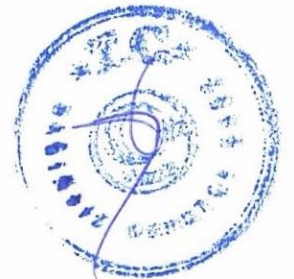
(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

NOTE 11 – RIGHT OF USE ASSETS, *continued*

	01.01.2021	Additions	31.12.2021
Cost			
Buildings	116.929	76.160	193.089
	116.929	76.160	193.089
Accumulated depreciation (-)			
Buildings	22.973	28.619	51.592
	22.973	28.619	51.592
Net book value	93.956		141.497

NOTE 12– TANGIBLE ASSETS

	01.01.2022	Additions	Disposals	31.12.2022
Cost				
Buildings	3.468.000	--	--	3.468.000
Vehicles	197.168	1.700.000	--	1.897.168
Furniture and fixtures	781.316	67.325	(27.758)	820.883
	4.446.484	1.767.325	(27.758)	6.186.051
Accumulated depreciation (-)				
Buildings	69.360	69.360	--	138.720
Vehicles	197.168	85.000	--	282.168
Furniture and fixtures	167.640	97.131	(27.758)	237.013
	434.168	251.491	(27.758)	657.901
Net book value	4.012.316			5.528.150



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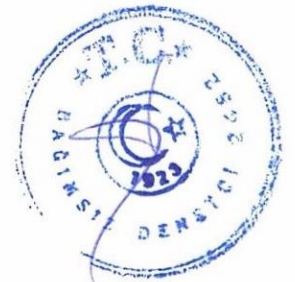
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NOTE 12– TANGIBLE ASSETS, *continued*

	01.01.2021	Additions	31.12.2021
Cost			
Buildings	--	3.468.000	3.468.000
Vehicles	197.168	--	197.168
Furniture and fixtures	202.155	579.161	781.316
	399.323	4.047.161	4.446.484
Accumulated depreciation (-)			
Buildings	--	69.360	69.360
Vehicles	197.168	--	197.168
Furniture and fixtures	127.929	39.711	167.640
	325.097	109.071	434.168
Net book value	74.226		4.012.316

NOTE 13– INTANGIBLE ASSETS

	01.01.2022	Additions	31.12.2022
Cost			
Other intangible assets	--	8.376	8.376
	--	8.376	8.376
Accumulated amortization			
Other intangible assets	--	465	465
	--	465	465
Net book value	--		7.911



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NOTE 14 – TRADE PAYABLES

Other short term trade payables		
Trade payables to third parties	1.742.081	344.768
Total	1.742.081	344.768

The maturity distribution of trade payables is as follows;

1-3 Months	1.742.081	344.768
Total	1.742.081	344.768

NOTE 15 - INVESTMENT PROPERTIES

	01.01.2022	Additions	31.12.2022
Cost			
Buildings	12.336.896	--	12.336.896
	12.336.896	--	12.336.896
Accumulated amortization			
Buildings	834.323	246.738	1.081.061
	834.323	246.738	1.081.061
Net book value	11.502.573		11.255.835

	01.01.2021	İlaveleler	31.12.2021
Cost			
Buildings	12.336.896	--	12.336.896
	12.336.896	--	12.336.896
Accumulated amortization			
Buildings	587.585	246.738	834.323
	587.585	246.738	834.323
Net book value	11.749.311		11.502.573



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NOTE 16 – DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financials	319.569	--
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The fair values of forward contracts and option contracts are classified as derivative financial instruments. Profits or losses resulting from transactions made during the period are reported as derivative financial instrument income and expenses within 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 under finance income and expenses.

NOTE 17 – FINANCIAL LIABILITIES

	31.12.2022	31.12.2021
Short term financial liabilities		
Bank loans		
- TRY	196.471.117	39.062.343
Credit card liabilities	599.495	110.322
Total	197.070.612	39.172.665

	31.12.2022	31.12.2021
Parts of long term borrowings that turn into short term		
Financial leasings		
-TRY	11.548	5.278
Total	11.548	5.278

	31.12.2022	31.12.2021
Long term liabilities		
Financial leasings		
-TRY	52.860	81.354
Total	52.860	81.354

As of date 31.12.2022 and 31.12.2021, the maturity distribution of bank loans, credit card debts and financial leases is as follows;

	31.12.2022	31.12.2021
Term distribution of bank loans and credit card debts		
1-3 Months	599.495	110.322
1-2 Years	196.471.117	39.062.343
Total	197.070.612	39.172.665

	31.12.2022	31.12.2021
Term distribution of financial leasing liabilities		
1-12 Months	11.548	5.278
1-2 Years	52.860	81.354
Total	64.408	86.632



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NOTE 18 - OTHER ASSETS AND LIABILITIES

	31.12.2022	31.12.2021
VAT Carried forward	1.432.629	1.743.126
Other current assets	1.432.629	1.743.126
Taxes and dues payables	1.667.582	83.152
Other short term liabilities	1.667.582	83.152

NOTE 19 – OTHER SHORT TERM PROVISIONS

	31.12.2022	31.12.2021
Provisions for lawsuit	180.000	180.000
Toplam	180.000	180.000

The movement table for lawsuit provision is as follows;

	01.01- 31.12.2022	01.01.- 31.12.2021
Opening balance, 01 January	180.000	--
Additional provisions during the period	--	180.000
Closing balance, 31 December	180.000	180.000



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NOTE 20 – PROVISIONS, COMMITMENTS AND CONTINGENT LIABILITIES

Contingent liabilities

Collaterals, Pledges, Mortgages (“CPM”)

CPM’s given by company	TRY	USDS\$	TRY
31.12.2022			
A. On behalf of incorporated body	42.850.000	1.100.000	63.418.130
B. On behalf of subsidiaries	--	--	--
C. CPM's given on behalf of third parties for ordinary course of business	--	--	--
D. Total amount of other CPM's given	--	--	--
i. Total amount of CPM's given on behalf of the majority shareholder	--	--	--
ii. Total amount of CPM's given to on behalf of other companies which are not in scope of B and C	--	--	--
iii. Total amount of CPM's given in favor of third parties that are not in the scope of article C	--	--	--
Total	42.850.000	1.100.000	63.418.130

CPM’s given by company	TRY	USDS\$	TRY
31.12.2021			
A. On behalf of incorporated body	20.037.850	--	20.037.850
B. On behalf of subsidiaries	--	--	--
C. CPM's given on behalf of third parties for ordinary course of business	--	--	--
D. Total amount of other CPM's given	--	--	--
i. Total amount of CPM's given on behalf of the majority shareholder	--	--	--
ii. Total amount of CPM's given to on behalf of other companies which are not in scope of B and C	--	--	--
iii. Total amount of CPM's given in favor of third parties that are not in the scope of article C	--	--	--
Total	20.037.850	--	20.037.850

As of 31.12.2022, the Company’s other CPM to equity ratio is 0% (31.12.2021: 0%).



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NOTE 21 – PROVISION FOR EMPLOYMENT TERMINATION BENEFITS

	31.12.2022	31.12.2021
Provision for employment termination benefits	122.545	32.392
	122.545	32.392

Under Turkish law, the Company is required to pay employment termination benefits to each employee whose employment is terminated without due caus. In addition, under the existing Social Security Law No.506, clause No. 60, amended by the Labor Laws dated 06.03.1981, No.2422 and 25.08.1999, No.4447, the Company is also required to pay termination benefits to each employee who has earned the right to retire by receiving termination indemnities.

The amount payable is the equivalent of one month's salary for each year of service limited to a maximum of 19.982,83 TRY as of date 31.12.2022 (31.12.2021: TRY 10.848,59).

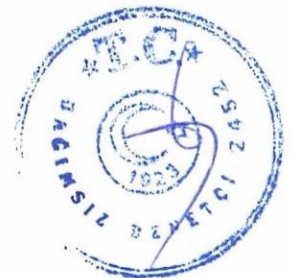
The Company has no other obligation for employee termination other than the retirement pay above.

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

The principal assumption is that the maximum liability for each year of service will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. An expected inflation rate and appropriate discount rate should both be determined, the net of these being real discount rate. Consequently in the accompanying financial statements as at 31.12.2022 the provision is calculated by estimating the present value of the future obligation of the company arising from retirement of employees. As of 31.12.2022 the liability for employment termination benefits was calculated based on an annual real discount rate of 2% (31.12.2021: 4,17%) assuming an annual inflation rate of 10,84% and discount rate of 11,06%.

Movements of the reserve for retirement pay during the years are as follows:

	01.01.- 31.12.2022	01.01.- 31.12.2021
Opening balance, 01 January	32.392	6.612
Actuarial gain/ (loss)	49.877	23.207
Service cost	39.918	13.994
Finance cost	358	75
Disposals (-)	--	(11.496)
Closing balance, 31 December	122.545	32.392



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NOTE 22 – SHARE CAPITAL

a. Paid in capital

The issued and paid up share capital of the Company is TRY 220.000.000 and comprised 220.000 shares of per (31.12.2021:80.000 shares of per) value each at 31 December 2022

As of the financial position dates, the shareholders of the Company and their percentage shareholdings were as follows;

	Share %		Amount	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Uğur URAS	100%	100%	220.000.000	80.000.000
	100%	100%	220.000.000	80.000.000

The company went to a capital increase in 2022. The details of the capital increase are as follows:

	Share %		Capital Increase	Amount	
	31.12.2022	31.12.2021		31.12.2022	31.12.2021
Uğur URAS	100,00%	100,00%	140.000.000	220.000.000	80.000.000
	100,00%	100,00%	140.000.000	220.000.000	80.000.000

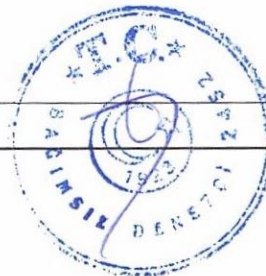
b. Actuarial gain / loss

	01.01.- 31.12.2021	01.01.- 31.12.2021
Opening balance, 01 January	(21.602)	(13.410)
Actuarial gain/loss arising from defined benefit plans	(49.878)	(10.923)
Actuarial gain/loss tax income / (expenses) note 29.b	11.472	2.731
Closing balance, 31 December	(60.007)	(21.602)

c. Additional capital contributions of shareholders

It is the additional contributions made by the shareholders or partners to the working capital, including the capital advance, excluding the capital allocations made to the enterprise.

	01.01.- 31.12.2022	01.01.- 31.12.2021
Opening balance, 01 January	70.000.000	30.000.000
Additional contributions of shareholders to the capital	51.750.000	40.000.000
Closing balance, 31 December	121.750.000	70.000.000



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NOTE 22 – SHARE CAPITAL, cont'd

22.d Previous year profits

	01.01.- 31.12.2022	01.01.- 31.12.2021
Opening balance, 01 January	2.760.879	30.790.308
Transfer from profit / (loss) for the period	15.990.615	(25.529.429)
Addition to capital	--	(2.500.000)
Closing balance, 31 December	18.751.494	2.760.879

22.e Net profit for the period

Net profit for the period	4.460.544	3.594.115
---------------------------	-----------	-----------

NOTE 23– REVENUE AND COST OF SALES

	01.01.- 31.12.2022	01.01.- 31.12.2021
Domestic sales	31.745.173.469	14.734.247.922
Overseas sales	5.101.912	1.519.051
Other sales	--	130.884
Revenues	31.750.275.381	14.735.897.857
Cost of sales (-)	(31.726.330.450)	(14.772.509.327)
Gross profit	23.944.931	(36.611.470)



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NOTE 24 –NATURE OF EXPENSES

The details of general administrative expenses and marketing, sales and distribution expenses for the periods 01 January-31 December 2022 and 01 January- 31 December 2021 are as follows;

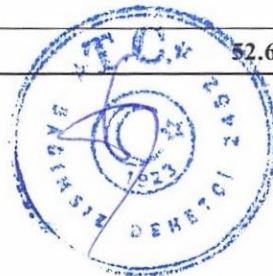
	01.01.- 31.12.2022	01.01.- 31.12.2021
Cost of sales	31.726.330.450	14.772.509.327
Office expenses	961.725	62.387
Depreciation and amortization expenses	547.235	384.428
Personnel expenses	506.885	304.582
Travelling expenses	379.172	48.565
Communication expenses	319.523	18.570
Motor vehicle expenses	203.032	38.311
Consulting expenses	155.487	31.026
Tax expenses	62.919	62.226
Other	275.649	149.099
Total	31.729.742.077	14.773.608.521

NOTE 25 – OTHER OPERATING INCOME AND EXPENSE

	01.01.- 31.12.2022	01.01.- 31.12.2021
Foreign exchange gains resulting from trading	3.844.067	3.350.555
Rent income	408.650	1.217.749
Other	605.775	157.566
Other Operating Income	4.858.492	4.725.870
Foreign exchange loss resulting from trading	3.350.843	1.321.899
Comission expenses	1.544.337	508.402
Other	--	197.048
Other Operating Expense	4.895.180	2.027.349

NOTE 26 – INCOME AND EXPENSES FROM INVESTMENT ACTIVITIES

Fixed asset sales profit	28.449	--
Dividend income	24.199	18.671
Income and expenses from investment activities	52.648	18.671



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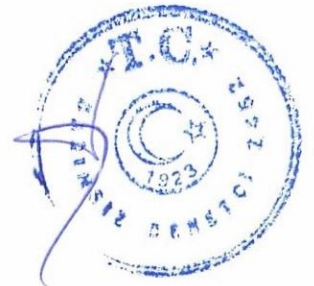
(All amounts in Turkish Lira (TRY) unless indicated otherwise.)

NOTE 27 – FINANCING INCOME

	01.01.- 31.12.2022	01.01.- 31.12.2021
Foreign exchange gains	7.446.692	2.099.468
Interest income	3.802.271	43.837.238
Deferred finance income	55	86
Securities sales profits	--	4.357.317
	11.249.018	50.294.109

NOTE 28 – FINANCING EXPENSE

Foreign exchange losses	16.789.151	2.575.215
Interest expense	6.342.257	4.032.751
Bank commission expense	2.034.868	929.711
Letter of guarantee commission expenses	8.327	73.505
Interest expense on lease liabilities	7.962	9.970
Deferred finance expense	83	55
Securities sales losses	--	1.892.170
Other financial expenses	319.926	938.539
	25.502.574	10.451.916



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NOTE 29 – TAXATION ON INCOME

a) Current taxation

The corporate tax rate in Turkey is 25%. (However, corporate earnings of corporations for 2022 taxation periods will be applied as 23%, and 20% for 2023 and beyond.) Corporate tax rate will be found as a result of adding non-deductible expenses to the commercial income of corporations in accordance with tax laws, and deducting the exceptions and discounts in tax laws, applied to the net corporate income. Corporate tax is declared until the evening of the thirtieth day of the fourth month following the end of the relevant year and is paid until the end of the relevant month.

Companies calculate provisional tax of 25% on their quarterly financial profits (23% for the taxation periods of 2022, 20% for the year 2023 and beyond) and declare it until the 17th day of the second month following that period and pay it until the evening of the seventeenth day. The temporary tax paid during the year belongs to that year and is deducted from the corporate tax to be calculated on the corporate tax return to be submitted in the following year. If the amount of temporary tax paid remains despite the deduction, this amount can be refunded in cash or set off against any other financial debt to the government.

According to the Corporate Tax Law, financial losses shown on the return can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. Declarations and related accounting records can be examined by tax administrations within five years.

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 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 Hyperinflationary Economies in the financial statements for 2021.

As of the balance sheet dates, the Company's tax liability is as follows:

	31.12.2022	31.12.2021
Corporate tax provision	2.383.297	232.817
Prepaid taxes (-)	(2.383.297)	(232.817)
	--	--
Deferred tax assets	143.257	357.691
Deferred tax liabilities	1.187.081	1.961.120
Deferred tax assets and liabilities, net	(1.043.824)	(1.603.429)



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NOTE 29 – TAXATION ON INCOME, *cont'd*

b) Deferred Tax

The company calculates its deferred income tax assets and liabilities by taking into account the effects of temporary differences that arise as a result of different evaluations between the balance sheet items and the legal financial statements. These temporary differences generally arise from the recognition of income and expenses in different reporting periods in accordance with the communiqué and tax laws.

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

	Deferred tax assets		Deferred tax liabilities		Net	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Book values of tangible and intangible assets and net difference between tax bases	--	--	24.685	20.835	(24.685)	(20.835)
Employment termination benefits	28.185	8.098	--	--	28.185	8.098
Deferred finance income / expense	19	14	--	--	19	14
Provisions for lawsuit	41.400	45.000	--	--	41.400	45.000
Exchange rate differences	--	295.627	1.162.396	1.940.285	(1.162.396)	(1.644.657)
Adjustments to lease obligations	153	1.484	--	--	153	1.484
Other	73.500	7.468	--	--	73.500	7.468
	143.257	357.691	1.187.081	1.961.120	(1.043.824)	(1.603.429)
Net-off(-)	(143.257)	(357.691)	(143.257)	(357.691)	--	--
Deferred tax assets	--	--	1.043.824	1.603.429	(1.043.824)	(1.603.429)



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NOTE 29 – TAXATION ON INCOME, *cont'd*

The movement of deferred tax account is as follows:

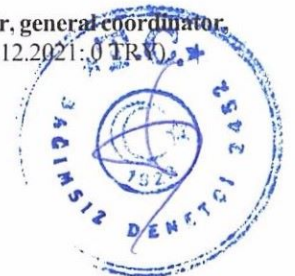
	01.01.- 31.12.2022	01.01.- 31.12.2021
Opening balance as of 01 January	(1.603.429)	(584.371)
Deferred tax income	548.133	(1.021.789)
Actuarial gain/loss	11.472	2.731
Ending balance as of 31 December	(1.043.824)	(1.603.429)

NOTE 30 – RELATED PARTY DISCLOSURE

a) Purchases from related parties	31.12.2022
Uğuras Global Kıymetli Madenler A.ş.	3.618.609.840
Uğur Uras	64.354.925
Uğuras Döviz ve Altın A.Ş.	52.665.315
Ercan Ertemel	36.675.485
Nurettin Albora	6.510.000
Serdar Ertemel	3.000.000
Adnan Veysel Ertemel	2.916.087
Metin Albora	922.000
Sinan Ertemel	281.250
Muhammed Bekir Albora	215.500
Total	3.786.150.402

b) Sales to related parties	31.12.2022
Uğur Uras	60.022.600
Uğuras Döviz ve Altın A.Ş.	25.006.845
Uğuras Global Kıymetli Madenler A.Ş.	15.820.715
Ercan Ertemel	9.536.425
Nurettin Albora	1.843.000
Adnan Veysel Ertemel	380.000
Elanur Ertemel	90.000
Metin Albora	17.430
Total	112.717.015

c) Benefits provided to the chairman and members of the Board of Directors, general manager, general coordinator, assistant general managers: Total salaries and wages paid as of 31.12.2022 are 14.054 TRY (31.12.2021: 0 TRY).



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NOTE 30 – RELATED PARTY DISCLOSURE, *cont'd*

d) Other payables to related parties	31.12.2022	31.12.2021
Uğur UĞURAS	53.129.645	50.606.628
	53.129.645	50.606.628

NOTE 31 – EARNINGS PER SHARE

	31.12.2022	31.12.2021
Net profit of the period	4.460.544	3.594.115
Number of shares	220.000	80.000
Net profit of the period / Number of shares	20,2752	44,9264



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NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial asset**Financial instruments and financial risk management**

The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The management reviews and agrees policies for managing each of these risks and they are summarized below.

Credit risk

The Company's exposure to credit risk is limited to the carrying amount of financial assets recognized at the balance sheet date.

Credit risk concerns the risk that a loss will be suffered by a party due to the reason that the other party to the transaction is unable to meet its obligations.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by Company, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Company's policy is to deal only with creditworthy counterparties.

As of balance sheet dates, the Company's exposure to credit risk is as summarised below:

	Receivables					
	Trade receivables		Other receivables		Bank amounts	Other
	Related parties	Other parties	Related parties	Other parties		
Maximum exposure to credit risk as of 31.12.2022 (A+B+C+D)	--	19.231	--	97.848.481	218.462.416	1.089.503
Secured portion of maximum credit risk with collateral	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	--	19.231	--	97.848.481	218.462.416	1.089.503
B. Carrying amount of financial assets that are overdue but not impaired	--	--	--	--	--	--
- Secured portion with collateral	--	--	--	--	--	--
C. Carrying amount of assets that are overdue	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--
D. Credit risk issues out of financial position	--	--	--	--	--	--

While measuring the maximum credit risk exposed, guarantees which increase the credibility of the company are not taken into consideration.



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NOTE 32– NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS, cont'd

	Receivables					
	Trade receivables		Other receivables		Bank amounts	Other
	Related parties	Other parties	Related parties	Other parties		
Maximum exposure to credit risk as of 31.12.2021 (A+B+C+D)	--	12.810	--	46.366.934	176.933.512	380.365
Secured portion of maximum credit risk with collateral	--	--	--	--	--	--
A. Carrying amount of financial assets that are not overdue and not impaired	--	12.810	--	46.366.934	176.933.512	380.365
B. Carrying amount of financial assets that are overdue but not impaired	--	--	--	--	--	--
- Secured portion with collateral	--	--	--	--	--	--
C. Carrying amount of assets that are overdue	--	--	--	--	--	--
- Overdue (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--
- Not overdue (gross carrying amount)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
- Carrying amount secured with collateral	--	--	--	--	--	--
D. Credit risk issues out of financial position	--	--	--	--	--	--

While measuring the maximum credit risk exposed, guarantees which increase the credibility of the company are not taken into consideration.



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NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS, cont'd**Liquidity risk**

Liquidity risk arises from the fact that the Company may not receive financial instruments from its counterparties at the expected time. This risk is managed by maintaining a balance between continuity of funding and flexibility through the use of overdrafts, finance leases and other funds.

Uğuras operates with a high liquidity level. Precious Metals stocks are sold with a value date on the same day, and from time to time, even 2X the stock turnover rate of the capital can be reached during the day. After the sum of all the liabilities of the firm are met with the liquid values, the available liquidity of the firm remains. The fact that the company is a market maker in the Precious Metals sector also increases the advantage of creating liquidity.

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

31.12.2022	Book value	Total cash out flow	Within 3 months	3 to 12 months	1 to 5 years	Over 5 years
Expected maturities						
Trade payables	1.742.081	1.742.081	1.742.081	--	--	--
Other payables	53.129.645	53.129.645	--	53.129.645	--	--
Non derivative financial liabilities	54.871.726	54.871.726	1.742.081	53.129.645	--	--

31.12.2022	Book value	Total cash out flow	Within 3 months	3 to 12 months	1 to 5 years	Over 5 years
Contractual maturities						
Bank loans	197.070.612	197.070.612	599.495	196.471.117	--	--
Lease commitments	64.408	71.821	11.285	25.733	34.803	--
Non derivative financial liabilities	197.135.020	197.142.433	610.780	196.496.850	34.803	--



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NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS, cont'd

31.12.2021	Book value	Total cash out flow	Within 3 months	3 to 12 months	1 to 5 years	Over 5 years
Expected maturities						
Trade payables	344.768	344.768	344.768	-- "	--	--
Other payables	50.606.628	50.606.628	--	50.606.628	--	--
Non derivative financial liabilities	50.951.396	50.951.396	344.768	50.606.628	--	--
31.12.2021	Book value	Total cash out flow	Within 3 months	3 to 12 months	1 to 5 years	Over 5 years
Contractual maturities						
Bank loans	39.172.665	39.172.665	110.322	39.062.343	--	--
Lease commitments	86.632	102.008	7.547	22.640	71.821	--
Non derivative financial liabilities	39.259.297	39.274.673	117.869	39.084.983	71.821	--

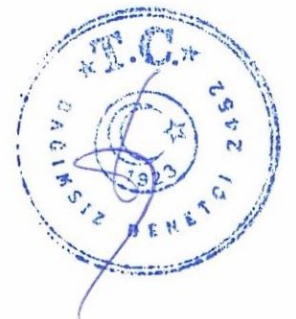
Foreign currency risk

The Company is exposed to foreign exchange risk through the impact of rate changes at the translation of USD and EUR denominated assets and liabilities to Turkish Lira. These risks are monitored and limited by the analysis of foreign currency position. The Company manages its currency exposure risk by organizing a balanced distribution between its foreign currency assets and commitments and by matching off the liabilities and receivables and its net currency position.

The company organizes foreign currency risk in a balanced way with foreign currency assets and liabilities and manages liabilities by matching maturities and foreign currency positions of assets.

The firm does not hold a short foreign exchange position and its liquid assets consist of foreign currency and precious metals. On the other hand, it was preferred to strategically create debts without TL funding. In 2022, Turkey experienced a high inflation process and TL borrowings had a reducing effect on funding costs in the balance sheet.

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



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NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS, cont'd

31.12.2022	TRY equivalent	USD	EURO
1. Trade receivables	96.180.577	5.143.814	--
2a. Monetary financial assets	102.283.444	5.445.500	23.168
2b. Non-monetary financial assets	--	--	--
3. Other	274.865.010	14.700.000	--
4. Current assets (1+2+3)	473.329.031	25.289.314	23.168
5. Trade receivables	--	--	--
6a. Monetary financial assets	--	--	--
6b. Non-monetary financial assets	--	--	--
7. Other	--	--	--
8. Non-current assets (5+6+7)	--	--	--
9. Total assets (4+8)	473.329.031	25.289.314	23.168
10. Trade payables	448.294	23.932	--
11. Financial liabilities	--	--	--
12a. Other monetary liabilities	--	--	--
12b. Other non-monetary liabilities	--	--	--
13. Current liabilities (10+11+12)	448.294	23.932	--
14. Trade payables	--	--	--
15. Financial liabilities	--	--	--
16a. Other monetary liabilities	--	--	--
16b. Other non-monetary liabilities	--	--	--
17. Non-current liabilities (14+15+16)	--	--	--
18. Total liabilities (13+17)	448.294	23.932	--
19. Off-balance sheet derivative instruments/ net asset (liability) position (19a-19b)	108.824.106	5.820.000	--
19a. Hedged total assets	108.824.106	5.820.000	--
19b. Hedged total liabilities	--	--	--
20. Net foreign currency asset/ (liability) (position (9-18+19) held for hedging)	581.704.843	31.085.382	23.168
21. Net foreign currency monetary asset/ (liability) Position (=1+2a+5+6a-10-11-12a-14-15-16a)	198.015.727	10.565.382	23.168
22. Fair value of currency derivatives held for hedging	--	--	--
23. Export	5.101.912	294.396	--
24. Import	14.160.799.269	766.168.128	--



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NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS, cont'd

31.12.2021	TRY equivalent	USD	EURO
1. Trade receivables	91.650	6.876	--
2a. Monetary financial assets	167.046.828	11.890.208	567.536
2b. Non-monetary financial assets	--	--	--
3. Other	--	--	--
4. Current assets (1+2+3)	--	--	--
5. Trade receivables	167.138.478	11.897.084	567.536
6a. Monetary financial assets	--	--	--
6b. Non-monetary financial assets	--	--	--
7. Other	--	--	--
8. Non-current assets (5+6+7)	--	--	--
9. Total assets (4+8)	167.138.478	11.897.084	567.536
10. Trade payables	--	--	--
11. Financial liabilities	--	--	--
12a. Other monetary liabilities	--	--	--
12b. Other non-monetary liabilities	--	--	--
13. Current liabilities (10+11+12)	--	--	--
14. Trade payables	--	--	--
15. Financial liabilities	--	--	--
16a. Other monetary liabilities	--	--	--
16b. Other non-monetary liabilities	--	--	--
17. Non-current liabilities (14+15+16)	--	--	--
18. Total liabilities (13+17)	--	--	--
19. Off-balance sheet derivative instruments/ net asset (liability) position (19a-19b)	--	--	--
19a. Hedged total assets	--	--	--
19b. Hedged total liabilities	--	--	--
20. Net foreign currency asset/ (liability) (position (9-18+19) held for hedging)	167.138.478	11.897.084	567.536
21. Net foreign currency monetary asset/ (liability) Position (=1+2a+5+6a-10-11-12a-14-15-16a)	167.138.478	11.897.084	567.536
22. Fair value of currency derivatives held for hedging	--	--	--
23. Export	1.519.051	178.255	--
24. Import	--	--	--



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NOTE 32 – NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS, cont'd

Capital Risk Management

The Company aims at the most productive use of the balance between debt and equity with a view to increasing its profitability whilst at the same time concentrating on increasing the continuity of its operations.

The risks associated with each source of capital together with the cost of capital are evaluated by the management of the Company. On basis of its evaluation, the management aims at balancing the capital structure of the Company through procurement of new debt or repayment of existing debt as well as giving consideration to payment of dividends or raising fresh capital through issue of new shares.

Fair value of financial instruments

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

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

Financial assets

The fair values of balances denominated in foreign currencies, which are translated at year-end exchange rates, are considered to approximate carrying value.

Cash and cash equivalents presented in the cash flow statements include cash and bank deposits which have a maturity of 3 months or shorter.

The carrying values of the trade receivables net of provisions for uncollectible receivables are considered to approximate their fair values.

The carrying value of the financial assets is considered to approximate their fair values.

Financial liabilities

The fair values of short-term bank loans and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature.

Trade payables are considered to approximate their carrying values.

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



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NOTE 33 – POST BALANCE SHEET EVENT

On February 6, 2023, there was an earthquake disaster that seriously affected 10 provinces in the southeastern part of Turkey. The disaster experienced did not have a negative impact on the financial statements of the Company.

The regulation abolishing the retirement age requirement for employees who entered employment before 8 September 1999 was published in the Official Gazette on 3 March 2023. Accordingly, those who completed the number of premium days and insurance period among the relevant employees were entitled to retire. The effect of this regulation on the timing and probability of fulfillment of severance pay payments has been measured, and studies have been made to measure the effects of the said regulation on the Company's financial status or performance.

NOTE 34 – FEES FOR SERVICES RECEIVED FROM INDEPENDENT AUDITOR/AUDIT COMPANIES

	01.01- 31.12.2022
Independent audit fee for the reporting period	
Legal and optional independent audit services	35.000
Total	35.000

Fees related to independent audit firm's services are shown with VAT excluded.

