BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED FINANCIAL STATEMENTS
AS OF 30 SEPTEMBER 2024

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AS OF 30 SEPTEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

	Note	**Not Reviewed**	**Audited**
ASSETS		**30.09.2024**	**31.12.2023**
CURRENT ASSETS		**1.117.460.781**	**1.556.800.731**
Cash and Cash Equivalents	4	159.846.241	199.963.664
Trade Receivables		201.260.800	338.718.023
From Non-Related Parties	*7*	*201.260.800*	*338.718.023*
Other Receivables		17.368.664	30.316.863
From Related Parties	5,8	*1.980.528*	*21.617.129*
From Non-Related Parties	*8*	*15.388.136*	*8.699.734*
Inventories	9	366.143.931	442.374.061
Prepaid Expenses	10	251.430.796	332.492.283
Current period tax assets	27	5.437.496	3.864.299
Other current assets	18	115.972.853	209.071.538
NON-CURRENT ASSETS		**7.255.286.051**	**7.502.637.826**
Investments Accounted for Using Equity Method	31	361.951.611	382.172.936
Investment Properties	12	45.236.090	45.236.090
Tangible Assets	13	6.013.870.643	6.283.130.687
Right of Use Assets	26	201.516.208	158.940.716
Intangible Assets		419.247.686	388.854.090
- *Goodwill*	*15*	*52.570.653*	*52.570.653*
- *Other Intangible Assets*	*14*	*366.677.033*	*336.283.437*
Deferred Tax Asset	27	213.463.813	244.303.307
TOTAL ASSETS		**8.372.746.832**	**9.059.438.557**

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

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

	Note	Not Reviewed	Audited
LIABILITIES		**30.09.2024**	**31.12.2023**
CURRENT LIABILITIES		**2.456.638.193**	**2.179.541.137**
Short Term Borrowings	6	1.429.566.224	*378.583.665*
Short Term Portion of Long Term Borrowings		562.506.065	869.373.735
Bank Loans	6	*526.308.735*	*851.501.459*
Lease Payables	26	*36.197.330*	*17.872.276*
Trade Payables		196.278.857	773.493.297
To Non- Related Parties	*7*	*196.278.857*	*773.493.297*
Liabilities due to Employee Benefits	17	*39.036.814*	*42.722.476*
Other Payables		96.138.872	87.551.463
To Related Parties	*5, 8*	*79.146.931*	*73.909.725*
To Non-Related Parties	*8*	*16.991.941*	*13.641.738*
Deferred Income	10	110.782.935	6.098.871
Current Tax Liabilities	27	1.281.771	476.459
Short Term Provisions		20.852.344	21.241.171
- Short Term Provisions For Employee Benefits	*16*	*10.491.759*	*9.832.788*
- Other Short-term Provisions	*16*	*10.360.585*	*11.408.383*
Other Short Term Liabilities		194.311	--
NON CURRENT LIABILITIES		**2.002.751.616**	**3.006.117.556**
Long Term Borrowings		1.982.412.177	2.991.423.590
Bank Loans	6	*1.932.306.453*	*2.924.525.661*
Lease Payables	26	*50.105.724*	*66.897.929*
Long Term Provisions		20.339.439	14.693.966
- Long Term Provisions For Employee Benefits	*17*	*20.339.439*	*14.693.966*
TOTAL LIABILITIES		**4.459.389.809**	**5.185.658.693**

The accompanying accounting policies and notes are an integral part of these consolidated financial statements

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

		Not Reviewed	**Audited**
EQUITY	**Note**	**30.09.2024**	**31.12.2023**
Equity attributable to the main partners of the equity holders		**3.900.843.909**	**3.857.348.630**
Paid in capital	19	500.000.000	500.000.000
Capital Adjustment Differences	19	1.981.588.037	1.981.588.037
Repurchased Shares (-)		(8.604.912)	(8.604.912)
Premiums Related to Interest (Discounts)	19	143.234.286	143.234.286
Effect of Mergers Including Enterprises or Businesses Under Common Control	3	(43.726.574)	(43.726.574)
Other Comprehensive Income or Expenses not to be Reclassified to Profit or Loss		(17.703.000)	(6.331.324)
- Defined Benefit Plans Remeasurement Gains (Losses)	21	*(17.703.000)*	*(6.331.324)*
Comprehensive Income or Expenses to be Reclassified to Profit or Loss		(1.415.550.491)	(1.319.567.908)
- Hedging Gains (Losses)	19	*(1.415.550.491)*	*(1.319.567.908)*
Restricted Reserves Allocated from Profit	19	26.601.514	26.601.514
Retained Earnings or Losses from Previous Years		2.510.440.440	1.296.032.299
Net Profit or Loss for the Period		224.564.609	1.288.123.212
Non-Controlling Interests	**19**	**12.513.114**	**16.431.234**
TOTAL EQUITY		**3.913.357.023**	**3.873.779.864**
TOTAL LIABILITIES AND EQUITY		**8.372.746.832**	**9.059.438.557**

The accompanying accounting policies and notes are an integral part of these consolidated financial statements.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME AS OF 30 SEPTEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

		Not Reviewed	**Not Reviewed**	**Not Reviewed**	**Not Reviewed**
	Note	**01.01-30.09.2024**	**01.01-30.09.2023**	**01.07-30.09.2024**	**01.07-30.09.2023**
Revenue	20	1.943.096.621	2.330.755.145	584.130.411	867.728.391
Cost of Sales	20	(1.845.800.422)	(2.044.572.018)	(581.122.550)	(843.667.756)
GROSS PROFIT (LOSS)		**97.296.199**	**286.183.127**	**3.007.861**	**24.060.635**
General Administrative Expenses	21	(380.260.832)	(247.997.282)	(100.642.938)	(5.124.029)
Marketing Expenses	21	(5.374.489)	(2.150.833)	(2.267.577)	(251.781)
Other Operating Income	23	126.376.288	471.795.799	61.698.536	68.895.504
Other Operating Expenses	23	(101.944.457)	(128.320.628)	(46.980.697)	(57.628.104)
OPERATING PROFIT (LOSS)		**(263.907.291)**	**379.510.183**	**(85.184.815)**	**29.952.225**
Income from Investments Activities	24	237.406.383	938.535	89.162.746	--
Expense from Investments Activities	24	(576.093)	(9.518.268)	(574.937)	(874)
Share of Profit (Loss) of Investments Valued by Equity Method	31	(19.588.076)	11.160.652	29.971.129	(21.559.160)
OPERATING PROFIT (LOSS) BEFORE FINANCIAL INCOME (EXPENSES		**(46.665.077)**	**382.091.102**	**33.374.123**	**8.392.191**
Financial Income	25	42.924.045	171.821.781	8.320.996	42.457.216
Financial Expenses	25	(749.536.642)	(727.692.849)	(250.110.220)	(212.406.575)
Net Monetary Position Gains (Losses)	33	1.030.737.467	1.321.253.650	192.085.993	(66.985.155)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		**277.459.793**	**1.147.473.684**	**(16.329.108)**	**(228.542.323)**
Tax Expense (Income) from Continuing Operations		**(56.813.304)**	**(480.543.376)**	**79.841.576**	**(129.853.598)**
Current Tax Expense (Income)	27	(1.281.771)	--	1.430.520	92.362
Deferred Tax Expense (Income)	27	(55.531.533)	(480.543.376)	78.411.056	(129.945.960)
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS		**220.646.489**	**666.930.308**	**63.512.468**	**(358.395.921)**
NET PROFIT (LOSS) FOR THE PERIOD		**220.646.489**	**666.930.308**	**63.512.468**	**(358.395.921)**
Distribution of the period’s profit/loss					
Non-Controlling interest		(3.918.120)	(12.063.708)	(8.296.295)	(5.773.829)
Main partnership interest		224.564.609	678.994.016	71.808.763	(352.622.092)
Earnings/Loss per Share	**28**	**0,45**	**1,36**	**0,14**	**(0,71)**

The accompanying accounting policies and notes are an integral part of these consolidated financial statements.

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD OF 01 JANUARY 2024 – 30 SEPTEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

	Note	Not Reviewed 01.01-30.09.2024	Not Reviewed 01.01-30.09.2023	Not Reviewed 01.07-30.09.2024	Not Reviewed 01.07-30.09.2023
PROFIT (LOSS) FOR THE PERIOD		**220.646.489**	**666.930.308**	**63.512.468**	**(358.395.921)**
Other Comprehensive Income					
Not to be Reclassified Subsequently to Profit or Loss		**(11.618.728)**	**(3.294.454)**	**(5.318.011)**	**2.627.009**
- Actuarial Gain (Loss) of Defined Benefit Plans	29	(15.491.637)	(4.392.605)	(7.090.681)	3.502.679
- Tax Effect of Actuarial Gain (Loss) of Defined Benefit Plans	29	3.872.909	*1.098.151*	*1.772.670*	*(875.670)*
Be Reclassified Subsequently to Profit or Loss		**(95.982.583)**	**(704.123.855)**	**(22.385.107)**	**92.026.375**
-Hedging Gain (Loss)		(127.976.777)	(964.593.438)	(29.846.809)	129.171.832
- Hedging Gain (Loss) deferred tax		31.994.194	260.469.583	7.461.702	(37.145.457)
TOTAL COMPREHENSIVE INCOME		**113.045.178**	**(40.488.001)**	**35.809.350**	**(263.742.537)**
The Distribution of Total Comprehensive Income					
Non-controlling interest		(3.918.120)	(12.063.708)	(8.296.295)	(5.773.829)
Equity Holders of the Parent		116.963.298	(28.424.293)	44.105.645	(257.968.708)

The accompanying accounting policies and notes are an integral part of these consolidated financial statements

BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI ANONİM ŞİRKETİ
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD OF 01 JANUARY 2024 - 30 SEPTEMBER 2024

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

						Other comprehensive income (loss) that will not be reclassified in profit or loss		Other Accumulated Comprehensive Income or Expenses to be Reclassified to Profit or Loss					
	Paid in Capital	**Repurchased Shares (-)**	**Treasury Shares**	**Share Issue Premiums / Discounts**	**Effect of Mergers Including Enterprises or Businesses Under Common Control**	**Restricted Reserves**	**Defined Benefit Plans Remeasurement Gains (Losses)**	**Hedging Gains (Losses)**	**Profits / Losses of Previous Years**	**Net Profit/Loss for the Current Term**	**Equity belonging to the main partners**	**Non controlling interests**	**Total Equity**
Balances as of 01.01.2023	**500.000.000**	**1.981.588.037**	**--**	**143.234.286**	**(43.726.574)**	**--**	**(2.421.112)**	**(552.233.433)**	**539.047.053**	**783.586.760**	**3.349.075.017**	**13.726.508**	**3.362.801.525**
Transfers	--	--	--	--	--	--	--	--	783.586.760	(783.586.760)	**--**	--	**--**
Total Comprehensive Income (Expense)	--	--	--	--	--	--	(3.294.453)	(704.123.854)	--	678.994.013	**(28.424.294)**	(12.063.708)	**(40.488.002)**
Increase (Decrease) through Treasury Share Transactions	--	--	(8.604.912)	--	--	--	--	--	--	--	**(8.604.912)**	--	**(8.604.912)**
Balances as of 30.09.2023	**500.000.000**	**1.981.588.037**	**(8.604.912)**	**143.234.286**	**(43.726.574)**	**--**	**(5.715.565)**	**(1.256.357.287)**	**1.322.633.813**	**678.994.013**	**3.312.045.811**	**1.662.800**	**3.313.708.611**
Balances as of 01.01.2024	**500.000.000**	**1.981.588.037**	**(8.604.912)**	**143.234.286**	**(43.726.574)**	**26.601.514**	**(6.331.324)**	**(1.319.567.908)**	**1.296.032.299**	**1.288.123.212**	**3.857.348.630**	**16.431.234**	**3.873.779.864**
Transfers	--	--	--	--	--	--	--	--	1.288.123.212	(1.288.123.212)	**--**	--	**--**
Total Comprehensive Income (Expense)	--	--	--	--	--	--	(11.618.728)	(95.982.583)	--	224.564.609	**116.963.298**	(3.918.120)	**113.045.178**
Disposal of Subsidiary	--	--	--	--	--	--	247.052	--	(73.715.071)	--	**(73.468.019)**	--	**(73.468.019)**
Balances as of 30.09.2024	**500.000.000**	**1.981.588.037**	**(8.604.912)**	**143.234.286**	**(43.726.574)**	**26.601.514**	**(17.703.000)**	**(1.415.550.491)**	**2.510.440.440**	**224.564.609**	**3.900.843.909**	**12.513.114**	**3.913.357.023**

The accompanying accounting policies and notes are an integral part of these consolidated financial statements
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BİOTREND ÇEVRE VE ENERJİ YATIRIMLARI A.Ş.
CONSOLIDATED STATEMENT OF CASH FLOW
AS OF 30 SEPTEMBER 2024
(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

		Not Reviewed	Not Reviewed
	Note	**01.01-30.09.2024**	**01.01-30.09.2023**
CASH FLOWS FROM BUSINESS ACTIVITIES		**1.249.354.987**	**1.015.644.007**
Profit/loss for the Period		**220.646.489**	**666.930.308**
Reconciliation on Profit/Loss for the period		**1.133.849.845**	**260.873.129**
Adjustments for Depreciation and Amortization Expenses	13	509.470.932	422.400.957
Adjustments Regarding Provisions (Cancellation) for Employee Benefits	17	(4.939.495)	813.887
Corrections Regarding Litigation and/or Penalty Provisions (Cancellation)	16	(1.963.445)	4.416.880
Adjustments Regarding Interest (Income) and Expenses	25	364.310.720	355.459.350
Adjustments Regarding Retained Earnings of Investments Valued by Equity Method	31	19.588.076	(11.160.652)
Adjustments Regarding Tax (Income) Expense	27	1.281.771	480.543.376
Adjustments Regarding Hedging Gain (Loss)		(127.976.777)	(964.593.436)
Adjustments for Losses (Gains) on Disposal of Fixed Assets	24	19.504	1.586
Adjustments Related to Losses (Gains) from the Disposal of Associates or Joint Ventures		366.509.852	--
Adjustments for Monetary Gain/(Loss)		7.548.707	(27.008.819)
Changes in Working Capital		**(103.091.691)**	**76.401.843**
Adjustments for Decrease (Increase) in Trade Receivables	7	137.457.223	167.863.075
Adjustments for Decrease (Increase) in Other Operating Receivables	8	12.948.199	747.962
Adjustments for Decrease (Increase) in Inventories	9	76.230.130	(73.611.695)
Decrease (Increase) in Prepaid Expenses	10	81.061.487	996.912.751
Adjustments for Increase (Decrease) in Trade Payables	7	(577.214.440)	(1.030.647.252)
Increase (Decrease) in Debts within the Scope of Employee Benefits	17	(3.685.662)	16.174.753
for Increase (Decrease) in Other Operations-Related Payables	8	8.587.409	(74.428.257)
Adjustments Increase (Decrease) in Deferred Income	10	104.684.064	(9.319.340)
Adjustments for Other Increase (Decrease) in Working Capital		56.839.899	82.709.846
Cash Flows from Activities		**1.251.404.643**	**1.004.205.280**
Tax Payments / Refunds	27	(2.049.656)	11.438.727
CASH FLOWS FROM INVESTING ACTIVITIES		**(546.679.580)**	**(1.015.296.239)**
Investments Valued by Equity Method		633.249	56.557.907
Cash Inflows from Sales of Tangible and Intangible Assets		41.549	384.340.070
Cash Outflows from the Purchase of Tangible and Intangible Assets	13,14	(547.354.378)	(1.456.194.216)
CASH FLOWS FROM FINANCING ACTIVITIES		**(690.012.416)**	**318.154.051**
Cash Inflows from Borrowing	6	(325.701.696)	683.074.916
Paid/Received İnterest	25	(364.310.720)	(355.459.350)
Cash Outflows from Purchase of Own Shares		--	(9.461.515)
IMPACT OF INFLATION ON CASH AND CASH EQUIVALENTS		**(52.780.414)**	**(20.585.019)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**4**	**(40.117.423)**	**297.916.800**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**4**	**199.963.664**	**61.874.704**
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**159.846.241**	**359.791.504**

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

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY

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

Biotrend has an investment in biogas and biomass power plants for waste-to-energy activities, mechanical separation plants, wastewater and leachate treatment plants, ATY and composting plants, anaerobic fermentation units, landfills for integrated waste management, and fuel preparation and supply facilities for biomass plants throughout Turkey. Biotrend has a total of 17 facilities, including 8 integrated waste management and BES (biomass power plant), 6 BES, 1 solid fuel preparation and 1 greenhouse, with ongoing investments.

The company and its subsidiaries will collectively be referred to as the "Group." The Group companies are registered in Turkey. Biotrend's main partner is Doğanlar Yatırım Holding A.Ş. The Group's headquarters is located at Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/Istanbul.

The Company is registered with the Capital Markets Board ("CMB") and its shares are traded on Borsa Istanbul A.Ş. ("BIST") (formerly "Istanbul Stock Exchange") under the name BIOEN since 28.04.2021. As of 30 September 2024, the Company's free float rate is 37.59% (31 December 2023: 37.75%).

As of 30 September 2024, 78 employees work in Biotrend (31 December 2023: 92) and there is a total of 714 workers in the Group. (31 December 2023: 792).

Its Subsidiaries:
The details of the Company's subsidiaries are given below:

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

Doğu Star was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has 2 production facilities in Malatya and 1 production facility in Bursa İnegöl.

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

Nov Enerji was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul, It has a production facility in Sivas.

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

Novtek Enerji was acquired on 17.10.2017. Its main field of activity is electrical energy production. İts head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has production facilities in Bursa İnegöl and Hatay İskenderun.

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

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

Mersin was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The production facility is under construction is located in Çanakkale Ezine.

Yılbatu Elektrik Üretim A.Ş. (Yılbatu):

Yılbatu was acquired on 17.10.2017. Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. The production facility is under construction is located in İzmir Menderes.

İlda Elektrik Üretim A.Ş. (İlda):

Ilda was acquired on 16.10.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacik Mah. Erturk Sk. No: 3/1 iç kapı No: 1 Beykoz/Istanbul.
It does not have a production facility and owns 50% of Landfill (Balıkesir).

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

Ulubey was acquired on 15.05.2018. Its main field of activity is electrical energy production. İts head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Its production facility is located in Aydın Çine

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

İzmir Novtek was founded on 30.05.2018. Its main field of activity is electrical energy production. İts head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has a production facility in İzmir- Harmandalı.

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

Uşak was founded on 06.07.2018. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Uşak has a production facility in Ovademirler.

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

Biyomek was acquired on 16.04.2019 Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. It has a production facility in Aydın Çine

NOTE 1 – GROUP’S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

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

İzmir Doğu Star was founded on 18.09.2019. Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It has a production facility in İzmir-Bergama.

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

Karya was acquired on 01.07.2020. Its main field of activity is electrical energy production. İts head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. It doesn’t own any production facility.

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

Maven Tarım was acquired on 16.01.2019. Its main field of activity is vegetable seedlings, fruit seedlings, etc. for planting and upbringing. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. Although the production facility is not active yet, its location is in Sivas

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

Ulutek was founded on 19.03.2014 Its main field of activity is electrical energy production. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul. The Company shares were transferred to Biotrend Çevre ve Enerji Yatırımları A.Ş on 17.05.2022.

Biotrend Enerji Uluslararası Yatırım A.Ş. (Biotrend Uluslararası):

Biotrend Uluslararası was founded on 30.06.2022. Its main field of activity is invest to electrical power generation plant in abroad. Its head office is located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul

Doğan Kent Elektrik Enerjisi Toptan Satış A.Ş. (Doğankent):

Doğankent Elektrik was bought on 16.11.2022. Its main activity is to trade electricity for users excluding brokers and agents. Its head office located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul.

Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri San. A.Ş. (Biotrend İleri Dönüşüm):

Biotrend İleri Dönüşüm was founded on 09.12.2022. Its main activity is recycling plastic wastes with upcycling technologies of plastic wastes and installation of renewable power plants for domestic consumption. Its head office located in Kavacık Mah. Ertürk Sk. No: 3/1 İç Kapı No: 1 Beykoz/İstanbul.

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

The number of employees is given below:

Firms	**Information on employees**	
	30 September 2024	**31 December 2023**
Doğu Star	125	111
Nov Enerji	12	16
Novtek	17	18
Mersin	66	73
Yılbatu	1	2
İlda	--	--
Ulubey	30	42
İzmir Novtek	47	61
Uşak	42	66
Biyomek	41	45
Maven Tarım	33	43
MD Biyokütle (*)	--	15
İzmir Doğu Star.	89	77
Karya	--	--
Serenti (*)	--	19
Landfill	121	106
Biotrend Merkez Ofis	78	92
Biotrend Ayvacık (*)	--	2
Ulutek	--	--
Biotrend Uluslararası	--	--
Biotrend İleri Dönüşüm	3	4
Doğankent	--	--
Total	**714**	**792**

(*) The shares of Serenti, Biotrend Ayvacık and MD Biyokütle companies have been completely sold.

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Its subsidiaries	Main activity	Facility	Facility	License Power	Installed Power
Doğu Star Elektrik Üretim A.Ş.(*)	Electrical Energy Production	Malatya Unlicensed	-	2,464 MWm / 2,400 Mwe	16,540 MWm / 16,1 MWe
	Electrical Energy Production	Malatya-1 (Licensed)	2,464 MWm / 2,400 MWe	2,464 MWm / 2,400 Mwe	
	Electrical Energy Production	Malatya-2 (Licensed)	4,359 MWm / 4,242 MWe	2,906 MWm / 2,828 Mwe	
	Electrical Energy Production	İnegöl-2 Biogas	14,51 MWm / 14,14 MWe	8,706 MWm / 8,484 Mwe	
Nov Enerji Elektrik Üretim A.Ş.(*)	Electrical Energy Production	Sivas Landfill Gas	2,902 MWm /2,826 MWe	2,902 MWm /2,826 MWe	2,902 MWm /2,826 MWe
Novtek Enerji Elektrik Üretim A.Ş.(*)	Electrical Energy Production	İskenderun Landfill Gas	4,353 MWm / 4,239 MWe	4,353 MWm / 4,239 MWe	6,817 MWm / 6,639 MWe
	Electrical Energy Production	İnegöl Landfill Gas	2,464 MWm / 2,400 MWe	2,464 MWm / 2,400 MWe	
Mersin Elektrik Üretim ve Enerji Yatırımları A.Ş.(*)	Electrical Energy Production	Ezine Biomass	31,058 MWm / 30,00 MWe	19,213 MWm / 18,782 MWe	19,213 MWm / 18,782 Mwe
Yılbatu Elektrik Üretim A.Ş.(*)	Electrical Energy Production	Menderes Biogas	24,667 MWm/ 24,038 MWe	-	-
İlda Elektrik Üretim A.Ş.(*)	Electrical Energy Production	Landfill % 50 Partner	-	-	-
Ulubey Elektrik Üretim Ve Enerji Yatırımları A.Ş.(*)	Electrical Energy Production	Çine Gasoline Preparation	-	-	-
İzmir Novtek Enerji Elektrik Üretim A.Ş.(*)	Electrical Energy Production	İzmir Harmandalı Landfill Gas	40,716 MWm /39,690 MWe	33,176 MWm /32,340 MWe	33,176 MWm /32,340 Mwe
Uşak Yenılenebılır Enerjı Elektrık Üretım A. Ş. (*)	Electrical Energy Production	Uşak Landfill Gas	5,655 MWm /5,498 MWe	4,200 MWm /4,084 Mwe	4,200 MWm /4,084 MWe
Biyomek Elektrik Enerjisi Üretimi San. Ve Tic. A.Ş.(*)	Electrical Energy Production	Çine Biyokütle Power Plant.	14,20 MWm / 13,60 MWe	14,20 MWm / 13,60 MWe	14,20 MWm / 13,60 MWe
Maven Tarım Seracıl ve Hayvancılık San. Ve Tic. A.Ş.(*)	Agriculture, Greenhouse and Livestock	Sivas Greenhouse Constitue-Business	-	-	-
İzmir Doğu Star Elektrik Üretim A.Ş.(*).	Electrical Energy Production	İzmir Bergama Lanfill Gas	10,157 MWm / 9,898 MWe	8,706 MWm /8,484 MWe	8,706 MWm /8,484 MWe
Karya Yenılenebılır Kaynaklar Elektrık Üret.San.Tıc.Ltd.Stı.(*)	Electrical Energy Production	Ankara	-	-.	-

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Its subsidiaries	Main activity	Date of purchase	License Power	Installed Power	Total Installed Power	Facility
Ulutek Elektrik Üretim ve Enerji Yatırımları A.Ş. (*)	Electrical Energy Production	17.05.2022	-	-	-	-
Biotrend Enerji Uluslararası Yatırım A.Ş. (*)	Invest to Electrical Energy power generation plant in abroad	30.06.2022	-	-	-	-
Doğan Kent Elektrik Enerjisi Toptan Satış A.Ş. (*)	Electricity Trade	16.11.2022	-	-	-	-
Biotrend İleri Dönüşüm ve Yenilenebilir Enerji Teknolojileri Sanayi A.Ş. (*)	Recycling of plastic wastes with upcycling technologies and installation of renewable energy plants for domestic consumption	09.12.2022	-	-	-	-

(*) There are consolidated using the full consolidation method

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 1 – GROUP'S ORGANIZATION AND SUBJECT OF ACTIVITY (Continued)

Financial Investments Valued by Equity Method

Financial Investments Valued by Equity Method	Main Activity	Date of Acquisition	License Power	Installed Power	Total Installed Power	Facility
Landfıll Enerji A.Ş.	Electrical Energy Production	16.10.2018	14,51 MWm / 14,14 MWe	11,608 MWm / 11,312 MWe	11,608 MWm / 11,312 MWe	Balıkesir Landfill Gas

Landfill Enerji A.Ş. (Landfill):

The company was acquired on 16.10.2018. Its main field of activity is electrical energy production. Its head office is located in Remzi Oğuz Arık Mah. Atatürk Bulvarı No:211/22 Çankaya/Ankara. Its production facility is located in Balıkesir.

Approval of Consolidated Financial Statements

Consolidated financial statements for the accounting period 1 January – 30 September 2024 were approved at the Board of Directors meeting dated 11 November 2024. Consolidated financial statements will finalized after their approval at the General Assembly.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

Basis of Presentation

The accompanying financial statements are in accordance with the provisions of the Capital Markets Board ("CMB"), Serial II, No. 14.1 "Principles of Financial Reporting in the Capital Markets" ("Communiqué") published in the Official Gazette dated June 13th, 2013 and numbered 28676. It has been prepared in accordance with the Turkish Accounting Standards/Turkish Financial Reporting Standards (TAS/TFRS), which was put into effect by the Accounting and Auditing Standards Authority ("POA"), and their annexes and comments

Functional and Presentation Currency

The Group keeps its accounting records in TL in accordance with the commercial legislation, financial legislation and the Uniform Chart of Accounts published by the Ministry of Finance. The financial statements are based on legal records and expressed in TL, and have been prepared by subjecting to some adjustments and classification changes in order to adequately present the status of the Group in accordance with the Turkish Accounting Standards published by POA.

The functional and reporting currency of the Company and its subsidiaries is Turkish Lira ("TL"), and all financial information is presented in TL unless otherwise stated.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Adjustment of Financial Statements in Inflation Periods

By the decision of the Capital Markets Board (CMB) dated December 28, 2023, and numbered 81/1820, and based on the announcement made by the Public Oversight Authority (POA) on November 23, 2023, regarding the 'Implementation Guide on Financial Reporting in High Inflation Economies,' it has been decided that issuers subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards (TAS/TFRS), as well as capital market institutions, will apply the provisions of TAS 29 starting from the annual financial reports for the accounting periods ending on December 31, 2023, in order to implement inflation accounting.

According to the relevant standard, financial statements prepared based on the currency of a high inflation economy are presented in terms of the purchasing power of that currency as of the balance sheet date. The prior period financial statements are expressed in the current measurement unit at the end of the reporting period for comparative purposes. Therefore, the company has also presented its financial statements as of September 30, 2023, and December 31, 2023, based on the purchasing power principle as of September 30, 2024.

Adjustments made in accordance with TAS 29 have been carried out using the correction coefficients obtained from the Consumer Price Index (CPI) published by the Turkish Statistical Institute (TÜİK). As of September 30, 2024, the indices and correction coefficients used for the adjustment of the financial statements are as follows:

Date	Index	Adjustment Coefficient	Three Years Compound Inflation Rate
30.09.2024	2.526,16	1,000	%343
31.12.2023	1.859,38	1,358	%268
30.09.2023	1.351,59	1,493	%254

The main elements of the adjustments made by the Company for financial reporting purposes in high inflation economies are as follows:

- The financial statements for the current period, prepared in TL, are expressed in terms of the purchasing power of the currency at the balance sheet date, while the amounts from previous reporting periods are adjusted according to the purchasing power of the currency at the most recent balance sheet date.

- The financial statements for the current period prepared in Turkish Lira (TL) are presented using the purchasing power of the currency as of the balance sheet date, while the amounts from previous reporting periods are also adjusted to reflect the purchasing power of the currency as of the most recent balance sheet date.

- Non-monetary assets and liabilities, as well as equity items that are not expressed at the current purchasing power as of the balance sheet date, have been adjusted using the relevant correction coefficients.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

- In the income statements and statements of other comprehensive income, all items except for cost of sales, depreciation expense, and gains/losses on asset sales have been adjusted using the relevant monthly correction coefficients. The cost of sales, depreciation expense, and gains/losses on asset sales have been recalculated based on the balance sheet items adjusted using the correction coefficients.

- All items in the cash flow statement are expressed in terms of the measurement unit applicable at the end of the reporting period.

- The effect of inflation on the Company's net monetary asset position for the current period has been recorded as a net monetary position loss in the income statement.

Consolidation Principles

Consolidated financial statements include the Company, its subsidiaries and associates accounted for using the equity method. Control is achieved by having control over an entity's financial and operational policies in order to derive benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement after the date of acquisition or up to the date of disposal.

If necessary, accounting policies have been adjusted in the financial statements of its subsidiaries in order to match the accounting policies followed by the Group. All intra-Group transactions, balances, income and expenses have been adjusted in the records during consolidation.

The Company accounts for its investments in its subsidiaries, in which it directly or indirectly owns more than 20% of its shares and has significant influence, according to the equity method. These investments are shown in the consolidated balance sheet by adding or subtracting the post-acquisition changes to the Company's share of the net assets of the subsidiary on top of the acquisition cost and deducting the provision for impairment, if any. The consolidated statement of comprehensive income reflects the Company's share in the results of the activities of the Company's subsidiaries. Changes in the equity of the associate by the amounts that have not yet been reflected in the profit or loss of the associate may also require an adjustment in the book value of the associate in proportion to the Company's share in the associate. The Company's share of these changes is directly accounted for in the Company's own equity.

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(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Subsidiaries are consolidated using the full consolidation method.

Subsidiaries	**Group's shareholding in subsidiary (%)**	
	30 September 2024	**31 December 2023**
Doğu Star	100%	100%
Nov Enerji	100%	100%
Novtek	100%	100%
Mersin	100%	100%
Yılbatu	100%	100%
İlda	100%	100%
Ulubey	100%	100%
İzmir Novtek	100%	100%
Uşak	100%	100%
Biyomek (*)	100%	100%
Maven Tarım (**)	50%	50%
İzmir Doğu Star.	100%	100%
Karya	100%	100%
Biotrend Ayvacık (***)	--	100%
Ulutek	100%	100%
Biotrend Uluslararası	100%	100%
Biotrend İleri Dönüşüm	100%	100%
Doğankent	100%	100%
Serenti (***)	--	100%
MD Biyokütle (***)	--	100%

(*) The Group has increased its 85% share to 100% in 2022.
(**) Group's share decreased from 100% to 50% in 2022.
(***) The shares of Serenti and MD Biyokütle companies were completely sold on April 5, 2024. Also the shares of Biotrend Ayvacık companies were completely sold on September 20, 2024.

A Share Transfer Agreement has been signed with Mana Enerji Sanayi Ticaret A.Ş. for the transfer of all shares of Serenti Enerji A.Ş. for a sale price of 4,000,000 USD, and the share transfers have been completed as of April 5, 2024.

A Share Transfer Agreement has been signed with Mana Enerji Sanayi Ticaret A.Ş. for the transfer of all shares of MD Biyokütle Enerji Üretim A.Ş. for a sale price of 10,000,000 USD, and the share transfers have been completed as of April 5, 2024

The transfer of all shares of Biotrend Ayvacık Yenilenebilir Enerji Elektrik Üretim Sanayi ve Ticaret A.Ş. to Demiroğlu Turizm Seyahat İnşaat Eğitim Hizmetleri Ticaret ve Sanayi Limited Şirketi for a sales price of TL 20.000.000 was completed on September 20, 2024.

Financial Investments Valued by Equity Method	**Share Rate of the Group on Equity (%)**	
	30 September 2024	**31 December 2023**
Landfill	50%	50%

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Continuity of the Business
The Group has prepared its financial statements in accordance with the going concern principle

Comparative information and adjusting to previous period dated of financial statements

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

The accounting policies used in the preparation of the consolidated financial statements are the same as the accounting policies used in the most recent annual financial statements.

The new standards, amendments and interpretations

The accounting policies adopted in preparation of the consolidated financial statements as of June 30, 2024, are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of January 1, 2024 and thereafter. The effects of these standards and interpretations on the Group’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, 2024, are as follows:

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

In March 2020 and January 2023, POA issued amendments to TAS 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 clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or later. The amendments also 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 must be applied retrospectively in accordance with TAS 8.
The amendments did not have a significant impact on the financial position or performance of the Group.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The new standards, amendments and interpretations (Continued)

Amendments to TFRS 16 - Lease Liability in a Sale and Leaseback

In January 2023, POA issued amendments to TFRS 16. The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. In applying requirements of TFRS 16 under “Subsequent measurement of the lease liability” heading after the commencement date in a sale and leaseback transaction, the seller lessee determines ‘lease payments’ or ‘revised lease payments’ in such a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee. The amendments do not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining ‘lease payments’ that are different from the general definition of lease payments in TFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with TAS 8. A seller-lessee applies the amendments retrospectively in accordance with TAS 8 to sale and leaseback transactions entered into after the date of initial application of TFRS 16. The amendments did not have a significant impact on the financial position or performance of the Group.

Amendments to TAS 7 and TFRS 7 - Disclosures: Supplier Finance Arrangements

The amendments issued by POA in September 2023 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk. Supplier finance arrangements are characterized by one or more finance providers offering to pay amounts an entity owes its suppliers and the entity agreeing to pay according to the terms and conditions of the arrangements at the same date as, or a date later than, suppliers are paid. The amendments require an entity to provide information about terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those liabilities. In the context of quantitative liquidity risk disclosures required by TFRS 7, supplier finance arrangements are also included as an example of other factors that might be relevant to disclose. The amendments did not have a significant impact on the financial position or performance of the Group.

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 Group 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.

Amendments to TFRS 10 and TAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2017, POA postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted. The Group will wait until the final amendment to assess the impacts of the changes.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The new standards, amendments and interpretations (Continued)

TFRS 17 - The new Standard for insurance contracts

POA issued TFRS 17 in February 2019, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. TFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. The mandatory effective date of the Standard postponed to accounting periods beginning on or after January 1, 2025 with the announcement made by the POA. The standard is not applicable for the Group and will not have an impact on the financial position or performance of the Group.

Amendments to TAS 21 - Lack of exchangeability

In May 2024, POA issued amendments to TAS 21. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it discloses information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

iii) The amendments which are effective immediately upon issuance

Amendments to TAS 12 - International Tax Reform – Pillar Two Model Rules

In September 2023, POA issued amendments to TAS 12, which introduce a mandatory exception in TAS 12 from recognizing and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. The amendments clarify that TAS 12 applies to income taxes arising from tax laws enacted or substantively enacted to implement the Pillar Two Model Rules published by the Organization for Economic Cooperation and Development (OECD). The amendments also introduced targeted disclosure requirements for entities affected by the tax laws. The temporary exception from recognition and disclosure of information about deferred taxes and the requirement to disclose the application of the exception apply immediately and retrospectively upon issue of the amendments. The amendments did not have a significant impact on the financial position or performance of the Group.

iv) The new amendments that are issued by the International Accounting Standards Board (IASB) but not issued by Public Oversight Authority (POA)

The following amendments to IFRS 9 and IFRS 7 as well as IFRS 18 and IFRS 19 are issued by IASB but not yet adapted/issued by POA. Therefore, they do not constitute part of TFRS. The Group will make the necessary changes to its consolidated financial statements after the amendments and new Standard are issued and become effective under TFRS.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

The new standards, amendments and interpretations (Continued)

Amendments to IFRS 9 and IFRS 7 – Classification and measurement of financial instruments

In May 2024, IASB issued amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). The amendment clarifies that financial liability is derecognized on the ‘settlement date’. It also introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met. The amendment also clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features as well as the treatment of non-recourse assets and contractually linked instruments. Additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income are added with the amendment. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 18 – The new Standard for Presentation and Disclosure in Financial Statements

In April 2024, IASB issued IFRS 18 which replaces IAS 1. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. IFRS 18 requires an entity to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards, such as IAS 7, IAS 8 and IAS 34. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures

In May 2024, IASB issued IFRS 19, which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. An entity that is a subsidiary, does not have public accountability and has a parent (either ultimate or intermediate) which prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards may elect to apply IFRS 19. The Group is in the process of assessing the impact of the amendments on financial position or performance of the Group.

Netting / Offsetting

Financial assets and liabilities are presented at their net values in the balance sheet when there is a legal right to offset, when it is possible to settle them net, or when the asset is acquired simultaneously with the settlement of the liability.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Changes in Accounting Policies/Estimates and Errors

Significant changes in accounting policies and identified material accounting errors are applied retroactively, and the prior period financial statements are restated. Changes in accounting estimates are applied prospectively: if the change pertains to one period, it is applied in the current period; if it affects future periods, it is applied in both the period of change and future periods. If the restatement of information results in excessive cost, comparative information for prior periods is not restated, and the accumulated profits account for the next period is restated with the cumulative effect of the error before that period begins.

Summary of Significant Accounting Policies

The significant accounting policies applied in the preparation of the accompanying financial statements are as follows:

Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits and investments with a definite amount, easily convertible into cash, short-term and highly liquid, with an insignificant risk of change in value and with a maturity of less than three months.

Commercial debts

Trade receivables are recorded with their invoiced amounts and are carried with their net value discounted using the effective interest rate method and after deducting the doubtful receivable provision, if any.

Promissory notes and post-dated checks classified under trade receivables are rediscounted using the effective interest rate method and carried with their discounted values.

Provision for doubtful receivables is recorded as expense. If there is a concrete indication that the overdue receivables cannot be collected, provision for doubtful receivables is set by taking into account the guarantees received from the customer. The Company uses the simplified approach in TFRS 9 to calculate the expected credit losses of these financial assets. This method requires the recognition of lifetime expected credit losses for all trade receivables.

Trade payables

Trade payables are recorded at a reduced cost, which represents their fair value, and are carried with. The financial income included in the debts is calculated by considering the maturity of the related debt and the interest rate for the government domestic debt securities in the stock exchanges or other organized markets, and the amounts founded are shown in financial income in the financial statements.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Inventories

Inventories are valued at the lower cost or net realizable value. Inventory costs are determined using the “first-in, first-out cost method”. Cost of inventories; It includes all acquisition costs, conversion costs, and other costs incurred to bring inventories to their current state and location. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs required to make the sale.

Inventories are stated net of finance cost due to forward purchases.

Investment properties

Instead of being used in the production or supply of goods and services or for administrative purposes or being sold in the normal course of business, land or building or building is held (by the owner or by the lessee under a finance lease) for the purpose of earning rental income or for capital appreciation or both. some or both are classified as investment properties.

An investment property is accounted for as an asset if it is probable that future economic benefits associated with the property will flow to the business and the cost of the investment property can be measured reliably.

The fair value of the Group's investment properties has been determined by an independent valuation company, Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. (“LAL”). According to the valuation reports dated February 9, 2024, February 14, 2024, February 16, 2024, and February 20, 2024, the fair value of the relevant properties has been calculated as 45.236.090 TL. The valuation difference arising from the revaluation of the properties has been reflected in the income statement of the consolidated financial statements from previous periods.

Tangible fixed assets

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation is provided on restated amounts of property, plant and equipment using the straight-line method based on the estimated useful lives of the assets, except for land due to their indefinite useful life.

The cost value of the property, plant and equipment; The purchase price consists of import duties and non-refundable fixed assets and expenses incurred to prepare the property, plant and equipment for use.

Cost amounts of tangible fixed assets, excluding investments in progress and land, are depreciated over their expected useful lives using the straight-line method. The expected useful life, residual value and depreciation method are reviewed annually for the possible effects of changes in estimates, and if there is a change in estimates, they are accounted for prospectively.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Depreciation is calculated on a pro-rata basis according to the straight-line depreciation method, taking into account the economic lives of tangible fixed assets. The amortization periods are as follows

Buildings	10-50 years
Machinery, plants and devices	10-20 years
Vehicles	4-5 years
Fixtures	3-10 years

Usual maintenance and repair expenses incurred on tangible fixed assets are recognized as expenses. Investment expenditures that increase the capacity of the tangible fixed asset and increase the future benefit from it are added to the cost of the tangible fixed asset and depreciated over the remaining estimated useful life of the tangible fixed asset.

The profit or loss resulting from the disposal of tangible fixed assets is determined by comparing the net balance sheet value with the collected amounts and is shown under the “income/expenses from investment activities” account in the current period.

Revaluation model

Machinery, plant and equipment are presented at fair value less accumulated depreciation. The difference between the cost value and the fair value, net of deferred tax, is followed under the “revaluation funds” account under shareholders' equity. As long as the revalued asset is used, the difference between the depreciation calculated over the revalued amount and the depreciation calculated over the initial cost value is deducted from the revaluation fund after deducting the deferred tax effect and followed by crediting the retained earnings account.

The frequency of revaluation depends on the fluctuation in the fair value of the tangible asset subject to revaluation. If the fair value of the revalued asset differs significantly from its carrying value, the asset is revalued. When tangible asset is revalued, the accumulated depreciation amount on the revaluation date is increased in proportion to the change in the gross carrying value of the asset, so that the carrying value of the asset after revaluation equals its revalued amount.

Intangible assets

Intangible assets consist of EMRA license rights and software rights. Intangible assets are recorded at their acquisition cost. EMRA licenses are amortized on a pro-rata basis using the straight-line depreciation method between 12-49 years and software rights between 3-15 years.

The carrying values of intangible assets are reviewed and the necessary provision is made in case changes in conditions and events give rise to an indication that the carrying value may decrease.

Impairment of assets

For each asset other than deferred tax assets, the Group evaluates at each balance sheet date whether there is any indication that the asset is impaired. If such an indicator exists, the recoverable amount of that asset is estimated. For intangible assets that are not suitable for use, the recoverable amount is estimated at each balance sheet date. If the carrying value of the asset or any cash generating unit of that asset is higher than the amount to be recovered through use or sale, an impairment has occurred. Impairment losses are recognized in the income statement.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

An impairment loss on an asset is reversed up to a level that does not exceed the carrying amount of the asset if the subsequent increase in its recoverable amount can be attributed to an event that occurred in the periods following the recognition of the impairment.

Obtained credits and borrowing costs

Bank loans are recorded with their values after the transaction costs are deducted from the amount of loans on the date they are received. Bank loans are shown over the cost value, which is discounted using the effective interest method in the following periods. The difference between the amount remaining after deducting the transaction costs and the discounted cost value is reflected in the income statement as the financing cost during the loan period. Financing costs arising from loans, if they are associated with the acquisition or construction of qualifying assets, are included in the cost of qualifying assets. Qualified assets are assets that take a long time to be ready for use or sale as intended. Other loan costs are recorded in the income statement in the period in which they occur.

Investments held as fixed assets

Investments held as fixed assets is realized when the carrying amount is recovered in a sale transaction and the sale is likely to occur. Assets are classified as investments held as fixed assets when the carrying amount is considered to be recovered through a sale transaction rather than making use of this transaction.

Assets can be a business unit, sales group, or a separate tangible asset. The sale of investments held as fixed assets is expected to occur within 12 months after the balance sheet date. Various events or circumstances may extend the completion period by more than one year. There is insufficient evidence to support that the delay was beyond the control of the entity and the sale of the assets (or group of assets) proceeds on the plan of sale; The delay does not preclude the classification of assets (or disposal groups) as investments held a fixed asset.

Investments held as fixed assets are valued at the lower of book value and fair value. The impairment loss is recognized as an expense in the consolidated income statement for the period, on the date on which its carrying amount is less than its fair value. There is no amortization for these assets.

Financial tools

TFRS 9 regulates the provisions regarding the recognition and measurement of financial assets and financial liabilities. This standard replaces TAS 39 Financial Instruments: Recognition and Measurement.

The applications related to the recognition, classification, measurement and derecognition of financial instruments in TAS 39 are now carried over to TFRS 9. The latest version of TFRS 9 includes applications published in previous versions of TFRS 9, which were released in phases, including a new expected credit loss model for calculating impairment of financial assets, as well as updated applications for new general hedge accounting requirements. TFRS 9 is valid for annual accounting periods beginning on or after January 1st, 2018.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Classification of financial assets and liabilities

TFRS 9 largely retains the existing provisions in TAS 39 for the classification and measurement of financial liabilities. However, the previous TAS 39 classification categories have been removed for financial assets held to maturity, loans and receivables, and financial assets available for sale.

The implementation of TFRS 9 did not have a significant impact on the Company's accounting policies regarding its financial liabilities and derivative financial instruments. The impact of TFRS 9 on the classification and measurement of financial assets is given below.

According to IFRS 9, when a financial asset is initially recognized in the financial statements, it is classified as either: measured at amortized cost; measured at fair value through other comprehensive income (OCI) for debt instruments; measured at fair value through OCI for equity instruments; or measured at fair value through profit or loss. The classification of financial assets under IFRS 9 is generally based on the business model used by the entity for managing the financial assets and the characteristics of the contractual cash flows of the financial asset. The requirement to separate embedded derivatives from a financial asset has been removed, and the classification of a hybrid contract as a whole should be assessed.

A financial asset is measured at amortized cost if both of the following conditions are met, and it is not classified as measured at fair value through profit or loss:

- Holding the financial asset under a business model aimed at collecting contractual cash flows; and
- The contractual terms of the financial asset arise to cash flows on certain dates that include only payments of principal and interest on the principal balance.

A debt instrument is measured at fair value through other comprehensive income if both of the following conditions are met and it is not classified as at fair value through profit or loss:

- Holding the financial asset under a business model aimed at collecting contractual cash flows and selling financial assets, and,
- The contractual terms of the financial asset give rise to cash flows on certain dates that include only payments of principal and interest on the principal balance.

In the initial recognition of investments in equity instruments that are not held for trading, an irrevocable choice may present subsequent changes in fair value in other comprehensive income. The choice of this preference can be made on the basis of each investment. All financial assets that are not measured at amortized cost or at fair value through other comprehensive income are measured at fair value through profit or loss. These include all derivative financial assets. At initial recognition of financial assets, a financial asset is irrevocably recognized at fair value through profit or loss, provided that it eliminates or significantly reduces an accounting mismatch that would result from different measurement of financial assets and related gains or losses. can be defined as measured by reflection.

In the initial measurement of financial assets other than those at fair value through profit or loss (except for trade receivables, which are measured at transaction price at initial recognition and do not have a significant financing component), the transaction costs directly attributable to their acquisition or issuance are added to the fair value.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Impairment of financial assets

With the implementation of TFRS 9, the "Expected Credit Loss" (EXP) model has replaced the "Actual Loss" model in TAS 39. The new impairment model applies to financial assets measured at amortized cost, contract assets and debt instruments measured at fair value through other comprehensive income, but not for investments in equity instruments. In accordance with TFRS 9, credit losses are recognized earlier than TAS 39. Financial assets measured at amortized cost consist of trade receivables, cash and cash equivalents and private sector debt instruments.

Under TFRS 9, loss allowances are measured on any of the following bases:

- 12-month ECLs: the portion that represents expected credit losses arising from possible default events on the financial instrument within 12 months of the reporting date; and

- Lifetime ECLs: expected credit losses arising from all possible default events over the expected life of the financial instrument.

In determining whether the credit risk of a financial asset has increased significantly since initial recognition and in estimating its ECAs, the Company considers reasonable and supportable information available without undue cost or effort regarding the estimation of expected credit losses, including the effects of expected prepayments. This information includes quantitative and qualitative information and analyzes based on the Company's past credit loss experiences and forward-looking information.

Financial liabilities

Financial liability is measured at fair value at initial recognition. During the initial recognition of financial liabilities whose fair value difference is not recognized in profit or loss, the transaction costs directly attributable to the underwriting of the related financial liability are added to the said fair value. Financial liabilities are accounted for at amortized cost using the effective interest method, together with the interest expense calculated over the effective interest rate in the following periods.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are recognized at fair value and revalued at their fair value at the reporting date in each reporting period. The change in their fair value is recognized in the income statement. The net gain or loss recognized in the profit or loss statement also includes the interest paid on the financial liability.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Other financial liabilities

Other financial liabilities, including financial debts, are initially recognized at their fair values, adjusted for transaction costs.

Di Other financial liabilities are subsequently measured at amortized cost using the effective interest method, which includes interest expense calculated based on the effective interest rate.

The effective interest method is a method for calculating the amortized cost of a financial liability and allocating the associated interest expense to the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments over the expected life of the financial instrument, or, if appropriate, over a shorter period, to the net present value of the related financial liability.

Recognition of Revenues

When the Group fulfills a performance obligation by transferring a promised good or service to its customer, it records the revenue in its financial statements. An asset is transferred when the control of an asset is transferred to the customer.

The group recognizes revenue in its financial statements in accordance with the fundamental principles outlined below:

(a) Determining contracts with customers
(b) Determining performance obligations in the contract
(c) Determining the transaction price in the contract
(d) Allocating the transaction price to the performance obligations in the contract
(e) Recognition of revenue when each performance obligation is satisfied

Sales revenues are recognized on an accrual basis over the fair value of the consideration received or when the product is delivered or the service is rendered, the significant risks and rewards associated with the product have been transferred to the buyer, the amount of revenue can be measured reliably, and it is highly probable that the Group will derive economic benefits associated with the transaction. Net sales represent the invoiced value of the product sold or completed service, excluding sales tax, less any discounts and discounts.

Interest income from other incomes obtained by the Group is calculated over the effective interest income method and income is recorded on an accrual basis.

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Currency transactions

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

The exchange rates set by the Central Bank of the Republic of Turkey as of September 30, 2024, and December 31, 2023, are as follows:

Date	EURO / TL	USD / TL	GBP / TL	CHF / TL
For assets:				
30 September 2024	38,0180	34,0900	45,5408	40,2480
31 December 2023	32,5739	29,4382	37,4417	34,9666
For liabilities				
30 September 2024	38,0865	34,1514	45,7782	40,5064
31 December 2023	32,6326	29,4913	37,6369	35,1911

Earnings per share

Earnings per share stated in the consolidated income statement is determined by dividing the consolidated net profit of the main company by the weighted average number of shares available during the relevant period.

Companies in Turkey can increase their capital by distributing shares to existing shareholders from retained earnings and equity inflation adjustment differences in proportion to their shares (“bonus shares”). When calculating earnings per share, this bonus issue is counted as issued shares. Therefore, the weighted average number of shares used in the calculation of earnings per share is obtained by applying the issue of bonus shares retrospectively from the beginning of the previous reporting period.

Events that occurred after the balance sheet date

In the event of an adjustment after the balance sheet date, the Group adjusts the amounts included in the consolidated financial statements in accordance with this new situation. If non-adjusting matters after the balance sheet date affect the economic decisions of users of the financial statements, they are disclosed in the notes to the consolidated financial statements.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Provisions, contingent liabilities and assets

Provisions are recognized when the Group has a legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle this obligation, and the amount to be paid can be reliably estimated. It is determined as a contingent liability if there is a possibility of disposal of resources that provide economic benefits. For contingent liabilities where it is probable that sources of economic interest will be disposed of, contingent liabilities are recognized in the period when the probability changes, unless a reliable estimate can be made.

For contingent liabilities where sources of economic interest are probable, where a reliable estimate cannot be made, the Group discloses this in the footnotes

The amount recognized as a provision is the best estimate of the provision that should settle the present obligation as of the balance sheet date, taking into account the risks and uncertainties of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is reflected at the discounted value of those cash flows at the balance sheet date.
Where all the economic benefits required to settle a provision are expected to be received from a third party, the receivable is accounted for as an asset if it is observably certain that the refund will be received and the amount of the receivable can be measured reliably

Dividends

Dividend payables are recognized as a liability in the separate financial statements in the period in which they are declared as part of the profit distribution.

Rental transactions

Financial leases that transfer all the risks and benefits of ownership of the leased asset to the Group are reflected at the commencement date of the lease based on the lower of the fair value of the leased asset and the present value of the lease payments. Financial lease payments are allocated as principal and finance expense throughout the lease term, generating a fixed periodic interest rate for the remaining debt balance for each period. Financial expenses are reflected directly to the income statement as of periods. Capitalized leased assets are depreciated over the estimated life of the asset.

Variable lease payments

Lease payments arising from some of the Group's lease agreements consist of variable lease payments. These variable lease payments, which are not within the scope of TFRS 16 standard, are recorded as rental expense in the income statement in the relevant period.

Facilitating applications

Short-term lease contracts with a lease term of 12 months or less and contracts for information technology equipment leases determined by the Group as low value have been evaluated within the scope of the exception granted by TFRS 16, “Leases” standard, and payments for these contracts continue to be accounted for as expense in the period in which they are incurred. A single discount rate is applied to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar asset class in a similar economic environment).

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Operational Leases

The Group has reflected a right-of-use asset and a lease liability in its financial statements at the commencement date of the lease. The right-of-use asset is calculated initially at cost and subsequently less accumulated depreciation and impairment losses and adjusted for remeasurements of the finance lease liability. At the commencement date of the lease, the lease liability is measured at the present value of the lease payments not paid at that date. Lease payments are discounted using the Group's alternative borrowing rate, if the implied interest rate in the lease can be easily determined, if not easily determined

Reporting of Cash flow statement

Cash and cash equivalents in the consolidated statement of cash flow include cash on hand and in banks, highly liquid investments with original maturities of 3 months or less, and non-collateral deposits.

In the cash flow statement, cash flows for the period are classified and reported based on operating, investing and financing activities.

Cash flows from operating activities represent the cash flows from the Group's main activities.

Cash flows from investing activities represent the cash flows that the Group uses and receives from its investing activities (asset investments and financial investments).

Cash flows from financing activities show the resources used by the Group in financing activities and the repayments of these resources.

Related parties

A party is considered related to the Group if one of the following criteria is met:

(a) That party, directly or indirectly, through one or more of its intermediaries:
 (i) Controls or is controlled by, or is under common control with the Group (including main partners, subsidiaries and subsidiaries in the same line of business);
 (ii) Having a share that allows significant influence over the Group; or
 (ii) Having joint control over the Group;
(b) The party is an affiliate of the Group,
(c) The party is a joint venture in which the Group is a venturer;
(d) The party is a member of the key management personnel of the Group or its main partner
(e) The party is a close family member of any individual mentioned in (a) or (d);
(f) The Party; is an entity that is controlled, jointly controlled, or under significant influence or in which any individual referred to in (d) or (e) has a significant voting right, directly or indirectly; or
(g) The party must have post-employment benefit plans for employees of the entity or an entity that is a related party.

A transaction with a related party is a transfer of resources, services or obligations between related parties, regardless of whether they are paid for.

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NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Taxes calculated based on corporate income

Corporate tax

Corporate tax is calculated over the taxable portion of the profit for the period. Taxable profit differs from profit reported in the income statement because it excludes items that are taxable or deductible in other years and items that are not taxable or deductible. The Group's corporate tax liability consists of the sum of the tax provisions of the companies included in the consolidation, calculated using the tax rate enacted as of the balance sheet date

Deferred tax

Deferred tax liability or assets are determined by calculating the tax effects of temporary differences between the amounts of assets and liabilities shown in the financial statements and the amounts taken into account in the calculation of the legal tax base, according to the balance sheet method, taking into account the enacted tax rates. While deferred tax liabilities are calculated for all taxable temporary differences, deferred tax assets consisting of deductible temporary differences are calculated provided that it is highly probable to benefit from these differences by generating taxable profit in the future. The mentioned assets and liabilities are not recognized if they arise from the initial recognition of goodwill or other assets and liabilities (other than business combinations) related to the temporary difference related to the transaction that does not affect the commercial or financial profit/loss.

Deferred tax liabilities are calculated for all taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures, unless the Group is able to control the disappearance of temporary differences, and it is unlikely that the difference will disappear in the near future. Deferred tax assets arising from taxable temporary differences associated with such investments and interests are calculated on the condition that it is highly probable that the said differences will be benefited from by earning sufficient taxable profit in the near future and it is probable that the related differences will disappear in the future.

The book value of the deferred tax asset is reviewed at each balance sheet date. The carrying amount of the deferred tax asset is reduced to the extent that it is not likely to generate a financial profit sufficient to allow some or all of the benefits to be obtained.

Deferred tax assets and liabilities are calculated over tax rates (tax regulations) that are expected to be valid in the period when the assets will be realized, or the liabilities will be fulfilled and that have been enacted or substantially enacted as of the balance sheet date. During the calculation of deferred tax assets and liabilities, the tax results of the methods estimated by the Group to recover the book value of its assets or fulfill its liabilities as of the balance sheet date are taken into account.

Deferred tax assets and liabilities are deducted if there is a legal right to set off current tax assets and current tax liabilities, or if such assets and liabilities are associated with income tax collected by the same tax authority, or if the Group intends to settle current tax assets and liabilities on a net basis.

Corporate tax and deferred tax for the period are recognized as expense or income in the income statement, excluding those associated with items credited or debited directly in equity (in which case deferred tax is also recognized directly in equity) or arising from the initial recognition of business combinations. In business combinations, the tax effect is taken into account when calculating goodwill or determining the portion of the purchaser's share in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary exceeding the acquisition cost.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Employee benefits

Defined benefit plan:

In accordance with the current labor law in Turkey, the Group is obliged to pay a certain amount of severance pay to the personnel who quit their job due to retirement after serving at least one year or who are dismissed for reasons other than resignation and misbehavior.

The group uses the "projection" in the attached place according to the table, and the goals of benefiting from the government agencies and calculated from the past, from the references that have passed the evaluation of the personal service uses and evaluations of the people who use it.

Defined contribution plan

The Group pays compulsory social security premiums to the Social Security Institution in Turkey. The Group has no other obligations as long as it pays these premiums. These premiums are reflected in personnel expenses in the period they are accrued.

Unused leave liability

The Turkish Labor Law requires companies to pay their employees who have completed one year of service, and to meet their unused leave rights in case the employees' relationship with the company is terminated. The unused leave entitlement liability includes an estimated maximum wage applied to employees' unused leave.

Business combinations

Business combinations are accounted for using the purchase method within the scope of TFRS 3. The acquirer (acquirer/acquirer) accounts for the identifiable assets, liabilities and contingent liabilities of the acquiree (acquired/acquired) at their fair values at the date of acquisition (merger). Goodwill arising from business combinations is not amortized but is instead tested for impairment annually or more frequently when impairment is detected.

In a business combination realized in stages, the Group's previously held equity interest in the acquired business is remeasured to its fair value at the acquisition date (the date the Group takes control) and the resulting gain/loss, if any, is included in the profit/loss statement. Amounts arising from the share of the acquired business recognized in other comprehensive income before the acquisition date are transferred to profit/loss under the assumption that the said interests are disposed of.

Acquisitions from business interests under common control

Business combinations resulting from the transfer of shares of companies controlled by the stakeholder controlling the Group are accounted for as if they had occurred at the beginning of the earliest comparative period presented, if later, on the date of joint control. The acquired assets and liabilities are recorded at the book value previously recorded in the consolidated financial statements of the stakeholders under the control of the Group. Equity items of the acquired companies are added to the same items in the Group's equity, except for the capital, and the resulting profit or loss is recognized in equity.

NOTE 2 - BASIS OF PRESENTATION OF FINANCIAL STATEMENTS (Continued)

Significant accounting estimates and assumptions

In the preparation of the consolidated financial statements, the Group management is required to make assessments, assumptions and estimations that will affect the reported amounts of assets and liabilities, determine 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 consolidated income statement in the period they are realized.

The main assumptions made by considering the main sources of the existing or future estimates that may have a material impact on the amounts reflected in the consolidated financial statements are as follows:

Predictions:

Deferred tax

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from the differences between the tax base legal financial statements and the financial statements prepared in accordance with TFRS. These differences are generally due to the tax base amounts of some income and expense items and the different periods in the financial statements prepared in accordance with TFRS. The Group has deferred tax assets consisting of unused tax losses and other deductible temporary differences that can be deducted from future profits. The partially or wholly recoverable amount of deferred tax assets has been estimated under current conditions. During the evaluation, future profit projections, losses in current periods, expiry dates of unused losses and other tax assets, and tax planning strategies that can be used when necessary are taken into consideration. As a result of the studies, the Group has recognized the deferred tax assets of its subsidiaries due to the belief that the deferred tax can be recovered

Economic life

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

Provision for severance pay

Provision for severance pay, has been discounted to its value at the balance sheet date considering the personnel turnover rate, previous years' experiences and expectations.

Lawsuits

While provisions are made for lawsuits, the probability of loss of the relevant lawsuits and the consequences to be incurred in case of loss are evaluated in line with the opinions of the Group's legal advisors, and the Group Management makes provision using the data in its possession.

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(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 3 – MERGERS OF BUSINESS

2024:

None.

2023:

None.

Effect of Mergers Including Enterprises or Business Under Common Control	30 September 2024	31 December 2023
Opening balance	**43.726.574**	**--**
Biyomek	--	41.109.465
Doğankent	--	2.617.109
	43.726.574	**43.726.574**

NOT 4 – CASH AND CASH EQUIVALENTS

	30 September 2024	31 December 2023
Cash on hand	1.387	3.243
Cash at Banks	159.844.854	199.941.775
- Demand deposits	29.924.478	13.854.787
- Term deposits (*)	129.255.002	186.086.988
- Blocked deposit	665.374	--
Other cash equivalents	--	18.646
	159.846.241	**199.963.664**

(*) The related term deposit balances consist of overnight accounts with interest rates of 41.00% and 42.30%. (As of December 31, 2023: Interest rates are 41.00% - 42.30%, and the average term is 8 days).

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

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 5 – RELATED PARTY EXPLANATIONS

a) Receivables/payables from related parties:

Other Receivables from Related Parties	**30 September 2024**	**31 December 2023**
Doğanlar Yatırım Holding A.Ş.	1.497.924	21.058.240
Landfill Enerji Sanayi Ticaret A.Ş.	143.983	203.796
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	47.236	68.336
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	13.835	15.029
Diğer	277.550	271.728
Total	**1.980.528**	**21.617.129**

Other Payables to Related Parties	**30 September 2024**	**31 December 2023**
Landfill Enerji Sanayi Ticaret A.Ş.	50.361.066	26.928.047
Doğanlar Yatırım Holding A.Ş.	17.495.818	26.697.400
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	9.923.535	15.545.006
Dha Grup Insaat Tarım Hayvancılık İth. İhr. San. ve Tic.A.Ş.	1.285.661	3.359.049
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	80.851	641.263
Other	-	738.960
Total	**79.146.931**	**73.909.725**

b) Goods and Services Purchases/Sales:

Purchases from Related Parties	**01.01-30.09.2024**	**01.01-30.09.2023**
Doğanlar Yatırım Holding A.Ş.	48.533.196	33.529.638
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	2.025.741	4.118.778
Landfill Enerji Sanayi Ticaret A.Ş.	14.638.823	3.031.422
	65.197.760	**40.679.838**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 5 – RELATED PARTY EXPLANATIONS (Continued)

Sales to Related Parties	**01.01-30.09.2024**	**01.01-30.09.2023**
Doğ-Yap İnşaat Tur. Enerji Üretim San. Ve Tic. A.Ş.	4.181,00	--
Doğanlar Yatırım Holding A.Ş.	804.664	802.829
Doğanlar Mobilya Grubu İmalat ve San. Tic. A.Ş.	191.763	210.338
Landfill Enerji Sanayi Ticaret A.Ş.	1.110.008	3.359.267
Doğu Star Elektrik Üretim A.Ş.-Mimsan	--	26.497
MDK Geri Dönüşüm	--	3.836
	2.110.616	**4.402.767**

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

	1 January-30 September 2024	**1 January-30 September 2023**
Remuneration and similar benefits paid to senior management	16.020.969	16.480.781
	16.020.969	**16.480.781**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 6 – FINANCIAL BORROWINGS

	30 September 2024	31 December 2023
Short term borrowings		
TL Bank borrowings	112.840.042	370.013.342
Other short-term financial liabilities	1.316.726.182	8.570.323
	1.429.566.224	**378.583.665**

	30 September 2024	31 December 2023
Short term portions of long term borrowings		
TL bank borrowings	25.405.801	320.165.599
USD bank borrowings	328.798.967	298.458.376
EUR bank borrowings	136.293.907	189.045.352
TL financial leasing	8.684.127	--
USD financial leasing	19.021.500	15.980.926
EUR financial leasing	8.104.433	27.851.206
	526.308.735	**851.501.459**

	30 September 2024	31 December 2023
Long term borrowings		
TL bank borrowings	67.644.552	657.084.885
USD bank borrowings	1.290.985.255	1.548.787.185
EUR bank borrowings	505.080.510	701.801.082
TL financial leasing	3.272.255	12.079.148
USD financial leasing	65.323.881	4.773.361
	1.932.306.453	**2.924.525.661**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOT 6 – FINANCIAL BORROWINGS (Continued)

Information on interest rates	**30 September 2024**	**31 December 2023**
TL bank borrowings	3,75 - 49,00	7,5 – 28,00
USD bank borrowings	7,00 - 13,30	8,36 – 14,41
EUR bank borrowings	5,00 - 6,50	3,50 – 6,50

The repayment schedule of bank loans is as follows:

	30 September 2024	**31 December 2023**
0-3 months	216.387.513	230.320.919
3-12 months	1.703.677.387	955.932.074
1-5 years	1.684.058.228	2.399.585.180
More than 5 years	179.652.090	508.087.973
	3.783.775.218	**4.093.926.146**

The repayment schedule of financial leasings is as follows:

	30 September 2024	**31 December 2023**
0-3 months	13.118.192	10.545.140
3-12 months	22.691.867	33.286.990
1-5 years	68.596.136	16.852.509
	104.406.195	**60.684.639**

CPMs given for financial liabilities are disclosed in Note 16.

NOTE 7 – TRADE RECEIVABLES AND PAYABLES

	30 September 2024	**31 December 2023**
Short term trade receivables		
Trade receivables	172.296.067	338.718.023
Cheques received and notes receivable	28.964.733	--
Doubtful trade receivables	11.392.516	12.970.421
	212.653.316	**351.688.444**
Provision for doubtful trade receivables (-)	(11.392.516)	(12.970.421)
Total trade receivables	**201.260.800**	**338.718.023**

The trade receivables of the Group consist of receivables of the facilities that fall under the Electricity Market Renewable Energy Sources Support Mechanism (RESSUM) after the agreements made with the municipalities, and the terms of these receivables vary between 7 and 30 days (2021: 7 and 30).

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

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 7 – TRADE RECEIVABLES AND PAYABLES (Continued)

Provision for doubtful trade receivables transaction table:

	30 September 2024	31 December 2023
Balance at the beginning of the period	12.970.421	826.775
Consolidation effect	(41.303)	--
Increase in provisions during the period/year	1.876.039	12.475.081
Monetary loss/gain	(3.412.641)	(331.435)
Total	**11.392.516**	**12.970.421**

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

Aging of trade receivables	30 September 2024	31 December 2023
Undue	189.868.284	325.747.602
Overdue	11.392.516	12.970.421
	201.260.800	**338.718.023**

	30 September 2024	31 December 2023
Short term trade payables		
Suppliers' current accounts	195.098.556	661.638.558
Notes payables	1.110.000	111.854.739
Other trade payables	70.301	--
Total short term trade payables	**196.278.857**	**773.493.297**

A portion of the group's trade payables consists of rental fees arising from contracts with municipalities, while the remaining part is made up of payments to suppliers, with an average maturity period of 60 days (2023: 60).

NOTE 8 – OTHER RECEIVABLES AND PAYABLES

Other receivables	30 September 2024	31 December 2023
Other receivables from related parties (Note: 5)	1.980.528	21.617.129
Deposits and guarantees given	1.311.474	1.622.993
Other	14.076.662	7.076.741
	17.368.664	**30.316.863**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 8 – OTHER RECEIVABLES AND PAYABLES (Continued)

Other short term payables	30 September 2024	31 December 2023
Other payables to related parties (Note: 5)	79.146.931	73.909.725
Taxes, duties and fees payable	5.006.325	4.051.130
Restructured tax obligations	11.394.174	6.090.332
Other payables	591.442	3.500.276
	96.138.872	**87.551.463**

NOTE 9 – INVENTORIES

	30 September 2024	31 December 2023
Raw material inventories (*)	166.926.493	182.381.126
Semi-finished goods	4.511.311	--
Other inventories (**)	194.706.127	259.992.935
	366.143.931	**442.374.061**

(*) Raw material inventories will be used for production at the facilities of Mersin, Ulubey, Biyomek, Doğustar, Nov Enerji, and İzmir Novtek.
(**) Other inventories are spare parts to be used for maintenance and repairs at all facilities.

NOTE 10 – PREPAID EXPENSES AND DEFERRED INCOME

Prepaid expenses	30 September 2024	31 December 2023
Advances given (*)	221.856.295	313.459.672
Prepaid expenses	29.574.501	19.032.611
	251.430.796	**332.492.283**

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

Short-term deferred income	30 September 2024	31 December 2023
Advances received	85.214.283	1.369.971
Salary promotions	25.568.652	4.728.900
	110.782.935	**6.098.871**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 11 – FIXED ASSETS/LIABILITIES AVAILABLE FOR SALE

As of September 30, 2024, it is not available (December 31, 2023: None)..

NOTE 12 – INVESTMENT PROPERTIES

	1 January 2024	Consolidation Effect	Disposals	30 September 2024
Çanakkale lands	19.381.867	--	--	19.381.867
Sivas lands	25.854.223	--	--	25.854.223
Net book value	**45.236.090**	**--**	**--**	**45.236.090**

	1 January 2023	Disposals	Valuation	31 December 2023
Çanakkale lands	23.841.170	(6.301.658)	1.842.355	19.381.867
Sivas lands	15.983.681	--	9.870.542	25.854.223
Net book value	**39.824.851**	**(6.301.658)**	**11.712.897**	**45.236.090**

The fair value of the group's investment properties has been determined by Lal Gayrimenkul Değerleme ve Müşavirlik A.Ş. ("LAL"), an independent valuation company. The fair value of the relevant properties was calculated in the valuation reports dated February 9, 2024, February 14, 2024, February 16, 2024, and February 20, 2024.

Information regarding guarantees, pledges, mortgages, and sureties is disclosed in Note 16.

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 13 – TANGIBLE FIXED ASSETS

	1 January 2024	Additions	Disposals	Transfers	Consolidation Effect (Serenti and MD Biyokütle)	30 September 2024
Costs						
Lands	7.485.227	--	--	--	--	7.485.227
Underground and Overland Plants	382.191.038	--	--	--	(58.838.129)	323.352.909
Buildings	784.303.224	798.306	--	--	(19.331.265)	765.770.265
Machinery, plant and devices	5.806.043.916	63.145.018	--	3.333.656	(135.122.125)	5.737.400.465
Vehicles	229.146.157	1.861.256	--	--	(25.461.143)	205.546.270
Fixtures	123.141.253	7.203.666	(30.526)	--	(8.864.031)	121.450.362
Construction in progress	115.279.706	421.966.581	--	(3.333.656)	(132.278.141)	401.634.490
	7.447.590.521	**494.974.827**	**(30.526)**	**--**	**(379.894.834)**	**7.562.639.988**
Underground and Overland Plants	16.744.003	16.501.050	--	--	(5.095.523)	28.149.530
Buildings	36.470.978	17.707.171	--	--	(1.372.700)	52.805.449
Machinery, plant and devices	984.062.097	339.246.082	--	--	(15.081.974)	1.308.226.205
Vehicles	83.689.225	28.904.965	--	--	(8.175.435)	104.418.755
Furnishings and fixtures	43.493.531	13.363.890	(11.023)	--	(1.676.992)	55.169.406
	1.164.459.834	**415.723.158**	**(11.023)**	**--**	**(31.402.624)**	**1.548.769.345**
Net book value	**6.283.130.687**					**6.013.870.643**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 13 – TANGIBLE ASSETS (Continued)

Of the ongoing investments, 54.043.202 TL is allocated to Mersin, 75.529.273 TL to İzmir Novtek, 49.213.631 TL to Doğustar, 107.695.125 TL to İzmir Doğustar, and the remaining balance is attributed to Biyomek, Nov Enerji, Novtek, Ulubey, Uşak, İzmir Doğustar, Maven Tarım, and Ayvacık. The investments are planned to be completed within 2024.

	1 January 2023	Additions	Disposals	Transfers	31 December 2023
Cost					
Lands	212.881	7.272.346	--	--	7.485.227
Underground and Overland Plants	162.125.555	137.717.695	--	82.347.788	382.191.038
Buildings	280.882.556	40.039.215	--	463.381.453	784.303.224
Machinery, plant and devices	3.909.456.632	199.724.841	(1.015.797)	1.697.878.240	5.806.043.916
Vehicles	176.376.857	57.173.550	(7.716.740)	3.312.490	229.146.157
Fixtures	107.755.031	15.214.569	(7.680.596)	7.852.249	123.141.253
Construction in progress	1.415.672.843	969.136.806	(14.757.723)	(2.254.772.220)	115.279.706
	6.052.482.355	**1.426.279.022**	**(31.170.856)**	**--**	**7.447.590.521**
Accumulated depreciation					
Underground and Overland Plants	3.667.591	13.076.412	--	--	16.744.003
Buildings	17.773.300	18.697.678	--	--	36.470.978
Machinery, plant and devices	580.921.795	403.318.066	(177.764)	--	984.062.097
Vehicles	52.177.520	37.161.426	(5.649.721)	--	83.689.225
Fixtures	29.020.391	17.016.255	(2.543.115)	--	43.493.531
	683.560.597	**489.269.837**	**(8.370.600)**	**--**	**1.164.459.834**
Net book value	**5.368.921.758**				**6.283.130.687**

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

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 14 – INTANGIBLE ASSETS

	1 January 2024	Additions	Disposals	Disposals from consolidation	30 September 2024
Costs					
Rights	19.301.599	52.358.316	--	--	71.659.915
Licenses	566.802.239	21.238	--	(125.467)	566.698.010
	586.103.838	**52.379.554**	**--**	**(125.467)**	**638.357.925**
Accumulated Depreciation					
Rights	8.429.535	7.797.834	--	--	16.227.369
Licenses	241.390.866	14.181.994	--	(119.337)	255.453.523
	249.820.401	**21.979.828**	**--**	**(119.337)**	**271.680.892**
Net book value	**336.283.437**				**366.677.033**

	1 January 2023	Additions	Disposals	Transfers	31 December 2023
Costs					
Rights	16.116.785	3.895.793	(710.979)	--	19.301.599
Licenses	564.844.047	1.958.192	--	--	566.802.239
	580.960.832	**5.853.985**	**(710.979)**	**--**	**586.103.838**
Accumulated Depreciation					
Rights	6.957.095	2.183.414	(710.974)	--	8.429.535
Licenses	207.832.280	33.558.586	--	--	241.390.866
	214.789.375	**35.742.000**	**(710.974)**	**--**	**249.820.401**
Net book value	**366.171.457**				**336.283.437**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 15 – GOODWILL

	30.09.2024	31.12.2023
Goodwill	52.570.653	52.570.653
	52.570.653	**52.570.653**

Boğazköy Energy Electricity Production Trade Ltd. Şti, Doğu Star Electricity Production A.Ş., Novtek Energy Electricity Production A.Ş., and Nov Energy Electricity Production A.Ş. ("Acquired") were purchased by Biotrend Environment and Energy Investments A.Ş. ("Acquirer") as of October 17, 2017. Following this transaction, an independent institution prepared a valuation report to determine the values of intangible assets ("Relevant Assets") that have been indirectly transferred to the Acquirer. Prior to this acquisition, all shares of the acquired were held by Maven Energy ("Seller").

Fair value calculations for tangible fixed assets (land, buildings, and other tangible fixed assets) were conducted by Eva Real Estate Valuation Consultancy A.Ş., which is listed in the Authorized Institutions List of the Capital Markets Board of Turkey.

The purpose of the Purchase Price Allocation (PPA) Study is to assist the Board of Directors of Biotrend Environment and Energy Investments A.Ş. in distributing the purchase price based on the fair value of the acquired assets for Turkish Commercial Code (TCC) reporting purposes.

Calculations were made in accordance with the following Turkish Financial Reporting Standards (TFRS) guidelines and regulations:
Turkish Financial Reporting Standard No.3 and 3R, Mergers
Turkish Accounting Standards No. 36, Impairment of Assets
Turkish Accounting Standards No.38, Intangible Assets

For the purposes of TFRS reporting standards, Fair Value of an asset or liability is the value at which that asset or liability can be exchanged between two willing parties and for which it can be settled in full under reasonable market conditions.

Some of the calculations are as follows:

- The valuation transaction (PPA) was made on the balance sheet dated 30 September 2017 provided by the Company Management.
- All studies in this calculation (due to data quality and accessibility) were made on 30 September 2017. Although the transaction date is 17 October 2017, 30 September 2017 has been determined as the technical valuation date. It has been concluded that between 17 October 2017 and 30 September 2017, there were no significant events that would affect the value of the Companies
- The goodwill amount arising from the acquisition is calculated as the difference between the fair values of the assets subject to the valuation reports, the total payment amount foreseen for the sale and the total equity of the acquired company as of 30 September 2017.

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 15 – GOODWILL (Continued)

Biotrend Environment and Energy Investments A.Ş. and its subsidiaries have received services from independent valuation firms for determining the fair values of tangible and intangible fixed assets. In accordance with TFRS 3, the identified assets, liabilities, and contingent liabilities were recorded at fair value on the acquisition date.

The group will conduct impairment tests annually or more frequently if any indicators of impairment are identified. The recoverable amount is determined using the value in use calculation. Primary estimates such as the discount rate, growth rate, selling prices, and direct selling expenses for the calculation period are considered in the value in use assessments. The discount rate reflects the prevailing market conditions affecting the time value of money and the specific risks related to the asset in question. The group uses the Weighted Average Cost of Capital (WACC) as the discount rate. The growth rate is calculated based on the sector's growth rate. Selling prices and direct costs are determined through past experiences and future projections.

NOTE 16 – PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

Other Short Term Provisions

Other Short Term Provisions	**30 September 2024**	**31 December 2023**
Provisions for lawsuit risks	10.360.585	11.408.383
	10.360.585	**11.408.383**

Short-Term Provisions for Employee Benefits	**30 September 2024**	**31 December 2023**
Provision for unused vacation	10.491.759	9.832.788
	10.491.759	**9.832.788**

Controversy and litigation

Lawsuits and enforcement proceedings filed by the Group

The amount of the lawsuit filed by the group is 5,760,529 TL (December 31, 2023: 9,556,503 TL).

Lawsuits filed and continuing against the company

The amount of the lawsuit filed against the group is 96,088,879 TL (December 31, 2023: 82,746,138 TL).

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

Guarantees and warranties given/received:

The Group's collateral/mortgage/pledge (CPM) position is as follows:

Given CPMs by the Group	**30 September 2024**	**31 December 2023**
A. Total Amount of CPMs Given on behalf of His Own Legal Entity	13.521.094.847	19.810.374.959
B. Total Amount of CPMs Given in Favor of Partnerships Included in the Scope of Full Consolidation	--	--
C. Total Amount of CPM's Given by Other 3rd Parties regarding Ordinary Commercial Activities	--	--
D. Total Amount of Other GPMs Given	254.250.000	345.424.050
i. Total Amount of CPM's Given in Favor of the Parent Partner	254.250.000	345.424.050
ii. Total Amount of GPMs Given in Favor of Other Group Companies that are not in the Scope of B and C	--	--
iii. Total Amount of CPMs Given to Third Parties Not Covered by Article C	--	--
Total	**13.775.344.847**	**20.155.799.009**

The ratio of other TRIs provided by the Group to the Group's equity is 28% as of September 30, 2024 (December 31, 2023: 30%).

Type	**To**	**30 September 2024**	**31 December 2023**
Pledge of Shares	To banks	957.995.564	499.098.644
Pleadings of Mercantile Business	To banks	2.749.523.163	3.539.880.994
Receivables Assignment	To banks	3.891.912.846	8.271.047.232
Letter of Guarantee	To suppliers	62.896.966	85.685.505
Letter of Guarantee	To municipalities	87.900.217	94.597.879
Mortgage	To banks	140.000.000	190.204.000
Guarantee	To banks	5.885.116.091	7.475.284.755
Total		**13.775.344.847**	**20.155.799.009**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

For the loans taken by Maven Tarım, Doğanlar Yatırım Holding A.Ş., Biotrend, and Dha Grup İnşaat Tarım Hayvancılık Lojistik İth. İhr. San. ve Tic. A.Ş. provide guarantees.

The loans are secured by bank blockages, operational pledges, share pledges, and assignments of receivables on real estate. Additionally, the guarantees extend to the Doğan family, individual partners, Doğanlar Yatırım Holding A.Ş., and all subsidiaries.

As of 2021, Doğanlar Yatırım Holding A.Ş., the main partner of the Group, has a receivable pledge of 254,250,000 TL on the EPİAŞ receivables of its subsidiary Novtek Enerji Elektrik Üretim A.Ş. for loans obtained from Halkbank.

As of September 30, 2024, operational pledges and mortgages are placed on the Group's tangible fixed assets (December 31, 2023: Operational pledges and mortgages).

All shares of Nov Enerji, Novtek Enerji, Doğustar, İzmir Doğustar, and Mersin Elektrik are pledged to TSKB, while all shares of Biyomek are pledged to Halkbank, and all shares of Uşak and İzmir Novtek are pledged to Denizbank. Additionally, 37,555,925.85 TL of Biotrend's shares are pledged to TSKB, and 30,089,842.17 TL are pledged to the European Bank for Reconstruction and Development.

The guarantees received from the company's customers are as follows:

Type	**30 September 2024**	**31 December 2023**
Guarantee letter	552.997.022	405.539.991
Guarantee bond	10.450.045	9.405.382
Guarantee check	213.165.836	149.000.939
Total	**776.612.903**	**563.946.312**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOT 17 – EMPLOYEE BENEFITS

Short Term	30 September 2024	31 December 2023
Tax payables	2.661.739	5.161.760
Wages payables to staff	24.800.560	20.063.437
Social security premiums payable	11.574.515	17.497.279
	39.036.814	**42.722.476**

Benefits provided to long-term employees (Provision for severance pay)

According to the provisions of the applicable Labor Law, the company is obligated to pay the statutory severance pay to employees whose employment contracts have been terminated in a manner that entitles them to severance pay. Additionally, under the currently applicable Social Insurance and General Health Insurance Law No. 5510, the company also has an obligation to pay statutory severance pay to those who have the right to resign by receiving severance pay.

As of September 30, 2024, the payable severance pay is calculated at 41,828.42 TL (December 31, 2023: 35,058.28 TL) based on the ceiling limit. The severance pay obligation is not subject to any legal funding requirements.

The severance pay obligation is calculated based on the present value estimate of the Group's future potential liabilities arising from employee retirements. According to TAS 19, "Employee Benefits," the company’s obligations are developed using actuarial valuation methods within defined benefit plans. Accordingly, the actuarial assumptions used in calculating the total obligations are as follows:

	30 September 2024	31 December 2023
Annual discount rate (%)	3,25%	3,25%
Probability of retirement (%)	100,00%	100,00%

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

Severance Pay	30 September 2024	31 December 2023
Balance at the beginning of the period	14.693.966	12.373.936
Payments	(13.994.525)	(5.734.131)
Interest cost	2.643.180	214.064
Current service cost	5.752.879	7.669.467
Actuarial (gain) /loss	15.723.817	5.213.615
Consolidation effect	(218.170)	0
Monetary (gain)/loss	(4.261.708)	(5.042.985)
	20.339.439	**14.693.966**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 18 – OTHER ASSETS AND LIABILITIES

Other Assets	30 September 2024	31 December 2023
Carryforward VAT	80.471.072	171.942.019
Income accrual	31.004.103	33.830.799
Business advances	1.216.249	784.470
Others	3.281.429	2.514.248
Total	**115.972.853**	**209.071.536**

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS

The Group's capital is 500,000,000 TL, divided into 500,000,000 registered shares, each with a nominal value of 1 TL and one voting right (December 31, 2023: 500,000,000 shares). The application for increasing the Group's paid-in capital from 150,000,000 TL to 500,000,000 TL was approved by the Capital Markets Board with decision number 59/1641 dated November 11, 2021, and came into effect after being published in the Turkish Trade Registry Gazette on November 24, 2021, issue number 10458.

The Group started trading on Borsa İstanbul on April 28, 2021. As of September 30, 2024, the company's free float ratio is 37.59% (December 31, 2023: 37.75%).

	30 September 2024		31 December 2023	
	Rate	**Amount**	**Rate**	**Amount**
Doğanlar Yatırım Holding A.Ş.	54,49%	272.440.421	54,49%	272.440.421
European Bank for Reconstruction And Development	5,91%	29.574.693	5,91%	29.574.693
Other	39,60%	197.984.886	39,60%	197.984.886
	100%	**500.000.000**	**100%**	**500.000.000**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

Profit Distribution

Partnerships distribute their profits in accordance with the profit distribution policies determined by their general assemblies and in compliance with relevant legal provisions, through a decision made by the general assembly.

The Group has not made any dividend payments in 2024 (December 31, 2023: None).

Profit/Loss On Previous Years

The Group has retained earnings of 2,510,440,440 TL (December 31, 2023: 1,296,032,299 TL).

Defined Benefit Plans Remeasurement Gains (Losses)

The group has remeasurement losses of 17,703,000 TL for defined benefit plans (December 31, 2023: 6,331,324 TL).

The actuarial loss/gain fund for severance pay will not be reclassified in profit or loss.

Hedging Gains/Losses

The group has hedging losses of (1,415,550,491) TL (December 31, 2023: (1,319,567,908) TL).

Premiums on Shares (Discounts)

	30 September 2024	**31 December 2023**
Premiums on shares / (discounts)	202.722.882	202.722.882
Expenses of public offering transactions	(59.488.596)	(59.488.596)
	143.234.286	**143.234.286**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 19 - CAPITAL, RESERVES AND OTHER EQUITY ITEMS (Continued)

Non-controlling interests

	30 September 2024	31 December 2023
Beginning of the term	16.431.234	13.726.508
Net profit/loss for the period	(3.918.120)	2.704.726
	12.513.114	**16.431.234**

NOTE 20 – REVENUE AND COST OF SALES

Sales	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Electricity generation and wholesale revenue	1.960.643.406	2.262.310.350	581.226.621	838.620.762
Carbon emission certification right sales revenue (*)	--	85.567.056	--	13.522.505
Decomposition revenues	13.597.885	30.034.155	6.336.973	8.405.376
Waste disposal revenues	11.256.790	11.277.115	3.338.830	1.057.604
Other	22.186.813	117.296.996	11.163.268	46.342.691
Discounts and discounts from sales	(64.588.273)	(175.730.527)	(17.935.281)	(40.220.547)
	1.943.096.621	**2.330.755.145**	**584.130.411**	**867.728.391**

(*) Organic waste and biomass facilities generate electricity from renewable energy sources and obtain carbon emission certificate rights as they do not produce greenhouse gas emissions. The related revenues come from the sale of the obtained certificate rights.

Cost of sales	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Cost of sales	(1.845.800.422)	(2.044.572.018)	(581.122.550)	(843.667.756)
	(1.845.800.422)	**(2.044.572.018)**	**(581.122.550)**	**(843.667.756)**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 20 – REVENUE AND COST OF SALES (Continued)

	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Rental expenses (*)	384.586.487	669.958.106	49.205.152	217.412.639
Personnel expenses	319.762.973	304.017.008	94.677.727	124.010.917
Depreciation and amortization expenses	354.359.016	339.945.900	141.681.758	172.275.396
Costs of Burned Product	351.121.635	189.504.167	150.426.039	65.385.358
Fuel expenses	95.141.724	116.843.169	25.852.595	56.925.369
System usage fee	88.056.889	106.814.354	28.979.966	49.656.791
Costs of Transport	66.888.921	88.138.950	27.564.821	44.157.179
Material expenses	43.100.167	61.594.191	14.438.906	42.364.964
Maintenance and repair expenses	32.419.661	45.789.140	11.131.527	20.577.487
Electricity expenses	29.619.810	36.310.960	9.789.883	15.247.419
Security service expenses	25.981.146	25.093.266	7.762.407	10.385.344
Insurance expenses	17.137.386	13.496.933	5.072.408	7.049.415
Vehicle Expenses.	12.287.658	5.616.831	3.713.650	2.501.184
Consulting expenses	6.679.644	14.780.886	453.866	3.970.557
Other	18.657.305	26.668.157	10.371.845	11.747.737
	1.845.800.422	**2.044.572.018**	**581.122.550**	**843.667.756**

(*) Lease expenses consist of lease payments that are excluded from the scope of TFRS 16 "Leases" due to having variable lease liabilities.

NOTE 21 - OPERATING EXPENSES

General administrative expenses	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Depreciation expenses	155.111.916	82.455.057	27.217.288	2.350.229
Personnel expenses	122.169.281	94.024.424	37.465.871	1.399.849
Consulting expenses	51.565.753	26.537.344	15.031.173	590.855
Vehicle expenses	13.906.899	6.082.222	2.395.687	159.349
Travel expenses	9.549.166	11.069.584	2.424.897	146.873
Representation and hosting expenses	8.601.552	1.116.697	2.382.211	98.559
Taxes and duties	4.797.938	2.473.893	2.558.306	54.976
Communication expenses	751.849	1.967.699	256.321	8.615
Other	13.806.478	22.270.362	10.911.184	314.724
	380.260.832	**247.997.282**	**100.642.938**	**5.124.029**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 21 - OPERATING EXPENSES (Continued)

Marketing expenses	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Advertising and marketing expenses	3.419.376	1.952.347	880.014	228.545
Consulting expenses	1.727.372	164.822	1.314.333	19.294
Other	227.741	33.664	73.230	3.942
	5.374.489	**2.150.833**	**2.267.577**	**251.781**

NOTE 22 – EXPENSES ACCORDING TO THEIR QUALITIES

Personnel expenses	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Cost of sales	319.762.973	304.017.008	94.677.727	124.010.917
General administrative expenses	122.169.281	94.024.424	37.465.871	1.399.849
	441.932.254	**398.041.432**	**132.143.598**	**125.410.766**

Depreciation expenses.	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Cost of sales	354.359.016	339.945.900	141.681.758	172.275.396
General administrative expenses	155.111.916	82.455.057	27.217.288	2.350.229
	509.470.932	**422.400.957**	**168.899.046**	**174.625.625**

NOTE 23 - OTHER OPERATING INCOME/EXPENSES

Income from operating operations	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Foreign exchange income	57.642.024	382.629.894	14.910.944	69.551.353
Commission income	--	10.526.975	--	--
Provisions for lawsuits no longer relevant	125.261	6.620.883	(11.499)	--
Other	68.609.003	72.018.047	46.799.091	(655.849)
	126.376.288	**471.795.799**	**61.698.536**	**68.895.504**

Expenses from operating operations	01.01-30.09.2024	01.01-30.09.2023	01.07-30.09.2024	01.07-30.09.2023
Provisions for lawsuits	(2.088.706)	(2.056.531)	65.891	(579.581)
Foreign exchange expenses	(48.276.047)	(119.200.482)	(4.573.848)	(61.553.409)
Provision for doubtful receivables	(1.876.039)	--	(1.772.197)	--
Other	(49.703.665)	(7.063.615)	(40.700.543)	4.504.886
	(101.944.457)	**(128.320.628)**	**(46.980.697)**	**(57.628.104)**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 24 – INCOME / EXPENSES FROM INVESTMENT ACTIVITIES

Income from investment activities	**01.01-30.09.2024**	**01.01-30.09.2023**	**01.07-30.09.2024**	**01.07-30.09.2023**
Profit on sale of fixed asset	--	938.535	--	--
Gains from the sale of shares.	237.406.383	--	89.162.746	--
	237.406.383	**938.535**	**89.162.746**	**--**

Expenses from investment activities	**01.01-30.09.2024**	**01.01-30.09.2023**	**01.07-30.09.2024**	**01.07-30.09.2023**
Loss on sale of fixed asset	19.503	9.518.268	18.347	874
Loss on sale of investments	556.590	--	556.590	--
	576.093	**9.518.268**	**574.937**	**874**

NOTE 25 - FINANCIAL INCOME AND EXPENSES

Financial Income	**01.01-30.09.2024**	**01.01-30.09.2023**	**01.07-30.09.2024**	**01.07-30.09.2023**
Foreign exchange gains	27.065.236	129.968.234	1.053.121	62.222.841
Interest income	15.858.809	40.221.792	7.267.875	8.421.582
Forward income accrual	--	1.631.755	--	(28.187.207)
	42.924.045	**171.821.781**	**8.320.996**	**42.457.216**

Financial Expenses	**01.01-30.09.2024**	**01.01-30.09.2023**	**01.07-30.09.2024**	**01.07-30.09.2023**
Foreign exchange losses	(357.620.597)	(426.156.049)	(138.427.643)	(63.002.038)
Interest expenses	(365.536.717)	(265.305.353)	(111.735.719)	(139.495.668)
Bank and letter of guarantee commissions	(11.091.113)	(12.437.221)	(5.657.681)	(2.360.781)
Subscription expenses.	(125.622)	(10.929.289)	5.592.822	(2.168.165)
Interest expenses related to lease liabilities	(14.632.812)	(12.864.937)	(2.944.404)	(5.379.923)
Other	(529.781)	--	3.062.405	--
	(749.536.642)	**(727.692.849)**	**(250.110.220)**	**(212.406.575)**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 26 – RENTAL TRANSACTIONS

Right of Use Assets

	1.01.2024	Additions	Disposals	Consolidation Effect	30.09.2024
Electricity Generation Facility	149.138.058	114.719.328	(13.168.763)	(10.158.638)	240.529.984
Vehicles	85.122.942	26.628.086	--	(9.202.601)	102.548.427
Buildings	28.099.687	22.735.463	(25.882.880)	--	24.952.271
	262.360.687	**164.082.877**	**(39.051.643)**	**(19.361.239)**	**368.030.682**

Minus: Accumulated depreciation

	1.01.2024	Additions	Disposals	Consolidation Effect	30.09.2024
Electricity Generation Facility	(27.033.016)	(49.777.640)	1.944.952	554.806	(74.310.898)
Vehicles	(57.559.948)	(15.886.650)	--	576.751	(72.869.847)
Buildings	(18.827.007)	(6.114.679)	5.607.957	--	(19.333.730)
	(103.419.971)	**(71.778.969)**	**7.552.909**	**1.131.557**	**(166.514.474)**
Net book value	**158.940.716**	**92.303.908**	**(31.498.734)**	**(18.229.682)**	**201.516.208**

Right of Use Assets

	1.01.2023	Additions	Disposals	31.12.2023
Electricity Generation Facility	120.080.890	29.057.169	--	149.138.058
Vehicles	13.312.193	75.811.743	(4.000.995)	85.122.941
Buildings	28.095.690	4.503.577	(4.499.580)	28.099.687
	161.488.773	**109.372.489**	**(8.500.575)**	**262.360.687**

Minus: Accumulated depreciation

	1.01.2023	Additions	Disposals	31.12.2023
Electricity Generation Facility	(16.402.858)	(10.630.158)	--	(27.033.016)
Vehicles	(6.546.862)	(55.014.080)	4.000.995	(57.559.948)
Buildings	(12.420.909)	(10.174.074)	3.767.974	(18.827.008)
	(35.370.629)	**(75.818.312)**	**7.768.969**	**(103.419.971)**
Net book value	**126.118.144**	**33.554.177**	**(731.606)**	**158.940.716**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 26 – RENTAL TRANSACTIONS (Continued)

Liabilities Arising from Leasing Transactions	**30.09.2024**	**31.12.2023**
Short Term Lease Obligation	36.197.330	17.872.276
Long Term Lease Obligation	50.105.724	66.897.929
	86.303.054	**84.770.205**

NOTE 27 – INCOME TAXES (TAX ASSETS AND LIABILITIES)

Corporation tax

Necessary provisions have been made in the accompanying consolidated financial statements for the estimated tax liabilities of the Group regarding the current period operating results.

The corporate tax rate to be accrued on taxable corporate income is over the remaining tax base after adding the non-deductible expenses from the tax base in the determination of the commercial income and deducting the tax-exempt gains, non-taxable incomes and other deductions (if any, previous year losses and investment allowances used if preferred) is calculated.

In Turkey, temporary tax is calculated and accrued on a quarterly basis. For the taxation of corporate income in 2024, the temporary tax rate to be applied on corporate profits is 25% (2023: 25%). Losses can be carried forward for a maximum of 5 years to offset future taxable profits, but they cannot be deducted retroactively from profits of previous years.

In Turkey, there is no practice of reaching an agreement with the tax authority regarding payable taxes. Corporate tax returns must be submitted to the relevant tax office by the evening of the last day of the fourth month following the end of the accounting period. Additionally, tax authorities can review accounting records within five years, and if errors are found, the amounts of taxes payable may change.

In addition to corporate tax, if dividends are distributed, withholding tax must be calculated on dividends, excluding those received by fully taxable entities and foreign companies’ branches in Turkey that include these dividends in their corporate income. According to the Presidential Decree No. 4936 published in the Official Gazette on December 22, 2021, a withholding tax rate of 10% has been applied since that date.

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

Current tax liability	**30 September 2024**	**31 December 2023**
Corporation tax	1.281.771	1.189.874
Prepaid tax and fund amount	--	(713.415)
Corporate tax payable	**1.281.771**	**476.459**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

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

Tax expenses/(income)	**1 January- 30 September 2024**	**1 January- 30 September 2023**
Current corporate tax	(1.281.771)	--
Deferred tax (income) / expenses	(55.531.533)	(480.543.376)
	(56.813.304)	**(480.543.376)**

Current tax assets consist of prepaid taxes and funds, with a balance of 5,437,496 TL as of September 30, 2024 (December 31, 2023: 3,864,299 TL).

Deferred tax

The group recognizes deferred tax assets and liabilities for temporary timing differences arising from discrepancies between legal financial statements for tax purposes and financial statements prepared in accordance with TMS/TFRS. These differences generally arise from certain income and expense items being recognized in different periods in the tax financial statements compared to those prepared under TMS/TFRS, as detailed below.

The tax rate used in the calculation of deferred tax assets and liabilities is 25% (2023: 25%).

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

	30 September 2024	**31 December 2023**
Available tax losses	546.734.424	354.724.329
Adjustments related to provisions for lawsuits	2.590.146	2.852.096
Adjustments related to financial debts	21.549	5.839.957
Adjustments related to severance pay provisions	5.098.840	3.673.491
Adjustments related to leave provisions	2.633.309	2.458.197
Valuation of investment properties	(10.445.655)	(9.592.607)
Adjustments related to leasing transactions	(30.235.459)	(18.542.627)
Adjustments related to prepaid expenses	(4.997.740)	(8.336.075)
Adjustments for tangible/intangible assets	(296.470.653)	(82.688.725)
Adjustments related to accounts receivable	2.644.148	3.023.119
Adjustments related to income accruals	(5.316.397)	(8.457.700)
Other	1.207.301	(650.148)
	213.463.813	**244.303.307**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

Transaction table:	30 September 2024	31 December 2023
As of January 1	244.303.307	(67.308.492)
Deferred tax expense/(income) recognized in the income statement	(55.531.533)	31.100.949
Exit from consolidation	(11.175.064)	--
Reflected in equity	35.867.103	280.510.850
	213.463.813	**244.303.307**

NOTE 28 – EARNINGS/ (LOSS) PER SHARE

	01.01-30.09.2024	01.01-30.09.2023
Average number (full value) of shares available during the period	500.000.000	500.000.000
Net profit / (loss) for the parent company Shareholders	224.564.609	678.994.016
Earning per share/(loss)	**0,449**	**1,358**

NOTE 29 – ANALYSIS OF OTHER COMPREHENSIVE INCOME ELEMENTS

Other Comprehensive Income	01.01-30.09.2024	01.01-30.09.2023
Not to be reclassified in profit or loss	**(11.618.728)**	**(3.294.454)**
- Remeasurement Gains/Losses of Defined Benefit Plans	(15.491.637)	(4.392.605)
- Defined Benefit Plans Remeasurement Gains/Losses Deferred Tax Expenses/Income	3.872.909	1.098.151
To be reclassified in profit or loss	**(95.982.583)**	**(704.123.855)**
-Hedging gains/losses	(127.976.777)	(964.593.438)
-Hedging gains/losses deferred tax	31.994.194	260.469.583

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

Financial risk management

The Group is exposed to various financial risks, including the effects of changes in debt and equity market prices, exchange rates and interest rates. The Group's wholesale risk management program focuses on the unpredictability of financial markets and aims to minimize potential adverse effects on the Group's financial performance.

Credit risk

Credit risk consists of cash and cash equivalents, deposits held with banks and customers exposed to credit risk including uncollectible receivables.

Holding financial instruments also carries the risk that the other party will not be able to fulfill the requirements of the agreement. The Group management covers these risks by limiting the average risk for the counterparty in each agreement and by taking collateral if necessary.

Credit risk consists of customers exposed to credit risk, including uncollectible receivables. Holding financial instruments also carries the risk that the other party will not be able to fulfill the requirements of the agreement. The Group management monitors the credibility of its customers by taking into account their financial positions (maturity risk, check risk). The Group has policies adopted for the sale of goods and services to its customers with certain credit limits. The Group constantly monitors the status of its financial assets in order to determine the losses arising from the collection problem.

The financial instruments that the Group is exposed to credit risk and their amounts are as follows;

	Trade Receivables		**Other Receivables**		**Bank**	**Other**
30 September 2024	**Other**	**Related**	**Other**	**Related**	**Deposits**	
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	**201.260.800**	**--**	**15.311.374**	**1.371.451**	**71.398.310**	**221.856.295**
The part of the maximum risk that is secured with collateral etc	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired (2)	201.260.800	--	15.311.374	1.371.451	71.398.310	221.856.295
B. Net book value of assets that are overdue but not impaired (3)	--	--	--	--	--	--
- Part secured by collateral, etc.	--	--	--	--	--	--
C. Net book values of impaired assets	--	--	--	--	--	--
- Overdue (gross book value)	11.392.516	--	--	--	--	--
- Impairment (-)	(11.392.516)	--	--	--	--	--
D. Elements involving off-balance sheet credit risk	--	--	--	--	--	--

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

(1) In determining the amounts, factors that increase credit reliability, such as guarantees received, are not taken into account.
(2) Trade receivables that are not overdue and not impaired consist of customer balances with which the Group currently has commercial relations and does not have any collection problems.
(3) It consists of the balances of customers with whom commercial relations are currently in progress, who do not have any collection problems, but who make their payments at regular intervals.

	Trade Receivables		Other Receivables		Bank	Other
31 December 2023	**Other**	**Related**	**Other**	**Related**	**Deposits**	
Maximum exposure to credit risk as of reporting date (A+B+C+D) (1)	**338.718.023**	**--**	**8.699.734**	**21.617.129**	**199.941.775**	**313.459.765**
The part of the maximum risk that is secured with collateral etc	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired (2)	338.718.023	--	8.699.734	21.617.129	199.941.775	313.459.765
B. Net book value of assets that are overdue but not impaired (3)	--	--	--	--	--	--
- Part secured by collateral, etc.	--	--	--	--	--	--
C. Net book values of impaired assets	--	--	--	--	--	--
- Overdue (gross book value)	12.970.421	--	--	--	--	--
- Impairment (-)	(12.970.421)	--	--	--	--	--
D. Elements involving off-balance sheet credit risk	--	--	--	--	--	--

(1) In determining the amounts, factors that increase credit reliability, such as guarantees received, are not taken into account.
(2) Trade receivables that are not overdue and not impaired consist of customer balances with which the Group currently has commercial relations and does not have any collection problems.
(3) It consists of the balances of customers with whom commercial relations are currently in progress, who do not have any collection problems, but who make their payments at regular intervals.

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

Liquidity Risk

Prudent liquidity risk management consists of providing sufficient cash and securities, enabling funding through adequate credit facilities, and the ability to close short positions. Due to the dynamic nature of the business environment, the Group aimed for flexibility in funding by keeping credit lines ready. The Group's bank loans are provided by various financially strong financial institutions.

The distribution of the Group's financial liabilities according to their maturities is as follows:

30 September 2024

Terms in accordance with the contract	**Book value**	Cash in accordance with the contract sum of outputs (=I+II+III+IV+V)	Less than 3 months (I)	Between 3-12 months (III)	Between 1-5 years (IV)	More than 5 years (V)
Non-Derivative Financial Obligations	4.303.919.653	4.437.605.543	675.218.749	1.734.316.530	1.768.929.130	259.141.134
Financial liabilities	3.754.495.522	3.888.181.412	229.505.705	1.726.369.253	1.752.654.364	179.652.090
Lease payables	106.140.946	106.140.946	2.429.859	7.947.277	16.274.766	79.489.044
Trade payables	374.781.578	374.781.578	374.781.578	--	--	--
Other payables	68.501.607	68.501.607	68.501.607	--	--	--

31 December 2023

Terms in accordance with the contract	**Book value**	Cash in accordance with the contract sum of outputs (=I+II+III+IV+V)	Less than 3 months (I)	Between 3-12 months (III)	Between 1-5 years (IV)	More than 5 years (V)
Non-Derivative Financial Obligations	4.682.745.931	5.029.286.119	1.042.271.458	996.149.014	2.441.146.277	549.719.370
Financial liabilities	3.814.385.194	4.154.610.785	240.866.059	989.219.064	2.416.437.689	508.087.973
Lease payables	77.828.281	84.142.878	10.872.943	6.929.950	24.708.588	41.631.397
Trade payables	710.150.677	710.150.677	710.150.677	--	--	--
Other payables	80.381.779	80.381.779	80.381.779	--	--	--

Market Risk

Market risk is the changes that will occur in interest rates, exchange rates and the value of other financial contracts and affect the Group negatively. Fluctuations in the related instruments cause changes in the income statement and shareholders' equity of the Group.

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(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

Currency Risk

The financial instruments of the Group in foreign currency are exposed to exchange rate risk due to exchange rate changes.

			Currency position table			
	30.09.2024	**TL equivalent (functional currency unit)**	**USD**	**EURO**	**GBP**	**CHF**
1.	Trade receivables	24.130.226	630.493	69.354		
2a.	Monetary financial assets (including cash, bank accounts)	158.480.249	2.342.636	2.066.977	823	--
2b.	Non monetary financial assets	--			--	--
3.	Other	--	--	--		
4.	**Current assets (1+2+3)**	**182.610.475**	**2.973.129**	**2.136.331**	**823**	**--**
5.	Trade receivables	--				
6a.	Monetary financial assets	--	--	--	--	--
6b.	Non monetary financial assets	--	--	--	--	--
7.	Other	--	--	--	--	--
8.	**Fixed assets (5+6+7)**	**--**	**--**	**--**	--	--
9.	**Total assets (4+8)**	**182.610.475**	**2.973.129**	**2.136.331**	**823**	**--**
10.	Trade payables	(53.106.126)	(214.805)	(1.200.504)	(1.032)	--
11.	Financial liabilities	(1.812.203.241)	(48.828.004)	(3.798.158)	--	--
12.a	Other monetary obligations	--	--	--	--	--
12b.	Other non-monetary obligations	--	--	--	--	--
13.	**Short-term liabilities (10+11+12)**	**(1.865.309.367)**	**(49.042.809)**	**(4.998.662)**	**(1.032)**	**--**
14.	Trade payables	--	--	--	--	--
15.	Financial liabilities	(1.864.742.546)	(39.786.129)	(13.285.299)	--	--
16a.	Other monetary obligations	--	--	--	--	--
16b.	Other non-monetary obligations	--	--	--	--	--
17.	**Long-term liabilities (14+15+16)**	**(1.864.742.546)**	**(39.786.129)**	**(13.285.299)**	**--**	**--**
18.	**Total liabilities (13+17)**	**(3.730.051.913)**	**(88.828.938)**	**(18.283.961)**	**(1.032)**	**--**
19.	Net asset / (liability) position of off-balance sheet foreign currency derivatives (19a-19b)	--	--	--		
19a.	Amount of active character off-balance sheet foreign currency derivatives	--	--	--		
19b.	Amount of passive character off-balance sheet foreign currency derivatives	--	--	--		
20.	**Net foreign currency asset/(liability) position(9+18+19)**	**(3.547.441.438)**	**(85.855.809)**	**(16.147.629)**	**(209)**	**--**
21.	**Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)**	**(3.547.441.438)**	**(85.855.809)**	**(16.147.629)**	**(209)**	**--**
22.	Total fair value of financial instruments used for foreign currency hedging	--	--	--		
23.	Amount of the hedged portion of foreign currency assets	--	--	--		
24.	Amount of the hedged portion of foreign currency liabilities	--	--	--		
25.	Export	**--**	**--**	**--**		
26.	Import	**--**	**--**	**--**		

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

		Exchange rate sensitivity analysis table			
		30 September 2024			
		Profit/Loss before tax		Equities	
		Increase in foreign currency	Decrease in foreign currency	Increase in foreign currency	Decrease in Foreign Currency
		Increase in foreign	Decrease in foreign	Increase in foreign	Decrease in Foreign
	If the USD exchange rate changes by 10%::				
1-	USD net asset / liability	(293.209.610)	293.209.610	(219.907.208)	219.907.208
2-	USD Dollar hedged portion (-)	--	--	--	--
3-	**USD net effect (1+2)**	**(293.209.610)**	**293.209.610**	**(219.907.208)**	**219.907.208**
	If the EURO exchange rate changes by 10%:				
4-	EUR net asset / liability	(61.500.668)	61.500.668	(46.125.501)	46.125.501
5-	EUR hedged portion (-)	--	--	--	--
6-	**EURO net effect (1+2)**	**(61.500.668)**	**61.500.668**	**(46.125.501)**	**46.125.501**
	If the GBP exchange rate changes by 10%:				
7-	GBP net asset / liability	(957)	957	(718)	718
8-	GBP hedged portion (-)	--	--	--	--
9-	**GBP net effect (1+2)**	**(957)**	**957**	**(718)**	**718**
	If the CHF exchange rate changes by 10%:				
10-	CHF net asset / liability	--	--	--	--
11-	CHF hedged portion (-)	--	--	--	--
12-	**CHF net effect (1+2)**	**--**	**--**	**--**	**--**
	Total (3+6+9+12)	**(354.711.235)**	**354.711.235**	**(266.033.427)**	**266.033.427**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

		Currency position table				
	31.12.2023	**TL equivalent (functional currency unit)**	**USD**	**EURO**	**GBP**	**CHF**
1.	Trade receivables	132.765	--	3.000	--	--
2a.	Monetary financial assets (including cash, bank accounts)	1.252.774	15.325	13.513	823	--
2b.	Non monteray financial assets	172.825.245	329.265	3.607.644	--	--
3.	Other	234.503	5.310	500	--	--
4.	**Current assets (1+2+3)**	**174.445.287**	**349.900**	**3.624.657**	**823**	**--**
5.	Trade receivables	--	--	--	--	--
6a.	Monetary financial assets	--	--	--	--	--
6b.	Non monteray financial assets	--	--	--	--	--
7.	Other	--	--	--	--	--
8.	**Fixed assets (5+6+7)**	**--**	**--**	**--**	**--**	**--**
9.	**Total assets (4+8)**	**174.445.287**	**349.900**	**3.624.657**	**823**	**--**
10.	Trade payables	(91.929.299)	(571.386)	(1.531.704)	(1.973)	(21.480)
11.	Financial liabilities	(523.925.294)	(7.663.272)	(4.891.898)	--	--
12.a	Other monetary obligations	(2.395.579)	--	(54.034)	--	--
12b.	Other non-monetary obligations	--	--	--	--	--
13.	**Short-term liabilities (10+11+12)**	**(618.250.172)**	**(8.234.658)**	**(6.477.636)**	**(1.973)**	**(21.480)**
14.	Trade payables	--	--	--	--	--
15.	Financial liabilities	(2.255.361.628)	(38.654.951)	(15.937.256)	--	--
16a.	Other monetary obligations	--	--	--	--	--
16b.	Other non-monetary obligations	--	--	--	--	--
17.	**Long-term liabilities (14+15+16)**	**(2.255.361.628)**	**(38.654.951)**	**(15.937.256)**	**--**	**--**
18.	**Total liabilities (13+17)**	**(2.873.611.800)**	**(46.889.609)**	**(22.414.892)**	**(1.973)**	**(21.480)**
19.	Net asset / (liability) position of off-balance sheet foreign currency derivatives (19a-19b)	--	--	--	--	--
19a.	Amount of active character off-balance sheet foreign currency derivatives	--	--	--	--	--
19b.	Amount of passive character off-balance sheet foreign currency derivatives	--	--	--	--	--
20.	**Net foreign currency asset/(liability) position(9+18+19)**	**(2.699.166.513)**	**(46.539.709)**	**(18.790.235)**	**(1.150)**	**(21.480)**
21.	**Monetary items net foreign currency asset / (liability) position (=1+2a+5+6a-10-11-12a-14-15-16a)**	**(2.871.991.758)**	**(46.868.974)**	**(22.397.879)**	**(1.150)**	**(21.480)**
22.	Total fair value of financial instruments used for foreign currency hedging	--	--	--	--	--
23.	Amount of the hedged portion of foreign currency assets	--	--	--	--	--
24.	Amount of the hedged portion of foreign currency liabilities	--	--	--	--	--
25.	**Exports**	--	--	--	--	--
26.	**Imports**	--	--	--	--	--

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

		Exchange rate sensitivity analysis table			
		31 December 2023			
		Profit/Loss before tax		Equities	
		Increase in foreign currency rate	Decrease in foreign currency rate	Increase in foreign currency rate	Decrease in Foreign Currency Rate
	If the USD exchange rate changes by 10%::				
1-	USD net asset / liability	(186.134.816)	186.134.816	(139.601.112)	139.601.112
2-	USD Dollar hedged portion (-)	--	--	--	--
3-	**USD net effect (1+2)**	**(186.134.816)**	**186.134.816**	**(139.601.112)**	**139.601.112**
	If the EURO exchange rate changes by 10%:				
4-	EUR net asset / liability	(83.156.206)	83.156.206	(62.367.155)	62.367.155
5-	EUR hedged portion (-)	--	--	--	--
6-	**EURO net effect (1+2)**	**(83.156.206)**	**83.156.206**	**(62.367.155)**	**62.367.155**
	If the GBP exchange rate changes by 10%:				
7-	GBP net asset / liability	(5.850)	5.850	(4.388)	4.388
8-	GBP hedged portion (-)	--	--	--	--
9-	**GBP net effect (1+2)**	**(5.850)**	**5.850**	**(4.388)**	**4.388**
	If the CHF exchange rate changes by 10%:				
10-	CHF net asset / liability	(102.042)	102.042	(76.532)	76.532
11-	CHF hedged portion (-)	--	--	--	--
12-	**CHF net effect (1+2)**	**(102.042)**	**102.042**	**(76.532)**	**76.532**
	Total (3+6+9+12)	**(269.398.914)**	**269.398.914**	**(202.049.187)**	**202.049.187**

Interest Rate Risk

The Group is affected by the changes in the interest rate due to the variable interest rate bank loans and is exposed to interest rate risk. While there is no risk in fixed-rate bank loans and time deposits, they are affected by future interest rates for future loans and deposits for the continuation of their operations.

The interest position table is as follows;

	30.09.2024	31.12.2023
Fixed rate financial instruments		
Financial assets	129.255.002	186.086.988
Financial liabilities	(2.329.937.810)	(2.655.821.423)
Variable rate financial instruments		
Financial liabilities	(1.558.243.603)	(1.498.789.362)

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

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

Capital Risk Management

The Group's objectives when managing capital are to maintain the Group's ability to continue as a business in order to maintain an optimal capital structure to provide returns for shareholders, benefits for other shareholders, and to reduce the cost of capital.

In order to maintain or reorganize its capital structure, the Group determines the amount of dividend payable to shareholders, can issue new shares and sell assets to reduce borrowing.

The Group monitors capital using the debt-to-equity ratio. This ratio is founded by dividing net debt by total capital. Net debt amount is calculated by deducting cash and cash equivalents from total liabilities (consisting of bank loans, financial leasing liabilities, trade payables and other payables that can be seen in the financial statements). Total equity is founded by adding net debt to equity shown on the balance sheet.

	30.09.2024	**31.12.2023**
Total liabilities	3.888.181.413	4.154.610.785
Cash and cash equivalents	(159.326.324)	(199.963.664)
Net debt (A)	3.728.855.089	3.954.647.121
Equities	3.913.357.020	3.873.779.867
Equities + net debt (B)	**7.642.212.109**	**7.828.426.988**
Net debt / (Equities + net debt) ratio (A / B)	**49%**	**51%**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 31 – INVESTMENTS ACCOUNTED BY THE EQUITY METHOD

	30 September 2024		31 December 2023	
	Total	**Ratio**	**Total**	**Ratio**
Landfill	361.951.611	50%	382.172.936	50%
	361.951.611		**382.172.936**	

	30 September 2024	31 December 2023
As of January 1st	381.539.687	319.822.037
Profits / losses of shares	(19.588.076)	133.793.805
Dividend income	--	(59.169.423)
Paid to shareholders	--	(12.906.732)
	361.951.611	**381.539.687**

	30 September 2024	31 December 2023
Total assets	889.631.100	904.458.552
Total liabilities	(231.276.744)	(285.667.419)
Net asset	**658.354.356**	**618.791.133**

	30 September 2024	31 December 2023
Total sales revenues	278.507.234	306.606.081
Profit/ (loss) for the period (net)	(40.442.650)	267.589.992

NOTE 32 - OTHER MATTERS THAT MAINLY AFFECT THE FINANCIAL STATEMENTS OR REQUIRED FOR THE FINANCIAL STATEMENTS TO BE CLEAR, INTERPRETABLE AND UNDERSTANDABLE

None**.**

(Amounts are expressed in Turkish Lira ("TL") as of September 30, 2024, based on the purchasing power principle, unless otherwise stated.)

NOTE 33 – MONETARY GAIN/LOSS

As of the end of the periods September 30, 2024 and 2023, the details of monetary gain/loss are as follows:

	1 January - 30 September 2024	1 January - 30 September 2023	1 July - 30 September 2024	1 July - 30 September 2023
Inventories	14.315.812	18.350.763	7.726.441	7.277.167
Financial Investments	293.007.797	375.592.848	(313.478.759)	(102.530.206)
Tangible and Intangible Fixed Assets	1.500.858.820	1.923.879.996	403.339.424	280.844.822
Prepaid Expenses	(14.953.634)	(19.168.357)	(36.204.887)	56.024.006
Deferred Revenues	(6.054.414)	(7.760.867)	(3.329.281)	(7.312.011)
Right-of-Use Assets	76.720.084	98.343.850	3.514.861	72.061.903
Paid-in Capital	(626.622.629)	(803.237.936)	241.721.307	(235.343.277)
Retained Earnings	(543.185.410)	(696.283.708)	(134.819.172)	(431.761.985)
Income Statement Indexing Effect	726.111.435	930.767.935	115.649.857	472.577.873
Deferred Tax	(391.886.175)	(502.340.369)	(93.546.204)	(179.905.872)
Investment Properties	2.425.781	3.109.495	1.512.406	1.082.425
Total	**1.030.737.467**	**1.321.253.650**	**192.085.993**	**(66.985.155)**

NOTE 34 – EVENTS AFTER THE BALANCE SHEET DATE

- On October 3, 2024, the capital of Nov Enerji Elektrik Üretim Anonim Şirketi was increased by TL 34,500,000 from TL 15,500,000 to TL 50,000,000.

- On October 7, 2024, the capital of İzmir Novtek Enerji Elektrik Üretim A.Ş. was increased by TL 54,545,454 from TL 45,454,546 to TL 100,000,000.

- On October 9, 2024, the capital of İzmir Doğu Star Elektrik Üretim A.Ş. was increased by TL 137,000,000 from TL 13,000,000 to TL 150,000,000.

- On October 10, 2024, the capital of Uşak Yenilenebilir Enerji Elektrik Üretim A.Ş. was increased by TL 48,863,000 from TL 51,137,000 to TL 100,000,000.

- On October 10, 2024, the capital of İzmir Doğu Star Elektrik Üretim A.Ş. was increased by TL 137,000,000 from TL 13,000,000 to TL 150,000,000.

- On October 15, 2024, the capital of Doğu Star Elektrik Üretim A.Ş. was increased by TL 150,000,000 from TL 200,000,000 to TL 350,000,000.

- On November 7, 2024, the capital of Biyomek Elektrik Enerjisi Üretimi Sanayi ve Ticaret A.Ş. was increased by TL 40,000,000 from TL 6,000,000 to TL 46,000,000.