



ENKA
Engineering for a Better Future



Contact



Balmumcu Mah.,
Zincirlikuyu Yolu, No: 10, 34349,
Beşiktaş, İstanbul, Türkiye



Phone: +90 212 376 10 00
Fax: +90 212 376 19 80



enka@enka.com



<https://www.enka.com>

QR Kod online yayına alındıktan
sonra güncellenecek olup, şu anda
eski FR'na gitmektedir.



ANNUAL REPORT 2023

ENGINEERING AND CONSTRUCTION
POWER GENERATION
REAL ESTATE
TRADE



Contact



Balmumcu Mah.,
Zincirlikuyu Yolu, No: 10, 34349,
Beşiktaş, İstanbul, Türkiye



Phone: +90 212 376 10 00
Fax: +90 212 376 19 80



enka@enka.com



<https://www.enka.com>

ANNUAL REPORT 2023

ENGINEERING AND CONSTRUCTION
POWER GENERATION
REAL ESTATE
TRADE

ESENTAI PARK COMPLEX / KAZAKHSTAN



CONTENT

Companies	9
General Assembly Meeting	12
Board of Directors	14
Chairman's Message	15
Our Operations	17
Engineering & Construction	19
<i>Oil, Gas & Petrochemical Projects</i>	21
<i>Power Plant Projects</i>	31
<i>Infrastructure Projects</i>	41
<i>Building Works Projects</i>	53
<i>Group Companies</i>	65
Power Generation	89
Real Estate	97
Trade	115
Social Activities	123
Reports	185
<i>Corporate Governance Principles Compliance Report</i>	189
<i>Sustainability Principles Compliance Report</i>	209
<i>Independent Auditor's Report</i>	221



KPMG Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
İş Kuleleri Kule 3 Kat:2-9
Levent 34330 İstanbul
Tel +90 212 316 6000
Fax +90 212 316 6060
www.kpmg.com.tr

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH

To the Shareholders of Enka İnşaat ve Sanayi Anonim Şirketi,

Opinion

We have audited the annual report of Enka İnşaat ve Sanayi Anonim Şirketi (the "Company"), its subsidiaries and joint operations (collectively referred to as "the Group"), for the period between 1 January 2023 and 31 December 2023, since we have audited the complete set consolidated financial statements for this period.

In our opinion, the consolidated financial information included in the annual report and the analysis of the Board of Directors by using the information included in the audited financial statements regarding the position of the Group are consistent, in all material respects, with the audited complete set of consolidated financial statements and information obtained during the audit and provides a fair presentation.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing which is a component of the Turkish Auditing Standards as adopted within the framework of the Capital Markets Board ("CMB") regulations, published by the Public Oversight, Accounting and Auditing Standards Authority ("POA") ("Standards on Auditing issued by POA"). Our responsibilities under Standards on Auditing issued by POA are further described in the Auditor's Responsibilities for the Annual Report section of our report. We declare that we are independent of the Group in accordance with the Code of Ethics for Auditors issued by POA (including Independence Standards) (POA's Code of Ethics) and the ethical requirements in the regulations issued by POA that are relevant to audit of financial statements, and we have fulfilled our other ethical principles regarding independent audit of financial statements in the CMB legislation and other relevant legislation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's Opinion on Complete Set of Consolidated Financial Statements

We have expressed an unqualified opinion on the complete set of consolidated financial statements of the Group for the period between 1 January 2023 and 31 December 2023 on 22 March 2024.



Board of Directors' Responsibility for the Annual Report

In accordance with the Articles 514 and 516 of the Turkish Commercial Code numbered 6102 ("TCC") and Communiqué on the Principles of Financial Reporting in Capital Markets numbered II - 14.1 (the "Communiqué"), the Group's management is responsible for the following regarding the annual report:

a) The Group's management prepares its annual report within the first three months following the date of statement of financial position and submits it to the general assembly.

b) The Group's management prepares its annual report in such a way that it reflects the operations of the year and the consolidated financial position of the Group accurately, completely, directly, true and fairly in all respects. In this report, the financial position is assessed in accordance with the Group's consolidated financial statements. The annual report shall also clearly indicates the details about the Group's development and risks that might be encountered. The assessment of the Board of Directors on these matters is included in the report.

c) The annual report also includes the matters below:

- Significant events occurred in the Group after the reporting period,

- The Group's research and development activities.

- Financial benefits such as wages, premiums and bonuses paid to board members and key management personnel, appropriations, travel, accommodation and representation expenses, benefits in cash and kind, insurance and similar guarantees.

When preparing the annual report, the Board of Directors also considers the secondary legislation arrangements issued by the Ministry of Trade and related institutions.

Auditor's Responsibility for the Audit of the Annual Report

Our objective is to express an opinion on whether the consolidated financial information included in the annual report in accordance with the TCC and the Communiqué and analysis of the Board of Directors by using the information included in the audited financial statements regarding the position of the Group are consistent with the audited consolidated financial statements of the Group and the information obtained during the audit and give a true and fair view and form a report that includes this opinion .

We conducted our audit in accordance with Standards on Auditing issued by POA. These standards require compliance with ethical requirements and planning of audit to obtain reasonable assurance on whether the consolidated financial information included in the annual report and analysis of the Board of Directors by using the information included in the audited financial statements regarding the position of the Group are consistent with the consolidated financial statements and the information obtained during the audit and provides a fair presentation.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Gökhan Atılğan, SMMM
Partner

22 March 2024
İstanbul, Türkiye



RRESHEN KALIMASH MOTORWAY / ALBANIA



DHI QAR 750 MW COMBINED CYCLE POWER PLANT/ IRAQ



Khabarovsk Refinery / Russian Federation



TENGIZ / KAZAKHSTAN

ENKA İNŞAAT VE SANAYİ A.Ş. THE BOARD OF DIRECTORS' ANNUAL REPORT

Reporting Period	:	01.01.2023 - 31.12.2023
Registered Company Name	:	ENKA İnşaat ve Sanayi A.Ş.
Registration or Incorporation	:	1957
Registered Country	:	İstanbul / Türkiye
Chamber of Commerce Registration Number	:	68194
Paid-in Capital	:	6,000,000,000 TL (Turkish Lira) 2,751,958,581 US Dollars (equivalent)
BS EN ISO 9001 Certificate No	:	2015 Registered FS 57544
BS EN ISO 14001 Certificate No	:	2015 Registered EMS 71388
BS EN ISO 45001 Certificate No	:	2018 Registered OHS 71389
BS IEC 27001 Certificate No	:	2013 Registered OHS 715596
ASME A Certificate No	:	2019 Registered 45151
ASME U Certificate No	:	2019 Registered 45152
ASME U2 Certificate No	:	2019 Registered 45153
ASME S Certificate No	:	2019 Registered 45154
NB	:	2019 Registered
R Stamp	:	2019 Registered
Corporate Governance Rating	:	9,28 (November 2023 - SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş.)
Head Office Address	:	Balmumcu Mah., Zincirlikuyu Yolu No: 10, 34349 Beşiktaş / İstanbul
Phone	:	+90 (212) 376 10 00 (pbx)
Fax	:	+90 (212) 376 19 80
Official Website	:	www.enka.com
E-mail	:	enka@enka.com

COMPANIES

REAL ESTATE

ENKA TC
City Center Investment B.V.
LLC MosENKA
Moskva Krasnye Holmy
ENKA Invest
ENKAMOS Region B.V.
LLC ENKA Flex Offices
ENKA Holding Investment S.A.

POWER GENERATION

Gebze Elektrik Üretim Ltd. Şti.
Adapazarı Elektrik Üretim Ltd. Şti.
İzmir Elektrik Üretim Ltd. Şti.
ENKA Kırklareli Elektrik Üretim A.Ş.
Town Up 8 EOOD

TRADE

ENKA Pazarlama İthalat ve İhracat A.Ş.
ENTAŞ Nakliyat ve Turizm A.Ş.
AirENKA Hava Taşımacılığı A.Ş.

ENGINEERING & CONSTRUCTION

ENKA İnşaat ve Sanayi A.Ş.
Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş.
Cimtas Boru İmalatları ve Ticaret Ltd. Şti.
Cimtas Ningbo Modular Skids & Pipe Spools
Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti.
Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş.
Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş.
ENKA UK Construction Ltd.
ENKA Holding B.V.
ENKA Construction and Development B.V.
ENKA Power Systems B.V.
Bechtel ENKA UK Limited
Entrade GmbH
Capital City Investment B.V.
ENKA Construction S.A.



THE GENERAL ASSEMBLY MEETING

Date: 29 March 2024

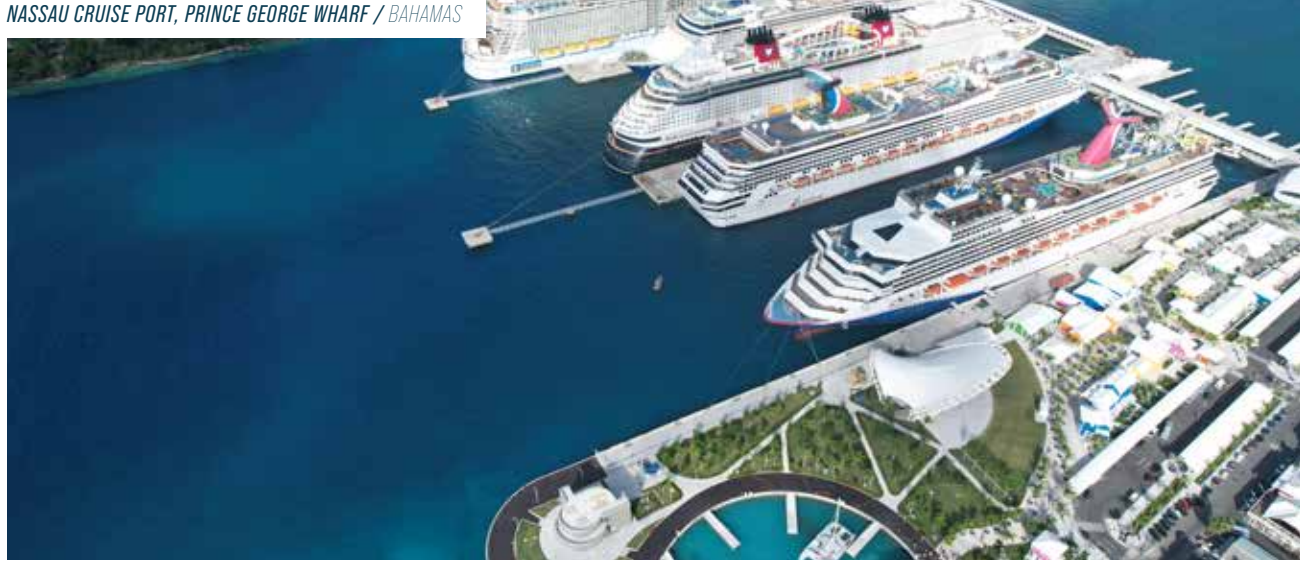
Time: 14:00

Venue: Balmumcu Mahallesi, Zincirlikuyu Yolu, No:6
ENKA Konferans Salonu
Beşiktaş/İSTANBUL

AGENDA

1. Election of the General Assembly Presidential Board and authorization of the Presidential Board for signing the Minutes of the General Assembly Meeting,
2. Reading and discussing the Annual Report of the Board of Directors and the Financial Statements for the fiscal year 2023,
3. Reading and discussing the Annual Report of the Board of Directors and the Financial Statements for the fiscal year 2023,
4. Regarding the regulations of Capital Markets Board, informing the shareholders about the donations made within the fiscal year 2023 under the framework of Company's current Donation and Aid Policy,
5. Approval of Balance Sheet and Income Statement Accounts of 2023,
6. Acquittal and release of the Board Members due to the Company's activities for the fiscal year 2023,
7. Election of the Board Members,
8. Regarding the regulations of Capital Markets Board, determining the attendance fee for the Board Members as 100.000 Turkish Liras per month according to the principles set in the Remuneration Policy Applicable to the Board Members and Administratively Responsible Managers,
9. Approval of the selection of the Independent Auditors recommended by the Board of Directors,
10. Regarding the regulations of Capital Markets Board, making decision on distribution of the Balance Sheet profit of 2023 according to the current Profit Distribution Policy of the Company,
11. Informing the shareholders that there are no guarantees, pledges, mortgages and encumbrances given to the benefit of third parties regarding the regulations of Capital Markets Board,
12. Approving the Authorization of the Board of Directors for deciding the distribution of the Advance Dividend for the fiscal year 2024 in accordance with the Article No.37 of the Articles of Association and within the scope of Capital Markets Board's Communiqué No.II-19.1 dated January 23, 2014 for advance dividends,
13. Discussion and approval of set off of the Advance Dividends to be distributed so, from any distributable resources as given in the annual financial situation statement for the fiscal year 2024, if no sufficient profits are realized or even losses are suffered at the end of the fiscal year 2024,
14. Authorization of the Board Members to engage in businesses mentioned in Articles 395 and 396 of the Turkish Code of Commerce and in compliance with the Corporate Governance Principles, informing the General Assembly on any businesses engaged in and performed by the same within such framework during the fiscal year 2023,
15. Requests and recommendations.

NASSAU CRUISE PORT, PRINCE GEORGE WHARF / BAHAMAS



NABEREZHNYA TOWER / RUSSIAN FEDERATION



KASHIRSKAYA SHOPPING CENTER / RUSSIAN FEDERATION



MORINE - MERDARE MOTORWAY (ROUTE 7) / KOSOVO



WEST QURNA 1 PRODUCED WATER 2 FACILITY (PW2) / IRAQ



BOARD OF DIRECTORS



A. Mehmet TARA
Chairman of the Board
(Executive Member)



Cem ÇELİKER
Vice Chairman of the Board
(Executive Member)



Erdoğan TURGUT
Member of the Board
(Non-Executive Member)



Mehmet Mete BAŞOL
Member of the Board
(Non-Executive & Independent Member)



Fatih Osman TAR
Member of the Board
(Non-Executive & Independent Member)

CHAIRMAN'S MESSAGE



DEAR SHAREHOLDERS,

On behalf of the Board of Directors of ENKA İnşaat ve Sanayi A.Ş., we welcome you to the Annual Ordinary General Assembly Meeting and extend our deepest regards.

At the close of 2023, in US Dollar terms, ENKA's shareholders' equity stood at 7.33 billion, with a net cash position of 5.1 billion, consolidated turnover totaling 3.2 billion, and consolidated profit reaching 706 million.

As in previous years, ENKA remains committed to engineering and construction, power generation, real estate investment and management, and trade.

The turnover of the engineering and construction sector reached USD 2.04 billion. With the contribution of our group companies, the backlog at the close of 2023 amounted to USD 4.97 billion. Compared to the previous year's end, despite the turnover achieved within the year, we raised this figure by USD 846 million. Recently, we have undertaken engineering and construction projects in Germany, the United Kingdom, Serbia, and North Macedonia. Furthermore, the European continent's share in our revenues is on the rise, thanks to the manufacturing activities conducted by our group company Çimtaş, particularly in Spain, Croatia, Serbia, the Netherlands, Finland, Poland, Germany, the United Kingdom and Sweden.

In the field of power generation, Gebze, Adapazarı and İzmir natural gas combined cycle power plants, wholly owned by ENKA and operated under the Build-Operate model, make ENKA Türkiye's largest private sector power producer. With their total capacity of 4,100 Megawatts, they have the capacity to meet 10% of the country's annual electricity demand. Following the expiry of the Electricity Sales Agreement with EÜAŞ, the Adapazarı and Gebze plants stopped production in February 2019 and the İzmir plant in August 2019. Production resumed at these plants in mid-2021. Due to unfavorable prices,

production decreased in 2023 compared to the previous year and the revenue generated amounted to USD 701 million. In the power sector, construction is underway for our new natural gas combined cycle power plant in Kırklareli, with a planned capacity of 850 MW. Expected to be finalized in 2025, the project carries a cost of USD 462 million. Additionally, we are embarking on our inaugural solar power investment in Bulgaria. The project, which will cost around EUR 40 million, will have a production capacity of 45 MWp upon its completion by year-end.

In the real estate sector, where we generated USD 324 million in revenues in 2023, we continue to manage Class A office buildings and shopping centers through our companies established in Russia. As of the year-end, this business line includes approximately 390 thousand square meters of Class A net leasable office space, a hotel and shopping malls with approximately 365 thousand square meters of leasable space, all but one of which are located in Moscow.

In the field of trading activities, ENKA Pazarlama, which represents the world's trusted brands in sales and after-sales services in construction machinery, lifting equipment and industrial products and which is the market leader in its sector, achieved a turnover of USD 271 million in 2023.

The significance we attribute to the health and safety of our employees has evolved into a fundamental and irreplaceable value, persisting with unwavering commitment across generations. While priorities may shift, the enduring values cultivated over years of dedication hold exceptional significance for us. In 2023, we provided nearly one million person-hours of Occupational Health, Safety, and Environment training, reflecting our ongoing dedication to surpassing previous efforts. It is gratifying to note the sustained decline in our lost time incidents (LTI) over the past three years, as well as in our recordable incidents (REC), both critical safety metrics in our industry. 2023 has been a year in which we intensi-

fied our investments in technology for Occupational Health and Safety, enhancing safety equipment for heavy machinery and implementing software infrastructure to monitor our work permit systems. Our commitment to workplace safety has garnered recognition on numerous international platforms, earning significant awards. We remain steadfast in our commitment to learning from accidents, continuously improving our HSE system with unwavering determination.

In our sustainability management, which includes our work on combating climate change, we completed a double materialization analysis for the first time this year, with broad stakeholder participation. In this way, we assessed the impact which ENKA has on environmental and social issues – along with the impact which these issues have on ENKA's potential to create value – and determined the highly material issues that will guide our sustainability strategy. Our subsidiaries continue to pursue their efforts to achieve the targets for 2030 that we published in 2022. At our projects, meanwhile, in accordance with the same commitment of ours, we are holding Sustainability and Climate Change Workshops, determining specific sustainability and climate change targets for each project, and conducting our business in the light of these targets. In line with our targets, we are also broadening our investments and EPC project portfolio in such a way as to include renewable energy ventures, and we have invested in renewable energy solutions at our facilities. Thus, we continue to fulfill our strong commitment to reducing our Scope-2 emissions and combating climate change.

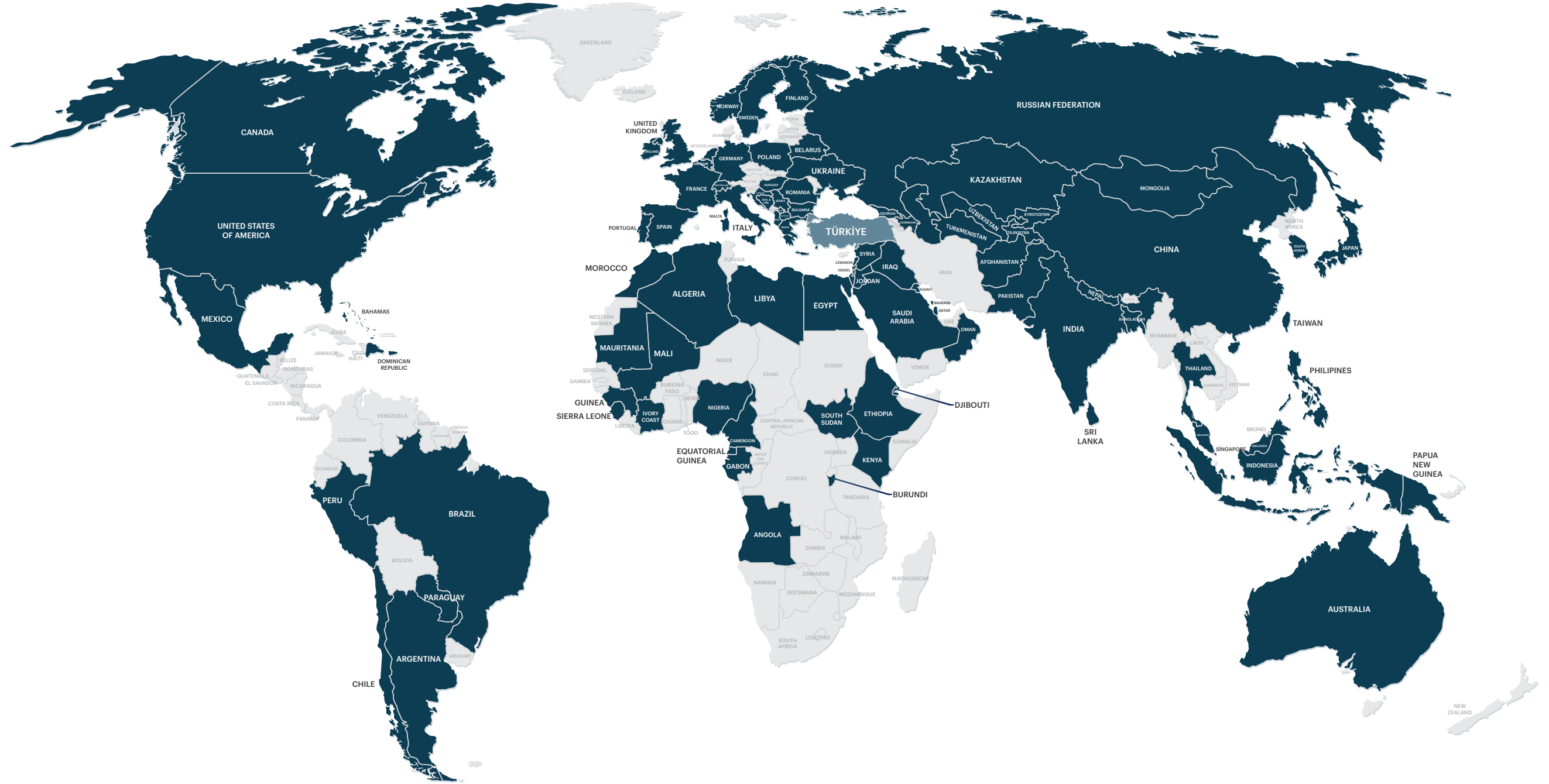
ENKA's ability to perform its work on time while meeting high quality standards is the greatest factor in its success. As in the past, we continue to pursue our activities and maintain our profit margin in the sectors on which we focus without making any concessions when it comes to our criteria.

Dear shareholders, may you enjoy health, happiness, and abundant success throughout 2024.

A. Mehmet TARA

Chairman of the Board of Directors
28 February 2024

OUR OPERATIONS



ENGINEERING & CONSTRUCTION

1. ENKA İnşaat ve Sanayi A.Ş.
2. Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş., Gemlik, Türkiye
3. Çimtaş Boru İmalatları ve Ticaret Ltd. Şti., Gemlik, Türkiye
4. Çimtaş Ningbo Modular Skids & Pipe Spools, Ningbo, China
5. Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti., Gemlik, Türkiye
6. Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş., Kocaeli, Türkiye
7. Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş., Türkiye

POWER GENERATION

8. Adapazarı Elektrik Üretim Ltd. Şti., Adapazarı, Türkiye
9. Gebze Elektrik Üretim Ltd. Şti., Adapazarı, Türkiye
10. İzmir Elektrik Üretim Ltd. Şti., İzmir, Türkiye
11. ENKA Kırklareli Elektrik Üretim A.Ş., Kırklareli, Türkiye
12. Town Up 8 EOOD, Burgas, Bulgaria

REAL ESTATE

13. ENKA TC, Moscow, Russian Federation
14. City Center Investment B.V., Moscow, Russian Federation
15. ENKA Invest, Moscow, Russian Federation
16. MosENKA, Moscow, Russian Federation
17. Moskva - Krasnye Holmy, Moscow, Russian Federation
18. Otel Moskva - Krasnye Holmy, Swissotel Krasnye, Moscow, Russian Federation
19. LLC ENKA Flex Offices, Moscow, Russian Federation

TRADE

20. ENKA Pazarlama İhracat İthalat A.Ş., İstanbul, Türkiye
21. ENTAŞ Nakliyat ve Turizm A.Ş., İstanbul, Türkiye
22. AirENKA Hava Taşımacılığı A.Ş., İstanbul, Türkiye

SOCIAL ACTIVITIES

23. ENKA Foundation, İstanbul, Türkiye
24. ENKA Sports Club, İstanbul, Türkiye
25. ENKA İstanbul Schools, Türkiye
26. ENKA Adapazarı Schools, Türkiye
27. Private ENKA Science and Technology High School, Kocaeli, Türkiye
28. Private ENKA Vocational and Technical Anatolian High School, Kocaeli, Türkiye
29. ENKA Sanat, İstanbul, Türkiye

ENGINEERING & CONSTRUCTION

OIL, GAS & PETROCHEMICAL PROJECTS

Stade Liquefied Natural Gas (LNG) Regasification Terminal	Germany
Tengiz Base Operations and Maintenance Works	Kazakhstan
Third Generation Project (3GP) Mechanical, Electrical and Instrumentation Installation Works	Kazakhstan
West Qurna 1 (WQ1) Produced Water 2 Facility (PW2)	Iraq

POWER PLANTS PROJECTS

Dradenau Combined Heat and Power Plant	Germany
Hinkley Point C (HPC) Nuclear Power Plant Turbine Island HP & IP/LP Piping Prefabrication and Erection Works	United Kingdom
Misurata 650 MW Simple Cycle Power Plant	Libya
Tripoli West 671 MW Simple Cycle Power Plant	Libya

INFRASTRUCTURE PROJECTS

Corridors 8 & 10d Motorway	North Macedonia
Morava Corridor Motorway	Serbia
Nassau Cruise Port Project, Prince George Wharf	Bahamas
Structural, Mechanical, Piping, Electrical & Instrumentation Works of the Concentrator Conversion Construction on the Oyu Tolgoi Underground Project	Mongolia

BUILDING WORKS PROJECTS

Shotton Paper Mill	United Kingdom
Yandex Headquarters	Russian Federation
High Technological Multifunctional Medical Complex	Russian Federation
Special Projects	Various Countries

NASSAU CRUISE PORT, PRINCE GEORGE WHARF / BAHAMAS



TENGIZ / KAZAKHSTAN



OIL, GAS & PETROCHEMICAL PROJECTS

Stade Liquefied Natural Gas (LNG) Regasification Terminal	Germany
Tengiz Base Operations and Maintenance Works	Kazakhstan
Third Generation Project (3GP) Mechanical, Electrical and Instrumentation Installation Works	Kazakhstan
West Qurna 1 (WQ1) Produced Water 2 Facility (PW2)	Iraq



STADE LIQUEFIED NATURAL GAS (LNG) REGASIFICATION TERMINAL

ENKA's wholly owned subsidiary Entrade GmbH, in a consortium formed together with Técnicas Reunidas and FCC Industrial, signed an Engineering, Procurement and Construction (EPC) contract with the Hanseatic Energy Hub company for the Liquefied Natural Gas (LNG) Regasification Terminal to be built at the Stade Industrial Park situated on the banks of Elbe River, Lower Saxony, Germany.

The contract encompasses the design and construction of a new storage and regasification terminal for liquified gases, featuring unloading facilities on a newly built modern energy port at Stade.

The land, on which the facility will be built, is owned by the large chemical company, Dow Chemicals, which is participating in the project as one of the development partners. The terminal will utilize industrial waste heat from existing Dow facility and therefore will be able to regasify the gases without additional CO₂ emissions.

The terminal holds significant importance in Germany's current energy policy, as one of its main objectives is to diversify its natural gas supply with liquefied natural gas (LNG) and green gases while preparing for the market ramp-up of hydrogen.

The terminal, which will have a nominal annual capacity of 13.3 billion m³, involves a total investment of 1 billion Euros and the share of Entrade GmbH is approximately 25%.

First phase of the project, including preliminary design engineering works and site preparation works, commenced within April 2023 and is planned to be completed by the beginning of 2024. Following the completion of the first phase, the main works are planned to commence with the final investment decision to be taken by the client in early 2024.

Field surveys and geotechnical studies included in the first phase, along with pile tests, have been com-

pleted, while field excavation, filling, and leveling works are ongoing.

Entrade GmbH, a subsidiary of ENKA will perform the whole electromechanical assembly works of the project including pipe spool prefabrication. Scope of works to be carried out under Entrade's responsibility will be summarized as mechanical and electrical equipment erection works, steel structure erection works, electrical and instrumentation works, pipe spool prefabrication and erection works, painting and fireproofing, insulation, scaffolding, pre-commissioning and testing. Additionally, Entrade will provide supervision and manpower support during the commissioning phase. The pipe spool prefabrication of the plant will be carried out at ENKA subsidiary Cimtas Pipe's facilities, and the spools will be delivered to the site for installation.

Key Quantities:

- › Steel structure: 5,800 tons
- › Metallic piping prefabrication: 125,000 dia-inch
- › Metallic piping erection: 118,000 dia-inch
- › Non-metallic piping erection: 26,000 dia-inch
- › Pipe support: 753 tons
- › Equipment erection: 2,100 tons
- › Insulation: 54,000 m²
- › Painting: 60,000 m²
- › Fireproofing: 2,800 m²
- › Electrical and Instrumentation cabling: 780,000 lm

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
Stade, Lower Saxony, Germany	Hanseatic Energy Hub GmbH	April 2023 – August 2027	EPC* Lump Sum Turnkey





TENGIZ BASE OPERATIONS AND MAINTENANCE WORKS

Since the beginning of 2001, the ENKA-Bechtel joint venture, in which ENKA has a 50% stake, had been awarded contracts for the project with a total contract value of USD 682 million.



LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
Tengiz, Kazakhstan	Tengizchevroil (TCO)*	February 2001 – October 2024	Lump sum + Unit Rate + Cost Reimbursable

Within the contract scope of engineering, procurement and construction works required for the maintenance and repair works of the oil and gas production facilities of the client; piling, foundation works, infrastructure works, pipe spool and precast fabrication works, structural steel erection works, piping/ pipeline works, mechanical, electrical and instrumentation works are being carried out.

The works carried out under the project in 2023 include the following:

- › The Second Generation Plant (SGP) DHC Lateral Lines Upgrade Project has been completed.
- › The MS-55 Extension Project has reached completion.
- › The 51G Upgrade Project has been completed.
- › The High-Pressure (HP) - Low-Pressure (LP) Conversion Project has made significant progress, reaching 25% completion.
- › The MS-12 Extension & Anchor Block Construction Project is 85% complete.
- › Various pipeline repair scopes have been completed in 90 different locations.
- › The KSU Steel Fabrication and Installation at KTL-2 project has been awarded. As of December 31st, 25% of the construction progress has been accomplished.
- › The T-072R and T-13NT new well FL&HU Installation projects have been awarded, achieving 70% and 16% of construction progress, respectively.
- › The T-4150 Well-Site Mechanical Scope Project has been completed.

As of the end of 2023, the completion rate for ongoing projects stands at 33%, which are expected to be completed in October 2024.

The number of employees working on the project is 250 as of December 2023.

THIRD GENERATION PROJECT (3GP) MECHANICAL, ELECTRICAL AND INSTRUMENTATION INSTALLATION WORKS

Senimdi Kurylys LLP, an equal joint venture between ENKA and Bechtel, was awarded the contract for the mechanical, electrical and instrumentation installation works for the Third Generation Project (3GP) in May 2018.



The 3GP is part of TCO's Future Growth Project (FGP) which is an integrated project being developed primarily to increase the production capacity of the Tengiz Oil Field by an additional 12 million tons per year (260,000 barrels per day) and its gas production capacity by an additional 27 million m³ per day.

The project is being carried out using a modularized construction strategy, with modules constructed both at coastal fabrication yards in Kazakhstan and at other fabrication yards in Europe and the Far East.

The project includes construction work for the crude processing plant, as well as the module stacking, sour water stripper and utilities areas.

Construction of the mechanical, electrical and instrumentation works and module stacking, installation and hook-up are included within the scope of the project and the key quantities are as follows:

- › Stacking of 99 modules and setting of 69 modules on foundations,
- › Erection of 13,800 tons of stick-built steelwork,
- › Fabrication and installation of 115,000 m of pipe-work, and additionally erection of 33,000 m of spools shipped loose,
- › Installation of 2,000 km of electrical, instrumentation and telecom cables,
- › Installation of 200 pieces of mechanical equipment,
- › Integration of 130 pieces of mechanical equipment,
- › Erection of Train 1 and Train 2 flare structures and riser piping, with both structures standing at 180 m high,
- › Insulation of 105,000 m of pipework and 17,000 m² of equipment,
- › Construction of 11 buildings (7 major and 4 minor),
- › 76,000 m² of paved roads,

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
Tengiz, Kazakhstan	Tengizchevroil (TCO)*	May 2018 - June 2024	Lump sum + Unit Rate + Reimbursable



- › 133,000 m³ of excavation, 200,000 m³ of backfill, 9,200 m³ of paving and 6,300 m³ of concrete works within the scope of civil and underground works.

By the end of December 2023, the base scope has been completed. Ongoing works now include commissioning support, specialty line cleaning, steam blow and integrated construction team works, with a total of 3,000 employees working on the project.

Major accomplishments at the site include the following:

- › Completion of the entire base scope and 16.8 million person-hours of work carried out without any lost time incidents (LTIs)
- › Mechanical completion of all HP/LP Conversion and Process subsystems by September 2023 as scheduled
- › On-time achievement of all 2023 TCO Construction Strategic Milestones:
 - › February 2023 – Mechanical Completion of 3 Boilers
 - › April 2023 – Mechanical Completion of HP/LP Conversion and ERT Building
 - › June 2023 – Mercaptan & Glycol Areas Mechanical Completion
- › Completion of the original scope for Specialty Line Cleaning by early December. The team commenced borescope inspection and cleaning of preservation team's surveillance report items including more than 50 lines.

- › The preparation for Steam Blow Phase-1 was accomplished by the end of May 2023. The execution of Steam Blow Phase-1, covering Plant's Utilities, PBF and GTG areas, was carried out successfully and concluded in September. All reinstatement activities for Phase-1 were finalized by the end of October.

- › Preparation for Steam Blow Phase-2, that is for Plant's Process Units began in October and reached 80% progress by the end of December. Preparation works are planned to be completed till the end of January 2024. TCO's current plan for Steam Blow Phase-2 execution start is the 2nd half of February 2024.



WEST QURNA 1 (WQ1) PRODUCED WATER 2 (PW2) FACILITY

The Produced Water 2 (PW2) Project was recognized as the Best Project by Engineering News-Record (ENR) in the Power/Industrial category in 2023.

ENKA had been awarded the contract by ExxonMobil Iraq Limited (EMIL) in December 2019 for a new produced water facility.

In the Produced Water 2 (PW2) project ENKA executed the entire EPCC scope, encompassing detailed design engineering, procurement, fabrication, construction, erection and commissioning of the facility.

The PW2 project will produce 210,000 barrels of water per day of outlet stream treated produced water in order to meet forecast produced water across West Qurna 1 Degassing Stations 6, 7 and 8. The end user of this new facility is the Basrah Oil Company (BOC) of Iraq.

As of April 2023, all engineering, procurement, fabrication, construction and commissioning works have been completed.

The major works of the project carried out in 2023 included the commissioning and start-up of the facility. Following the completion of mechanical works, commissioning and start-up activities were started and successfully completed in May 2023.

Furthermore, the performance tests of the facility were completed by June 2023.

A total of 1,247 days were worked on the project with 1,810,000 person-hours without any lost time incident (LTI).

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Basra, Iraq	ExxonMobil IRAQ Limited	December 2019 – April 2023	Lump Sum	USD 71 Million



POWER PLANT PROJECTS

Dradenau Combined Heat and Power Plant

Germany

Hinkley Point C Nuclear Power Plant Turbine Island HP & IP/LP Piping Prefabrication and Erection Works

United Kingdom

Misurata 650 MW Simple Cycle Power Plant

Libya

Tripoli West 671 MW Simple Cycle Power Plant

Libya

TRIPOLI WEST 671 MW SIMPLE CYCLE POWER PLANT / LIBYA



DRADENAU COMBINED HEAT AND POWER PLANT

ENKA and its joint venture partner Uniper had been awarded Dradenau Combined Heat and Power Plant project which is strategically important for Hamburg.



The project aims to replace the coal-fired CHP plant in Wedel with a new and climate-friendly CHP plant in Dradenau ("KWK-Anlage Dradenau"). The Dradenau CHP Plant will use heat from two sources:

- › Heat from a natural gas-fired combined cycle power plant to be built at the site of the planned combined heat and power plant in Dradenau.
- › Heat from third-party feeders, such as heat from thermal waste recovery, industrial waste heat, waste heat from sewage treatment plant processes, etc.

The project is based on 2x2x1 configuration equipped with two Siemens SGT-800 gas turbines, one steam turbine and two heat recovery steam generators (HRSG) with one additional gas steam generator. When completed, the plant will achieve an electrical output of 180 MW and 260 MW district heating capacity.

The ARGE Uniper-ENKA Dradenau (Uniper-ENKA Joint Venture) being the EPC contractor of the project is a fully integrated joint venture and is responsible for all deliverables and services for the Dradenau CHP plant such as planning, engineering, design, procurement, manufacturing, delivery, construction, erection, commissioning, testing and project management.

The Commercial Operation Date and the completion of the aforementioned scope of services have been set for September 2025.

ARGE Uniper-ENKA Dradenau partnership has completed 80% of the budget-based procurement process and the on-site delivery processes for all major equipment have been substantially completed. Mechanical erection works have already commenced, and contracts have been signed with subcontractors for electrical, instrumentation & controls installation, as well as facade installation works.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
Hamburg, Germany	Hamburger Energiewerke GmbH	September 2021 - September 2025	EPC Contract with the Open Book components

Electrical, instrumentation and controls installation works contractor commenced mobilization works, and installation activities at site will commence in the first weeks of 2024.

The procurement processes for the supply and manufacturing of structural steel for the entire project have been completed and deliveries to the site have commenced. Installation of structural steel works will commence in January 2024.

The order for all raw pipe and fitting materials for spool manufacturing has been placed and the spool manufacturing is planned to commence in the first quarter of 2024.

A rate of 50% progress has been achieved in civil concrete works and architectural works have also commenced.

Furthermore, facade installation activities will also commence in January 2024.

Towards the end of 2023, a significant milestone for the project was achieved with the delivery and installation of one Siemens SGT-800 gas turbine and Siemens SST-600 steam turbine. The delivery and in-

stallation of the second gas turbine are scheduled for mid-January 2024. Additionally, the assembly for the gas steam generator (GSG) has begun and the blocks have been placed. The assembly of heat recovery steam generators (HRSG) began in 2023 with the plan to complete heavy installation by June 2024. As of the end of 2023, the project has made a 40% overall progress.

The number of personnel working on the project site has reached 370 including the subcontractors. Basic engineering works have been completed and a progress rate of 80% has been achieved in detailed engineering works.

It is planned to make significant progress on the project and complete the installation of the major equipment within 2024.

Throughout 2024, works in all disciplines including civil, mechanical, piping, electrical and structural steel, architectural finishing and facade installation will be carried out.

By the end of 2023, a total of 340,775 person-hours and 169 days were worked on the project without any lost time incident (LTI).



HINKLEY POINT C (HPC) NUCLEAR POWER PLANT TURBINE ISLAND HP & IP/LP PIPING PREFABRICATION AND ERECTION WORKS

Located in South West of England, the construction of a new nuclear power station at Hinkley Point C will provide zero-carbon electricity and help secure a diverse and balanced energy supply for the United Kingdom.



GE Steam Power, under a contract with NNB GenCo, designs and supplies two conventional power islands for Hinkley Point C nuclear power plant.

The turbine halls will contain the Arabelle turbine, the largest and most powerful steam turbine to be in operation, and other critical equipment.

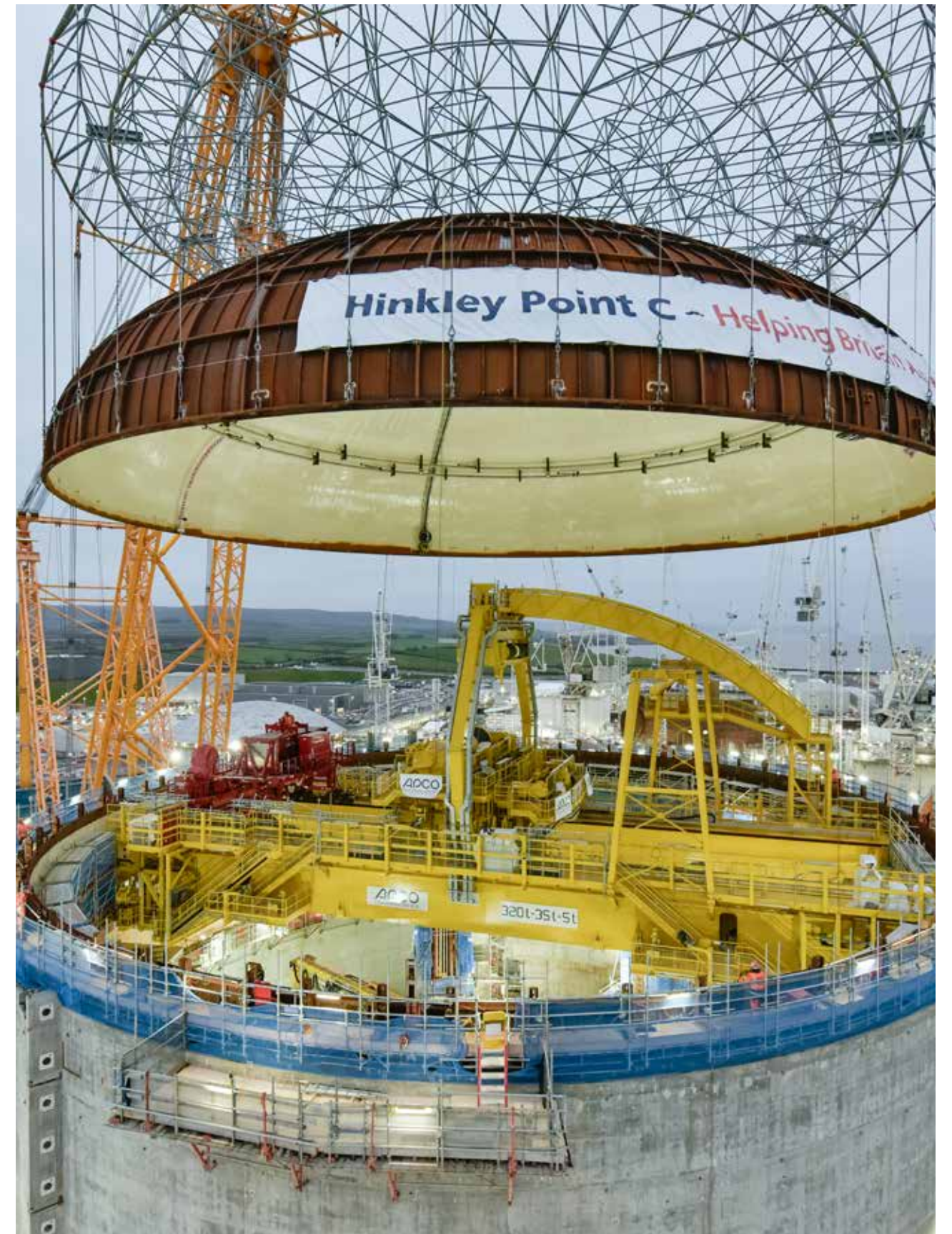
In September 2021, ENKA signed with GE a contract for the prefabrication and erection of piping systems of the conventional power island. Scope of works to be carried out under ENKA's responsibility may be summarized as installation of high pressure (HP) piping and their supports, prefabrication, delivery, and installation of intermediate pressure (IP) and low pressure (LP) piping, prefabrication and assembly of HDPE and GRP piping as well as their supports, and installation and assembly of fire protection equipment and piping systems. ENKA will also provide commissioning support and material management services to GE.

During 2022 the project team developed the plans and necessary procedures to commence prefabrication of piping spools and supports in Cimtas Pipe, and coordinated HP pipe spool and support fabrication works directly awarded to Cimtas Pipe by GE Power Systems.

As of December 2023, the prefabrication of HP spools has reached 94%, and the fabrication of their supports is at 68%. The prefabrication of IP/LP piping has commenced, with 8% completion.

Erection and welding works at the site are scheduled to commence in the last quarter of 2024 and the number of employees is expected to reach 400 during the peak working period.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
Bridgwater, Somerset, United Kingdom	GE Steam Power Ltd.	September 2021 - May 2027	Lump Sum and Unit Rates



MISURATA 650 MW SIMPLE CYCLE POWER PLANT

Misurata 650 MW Simple Cycle Power Plant Project has been honored with the “Distinction” prize by the British Safety Council in the “International Safety Awards 2023”.



The main contract had been signed between General Electricity Company of Libya (GECOL) and consortium of Siemens Energy Global GmbH & Co. - ENKA İnşaat ve Sanayi A.Ş., and the works within the base scope of the main contract have been successfully completed and handed over to the owner.

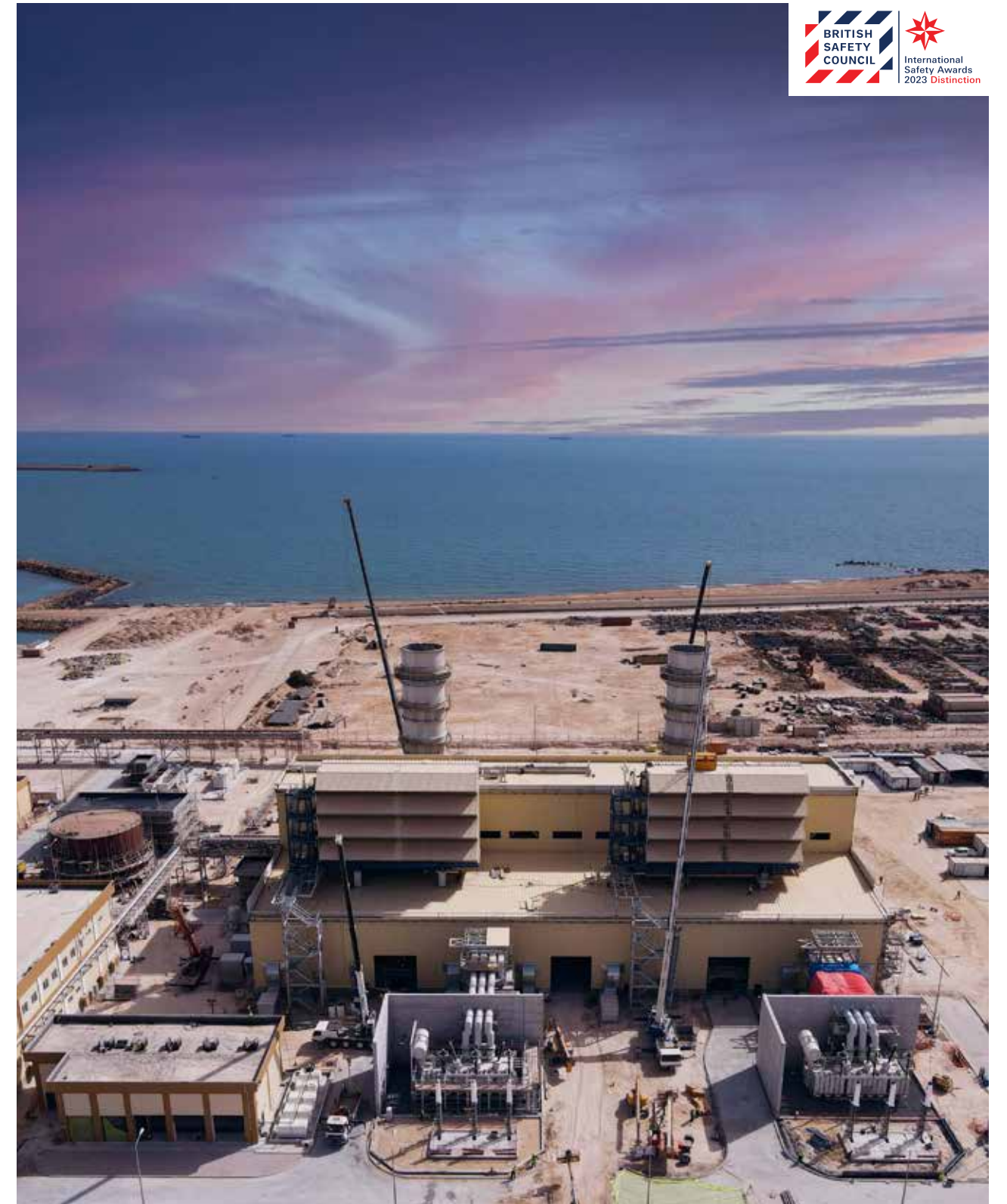
In addition to the main contract scope, engineering, procurement, construction and commissioning works for a light distillate oil (LDO) treatment plant and a hydrogen generation system have been awarded to the consortium as additional variation orders.

The variation orders would provide the owner with the following;

- › The LDO treatment plant could be able to be utilized as back-up fuel for the operation of the gas turbines.
- › The hydrogen generation system will generate the hydrogen gas required for the cooling system of the generators of the power island system.

The works under the additional variation orders are in progress.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Misurata, Libya	General Electricity Company of Libya (GECOL)	June 2021 - August 2024*	Lump Sum Turnkey	EUR 331 Million*





TRIPOLI WEST 671 MW SIMPLE CYCLE POWER PLANT

Tripoli West 671 MW Simple Cycle Power Plant Project has been honored with the Merit Award in the Power/Industrial category at the 2023 Global Best Projects Awards by ENR.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Tripoli, Libya	General Electricity Company of Libya (GECOL)	May 2021 – April 2025*	Lump Sum Turnkey	EUR 417 Million*



The main contract had been signed between General Electricity Company of Libya (GECOL) and consortium of Siemens Energy Global GmbH & Co. - ENKA İnşaat ve Sanayi A.Ş., and the works within the base scope of the main contract have been successfully completed and handed over to the owner.

In addition to the main contract scope, engineering, procurement, construction, testing and commissioning works for two units of 10,000 m³ light distillate oil (LDO) storage tanks and the fuel gas regulating and metering station (RMS) and final gas filtering skids have been awarded to the consortium as additional variation orders.

The variation orders would provide the owner with the following;

- › Two units of 10,000 m³ LDO storage tanks, the owner will be able to store additional LDO for the operation of the plant with enhanced flexibility.
- › Fuel gas regulating and metering station (RMS) and final gas filtering skids will allow the gas turbines to operate with natural gas when the gas will be available at the plant site.

The works within the additional variation orders are in progress.

MORAVA CORRIDOR MOTORWAY / SERBIA



INFRASTRUCTURE PROJECTS

Corridors 8 & 10D Motorway

North Macedonia

Morava Corridor Motorway

Serbia

Nassau Cruise Port at Prince George Wharf

Bahamas

Structural, Mechanical, Piping, Electrical & Instrumentation Works of the Concentrator Conversion Construction on the Oyu Tolgoi Underground Project

Mongolia



CORRIDORS 8 & 10D MOTORWAY

ENKA, with its joint-venture partner Bechtel, have been selected to build 109 km Corridors 8 & 10d Motorway Project.



Corridor 8 is a key component of Pan-European Transport Corridor 8, connecting the Adriatic Sea and the Black Sea through Albania, North Macedonia and Bulgaria. The project encompasses the construction of motorway sections, including Tetovo – Gostivar (Section 1), Gostivar – Bukojcani and Trebenista (Section 2), Struga – Kjafasan (Section 3).

Corridor 10d is a key component of Pan-European Transport Corridor 10, connecting Austria, Hungary, Slovenia, Croatia, Serbia, Bulgaria, North Macedonia and Greece. The project involves the construction of the Prilep – Bitola (Section 4) section will be built.

According to the signed contract, the project duration is five years.

The project features 7 new interchanges, a significant number of structures crossing highways, railways, Vardar and Black Drin river along the route.

The project scope also includes 34 bridges, 34 overpasses, 24 underpasses, over 21 million m³ of excavation, over 10 million m³ of earth fill, 620,000 m³ of concrete, 1.1 million tons of asphalt, 2.2 million of m³ subbase and subgrade, over 600,000 m of anchors and 320 km guardrail.

With the participation of North Macedonian government officials, the first excavation ceremony for Corridor 8 was held in Section 2 on 12 September 2023, followed by the first excavation ceremony for Corridor 10d in Section 4 on 14 September 2023.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
North Macedonia	Public Enterprise for State Roads and the Ministry of Transport and Communications on behalf of the Government of the Republic of North Macedonia	March 2023 – December 2027	Unit Rate	EUR 1.45 Billion

As of December 2023, the project employs approximately 350 people including subcontractors.

Initial permanent earthworks operations such as clearing and grubbing, excavation, service road construction have commenced in Section 2 and Section 4. Geotechnical investigation, design and expropriation works are ongoing in Section 1, 2 and 4.

The main camp of the project in Section 2, near Gostivar with a capacity of 1,304 people and the second camp of the project in Section 4, near Prilep with a capacity of 784 people will be constructed after completion of the expropriation processes.



MORAVA CORRIDOR MOTORWAY

ENKA and its joint venture partner Bechtel were selected by the Government of Republic of Serbia in December 2019 to design and build 112 km Morava Corridor Motorway Project which will connect central Serbia and Pan-European Corridors 10 and 11.



Morava Corridor Motorway Project is a 112 km dual-carriageway motorway consists of three Sectors from Pojate and the A1 (the North-South motorway in central Serbia) through Kruševac (which used to be the industrial hub of Yugoslavia) and up into Preljina in the north of Čačak. The project runs from east to west in the West Morava River valley and is seen as a key enabler of the economic corridor to the industrial cities of Kruševac, Kraljevo, Čačak and their ultimate international connections to Bosnia, Montenegro and North Macedonia.

According to the terms and conditions of the signed contract, the construction of the motorway started in 2020.

An extensive telecommunication network is being constructed along the alignment to provide a digital corridor for improved connectivity in the region. The project features design and construction of 13 interchanges, significant amount of structures crossing highways, railways and challenging Morava river along the route, significant amount of flood protec-

tion measures, scour protection of river bed and structures, dykes and construction of a new river bed due to the wide flood plain of the West Morava River.

The scope of the project includes 78 bridges, 26 overpasses, 11 underpasses, 117 culverts, 37 km of river regulation, 28 km of dyke and over 20 million tonnes of aggregate production.

In 2023, Sector 1 of the project, spanning a total length of 27.5 km from Pojate to Kosevi, was successfully opened to traffic. Sector 1 establishes a vital link between the city of Kruševac and the Pan-European Transport Corridor 10 motorway, thereby enhancing connectivity throughout the region. The project continues to progress, emphasizing its significance in strengthening regional infrastructure and fostering economic development.

Simultaneously, in Sector 2 and Sector 3, activities such as earthworks, drainage, structures are advancing concurrently, with paving works also underway in

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Pojate – Preljina, Serbia	Government of the Republic of Serbia Ministry of Construction, Transport & Infrastructure	December 2019 - December 2025	Lump Sum	EUR 2.1 Billion

Sector 2. Upon the provision of rock quarry in Sector 3 by the client, paving and river regulation works will speed up in 2024.

As of December 2023, construction works have reached 67% completion and 40.8 million m³ of excavation, 16.1 million m³ of fill, 560,000 m³ of concrete, 490,000 m³ of subbase, and 310,000 tons of asphalt works were completed. Over 3,800 employees are working on the project, including subcontractors.

Bechtel-ENKA provided safety and quality trainings to all personnel working on the project and 9 million person-hours were achieved without any lost time incident (LTI) whilst 28 million person-hours had been worked since the start of the project.

Bechtel ENKA UK Limited Ogranak Beograd (BEJV) Laboratory attained ISO/IEC 17025:2017 accreditation. The conferred certificate signifies the official and international recognition of the diligently established management system within the BEJV Laboratory.

Studies for Environmental and Social Impact Assessment (ESIA) had been completed and Loan Fundings

became available for the project. Loans of EUR 400 million guaranteed by United Kingdom Export Finance (UKEF) and EUR 900 million guaranteed by Multilateral Investment Guarantee Agency (MIGA) were obtained. In addition, a loan of EUR 700 million guaranteed by Multilateral Investment Guarantee Agency (MIGA) was ratified by the parliament in October 2023.

ENKA and its joint venture partner Bechtel have successfully delivered major infrastructure projects in the region since the 1980's including motorways in Albania, Croatia, Kosovo, Türkiye and Romania. Together, the partnership has built more than 750 km of motorways including major engineering structures like tunnels, bridges and viaducts.

To perform this important infrastructure project, ENKA is providing its state of the art engineering and construction technologies, as well as superior quality, environment, health and safety standards which were gained over its 66-year history.



NASSAU CRUISE PORT AT PRINCE GEORGE WHARF

The Nassau Cruise Port Project was selected as the Global Best Project by Engineering News Record magazine (ENR) in the Airport / Port category.



The Bahamas Government has decided to enhance cruise tourism in the country by developing the existing port at Prince George Wharf, known as the Nassau Cruise Port.

This initiative has transformed Nassau into a distinguished waterfront destination on the global stage. The Nassau Cruise Port project involves the redevelopment of the port.

The project has elevated the overall passenger experience and created additional business opportunities for the local community.

The project also encompassed the construction of a new terminal building; the establishment of an event and entertainment area; investments in retail facilities supporting both new and expanding Bahamian brands; and the design and construction of new food

and beverage facilities. It has integrated the port into Bay Street and downtown Nassau, serving as a catalyst for the broader development of the downtown area.

ENKA signed the contract for Marine Works of the Nassau Cruise Port project in June 2020 and Upland Works in May 2021.

The marine and upland works contracts include EPC works for the expansion of the existing Cruise Pier, combi-wall works on Prince George Wharf, construction of 2 new marinas for tour boats, dredging, expanding the port area by reclaiming and renovating / refurbishing of existing piers, arrival building, Junkanoo Museum, Signature Restaurant, amphitheatre, 3 pier buildings, canopies, town square, market place, landscape works and all relevant construction, mechanical, electrical and architectural activities.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Nassau, Bahamas	Nassau Cruise Port Ltd.	Marine works: November 2020 – July 2022 Upland works: May 2021 – May 2023	Lump Sum	USD 215 Million

All construction activities were completed by May 2023 and the port held its grand opening ceremony on May 26th, attended by the Prime Minister of the Bahamas.

Now with the completion of all construction activities, Nassau Cruise Port anticipates welcoming over 4 million passengers annually.

Project features for Marine and Upland Works are as below:

- › Dredging for OASIS class ship: 133,797 m³
- › Reclamation volume: 133,415 m³
- › New reclaimed area: 13,300 m²
- › Construction of new (deck on pile) cruise pier and mega yacht berth: 222 x 30.5 m
- › New east marina (deck on pile) with 16 berths for mini, midi and super yachts and tour boats
- › New west marina (deck on pile) and inner harbor with 14 berth for midi and mini yachts, and tour boats
- › Prince George Wharf combi-wall: 610 m
- › Arrival building: 4,000 m²
- › Junkanoo museum: 450 m²
- › Market place area: 3,140 m² with 11 new buildings
- › Town square area: 7,750 m² with 15 new buildings
- › Pier canopies: 5,560 m²
- › GTA canopies: 1,800 m²
- › 2 new pier buildings area: 324 m²
- › New ferry terminal: 106 m²
- › Signature restaurant: 700 m²
- › Amphitheatre area: 3,970 m²
- › Prince George Wharf hard landscaping area: 19,100 m²
- › Prince George Wharf soft landscaping area: 9,000 m²
- › Piers hard landscaping area: 36,900 m²





As of December 2023 the following works were completed for Marine Works of the project:

The marine works contract was signed on June 10th, 2020 and construction works commenced on November 25th, 2020 with the issuance of the Notice to Proceed (NTP). The project duration was 20 months and all works within the marine works scope were completed on July 25th, 2022 in accordance with the contract.



As of December 2023 the following works were completed for Upland Works of the project:

The contract for upland works was signed on May 31st, 2021 and the main construction works commenced on December 7th, 2021 with the NTP. The project duration was 16 months and construction activities were completed as planned and the project was handed-over to the client in May 2023.

Design, engineering & procurement works, civil, architectural, electrical, mechanical, facade and landscape activities for the upland works were completed according to the project schedule.

The architectural, facade, mechanical and electrical works of arrival building reached completion in 2023 and complete building become operational for the use of Customs and Immigration Department and Port Operation team.

The architectural, construction, façade, electrical and mechanical works of Junkanoo Museum were completed according to the schedule as well.

Moreover, construction works in the market place and new town square were completed and handed over to the client.

The construction of pier and GTA canopies at Prince George Wharf was executed in accordance with the project design and agreement.

The Amphitheatre, designed for concerts and events, was fully completed, including its roof, stage and backstage areas.

All work items within the scope of projects in the Signature Restaurant, situated on the West Marine as part of the marine scope of the project, were also accomplished.

In addition to the constructed buildings at Prince George Wharf, all landscaping works in the area were finalized in 2023.

This encompassed planting/vegetation, hardscaping, softscaping, pedestrian walkways and the installation of all exterior furniture and lighting fixtures.

Both the upland and marine works achieved a 100% completion rate by May 31st, 2023.

The project was successfully completed with 2.1 million person-hours and 1,035 days without any lost time incident (LTI).

OYU TOLGOI UNDERGROUND PROJECT

STRUCTURAL, MECHANICAL, PIPING, ELECTRICAL & INSTRUMENTATION (SMPE&I) WORKS OF THE CONCENTRATOR CONVERSION CONSTRUCTION

The structural, mechanical, piping electrical & instrumentation (SMPE&I) works of the Concentrator Conversion Construction represent a critical component of the Oyu Tolgoi Underground Project.



ENKA's involvement in the project commenced with the Early Tenderer Involvement phase and subsequently, ENKA was awarded the contract for SMPE&I construction works following a competitive tender process.

Oyu Tolgoi is a copper-gold mine situated in the Umnugovi aimag of Mongolia, approximately 550 kilometres south of the capital Ulaanbaatar. It holds one of the largest high-grade copper deposits in the world.

Oyu Tolgoi LLC is a Mongolian company, jointly owned by Erdenes Oyu Tolgoi LLC on behalf of the Government of Mongolia (34%) and Rio Tinto (66%). Rio Tinto also manages Oyu Tolgoi on behalf of the partnership.

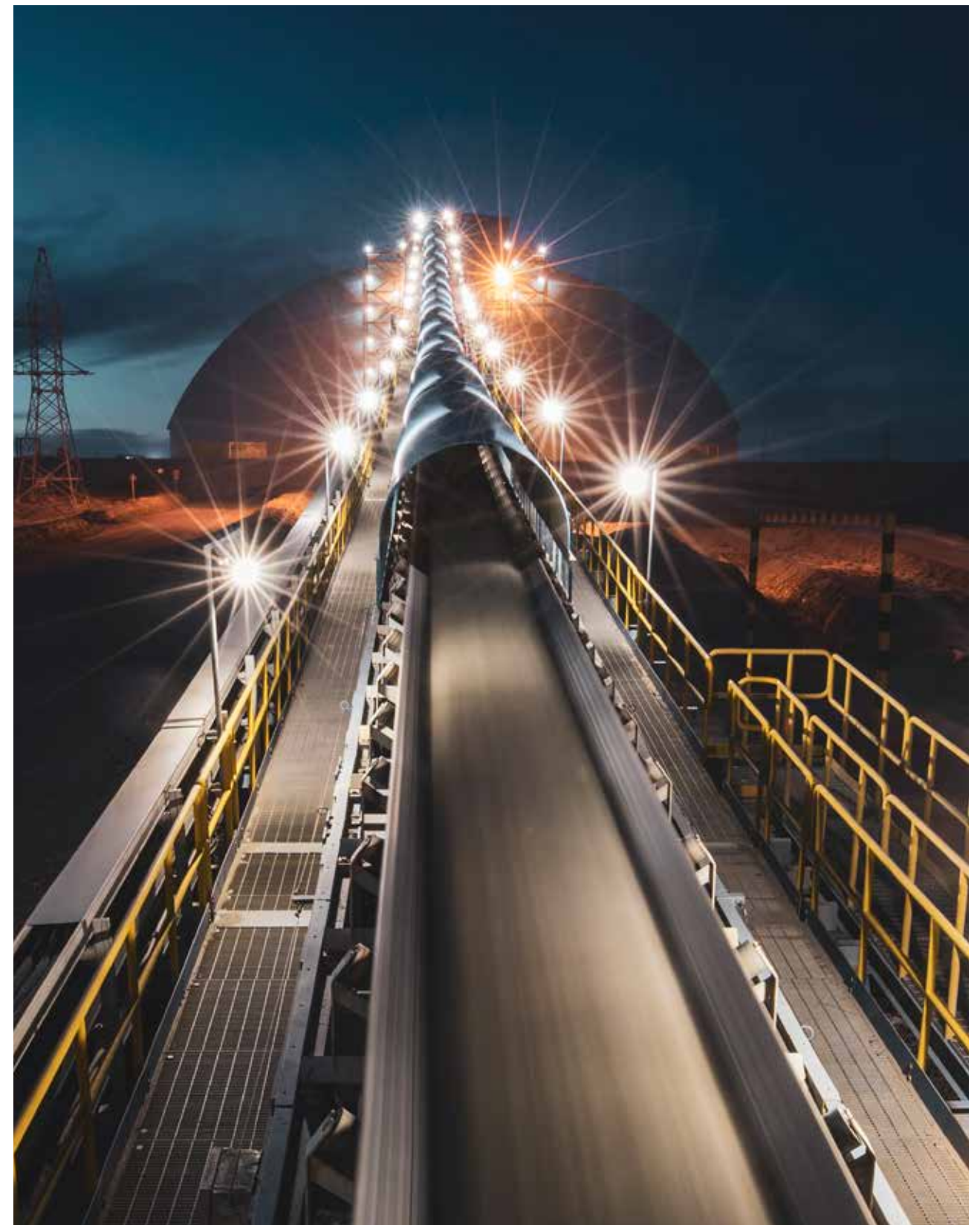
The Oyu Tolgoi concentrator stands as the biggest industrial unit ever built in Mongolia, containing enough steel to build the Eiffel Tower three times.

Spanning 255 meters in length and 144 meters in width, the concentrator, which produced its first copper concentrate on February 1, 2013, and initiated customer shipments on July 9, 2013, has the capacity to process up to 100,000 tonnes of ore daily.

As part of the Oyu Tolgoi Underground Project, the concentrator plant is undergoing upgrades to enable higher-grade ore and increased production.

By the end of 2023, a total of 941,178 person-hours and 245 days were worked on the project without any lost time incident (LTI).

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
Oyu Tolgoi, Mongolia	Oyu Tolgoi LLC	February 2023 – April 2025	Cost Reimbursable



BUILDING WORKS PROJECTS

Shotton Paper Mill

United Kingdom

Yandex Headquarters

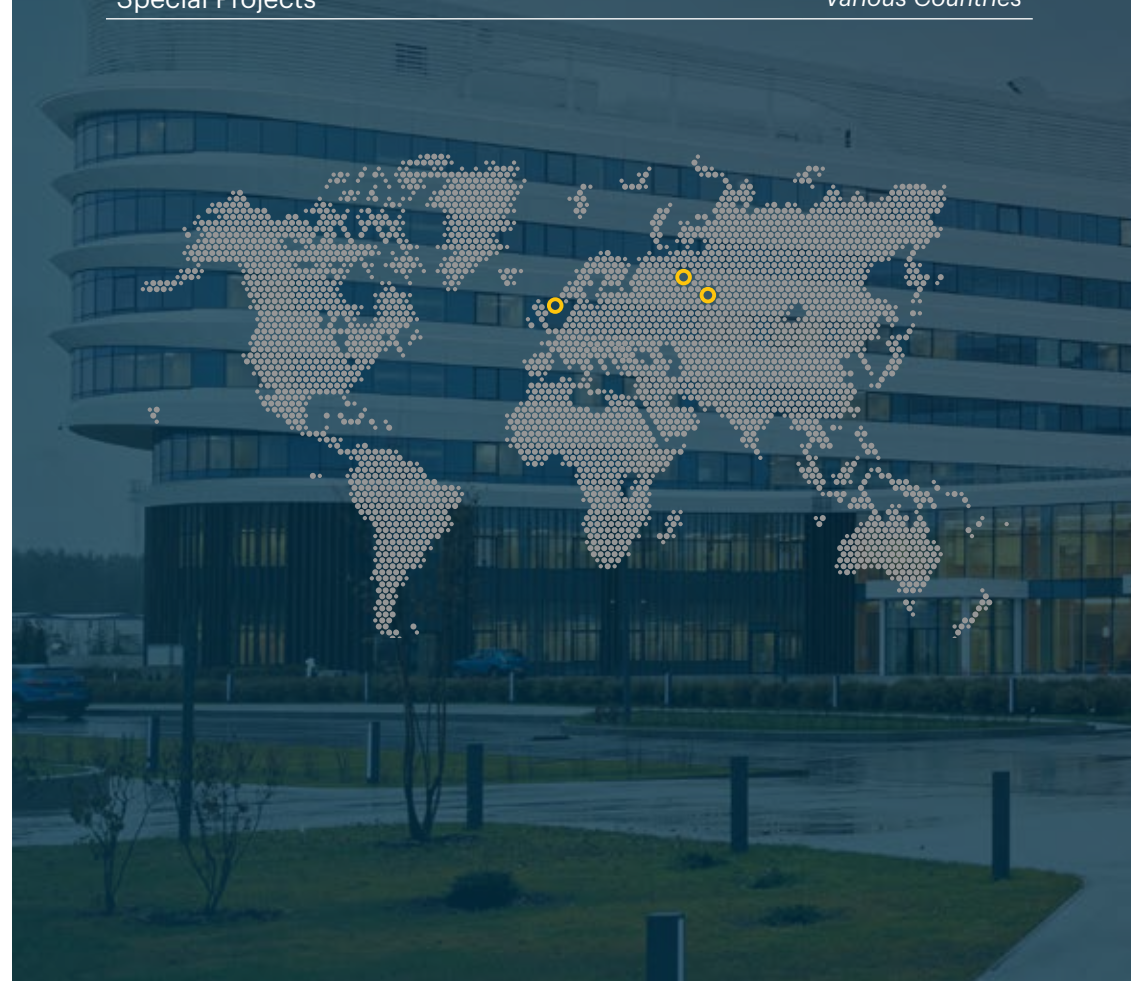
Russian Federation

High Technological Multifunctional Medical Complex

Russian Federation

Special Projects

Various Countries



HIGH TECHNOLOGICAL MULTIFUNCTIONAL MEDICAL COMPLEX / RUSSIAN FEDERATION



SHOTTON PAPER MILL

ENKA signed a contract for the construction of a Paper Mill Factory on the Deeside Industrial Estate in Flintshire, North Wales for Shotton Mill Limited owned by Modern Karton/EREN Holding, one of the biggest manufacturers of paper, cardboard and corrugated packaging products in the sector.



The project construction site is bordered to the north, west and south by Weighbridge Road/A548. To the south, it is adjacent to an industrial site owned and operated by Tata Steel Limited, while the River Dee is located approximately 1.1 km to the south of the site.

The location of the 1st phase of the planned project activities includes the paper production machinery, storage area and shipment area of the existing paper mill.

The conversion project will transform the site from paper production to cardboard, corrugated packaging and tissue paper production. The project entails decommissioning and demolition of existing structures and construction of new facilities to accommodate new manufacturing equipment.

In Phase 1 of the project activities, a new cardboard factory will be constructed, including a new paper mill, warehouse and dispatch area, Chemical Building, Combined Heat and Power (CHP) Building & Water Treatment Plant (WTP), Effluent Treatment Plant (ETP), Recycled Fibre Building (RCF) and Pipe Bridges with the following gross construction areas;

- › Paper mill, warehouse and dispatch – 69,920 m²
- › Chemical building – 1,950 m²
- › Combined heat and power building & water treatment plant – 10,715 m²
- › Effluent treatment plant building – 9,300 m²
- › Pipe bridges – 565 lm
- › Approximate total gross area – 101,635 m²

ENKA is responsible for preparation of the working documentation and all of the following construction and installation works of the new facility:

- › Piling works
- › Excavation and backfilling works
- › Reinforced concrete works
- › Precast concrete column and wall installation works
- › Structural steel installation works
- › Architectural works
- › Roof insulation works
- › Mechanical installation works
- › Electrical installation works
- › External infrastructure works
- › Steel strengthening works
- › Landscaping works

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
Shotton, United Kingdom	Shotton Mill Limited (Modern Karton/EREN Holding)	November 2022 - Q1 2025	Turnkey *

The works carried out on the project within 2023:

- › Design and engineering works are currently in progress.
- › Subcontractors were mobilized to the site to perform earthworks, piling, pile breaking, reinforced concrete, precast concrete and structural steel.
- › Fabrication work for the precast concrete, steel structure, roof and facade cladding is planned and progressing.
- › Subcontractor selection was made for the tank works package.
- › Procurement activities are currently underway for the architectural works, building MEP and process MEP packages.
- › Foundation earthworks have been completed for the paper mill building, warehouse building, dispatch building, with ongoing earthwork for the CHP building, ETP building, chemical building and pipe bridges.
- › The driven piles in the paper mill building and CHP building have been installed.
- › The foundation for the paper mill building is completed.
- › The precast concrete construction is in progress.
- › Structural steel works have commenced.
- › All work activities are systematically subjected to routine quality and HSE audits, ensuring strict adherence to the Project Quality Plan and HSE Plan.

Project activities commenced in January 2023, achieving 10% overall progress by the end of the same year.

The project, excluding Process MEP, is scheduled for completion in 2025.

The workforce needed to enable the project are present on site.

As of the end of December 2023, a total of 95 days and 215,000 person-hours were expended without any lost time incident (LTI).

Seventeen ENKA project employees have obtained a Site Management Safety Training Scheme (SMSTS) certificate, while an additional 22 project employees have received Construction Skills Certification Scheme (CSCS) certificate.

These certifications aim to equip employees with:

- › Profound knowledge of pertinent United Kingdom legislation essential to their job positions,
- › The development of effective communication techniques in the field,
- › Mastery of their responsibilities in occupational health and safety, along with strategies for cultivating an effective occupational health and safety culture in the field,
- › Enhancement of their competencies in adhering to industry best practices.



YANDEX HEADQUARTERS

On December 13th, 2021, ENKA signed a shell and core basis contract for the construction of the innovative new headquarters building for Yandex, the global technology leader, in the Gagarinsky District of Moscow, Russian Federation.



Yandex New Headquarters Project is located on a prominent site near the Moscow River, a short distance from some of the city's leading research institutions and the company's first office. The project will consist of maximum 15 above-ground levels, covering 161,000 m² area, along with 5 underground levels spanning 98,000 m². Additionally, it features outdoor terraces with a total area of 3,000 m², resulting in an overall space of 262,000 m².

The new headquarters is designed to offer employees a healthy and sustainable environment for both work and recreation. The facility will include approximately 110,000 m² of office space and 47,000 m² for parking, accommodating a total of 1,630 parking bays through a multi-parking system.

Three multi-height wings, with the tallest reaching up to 75 m, will be integrated into a unified complex featuring a skylighted central hub. Light-weight and constructible façade will be cladded with titanium panels.

The complex is lifted up to a ground floor that will connect an open public area and green spaces with neighboring streets. The continuous public space will feature restaurants, cafes, a sports complex, and the Yandex Museum showcasing the company's cultural and technological evolution since early 1990s.

The shell and core scope of works for the project has achieved a progress rate of 63%, with the anticipated completion scheduled for December 2024.

The contract for the fit-out works scope of the project was signed on 12 December 2023. The anticipated completion date for the final stage of the fit-out works is set for April 15, 2025.

The fit-out works encompass 17 floors and are divided into five stages, covering a total area of 140,344 m².

Presently, about 2,000 employees from seven different countries are actively involved in the project.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Moscow, Russian Federation	Yandex LLC	December 2021 - April 2025	Working Design and Construction Contract	EUR 500 Million (Shell and core)

ENKA is responsible for preparation of working documentation through BIM modeling at LOD-350 level, encompassing all subsequent construction and installation works:

- › External utilities,
- › Reinforced concrete works
- › Steel works,
- › Mechanical works,
- › Electrical and weak current works including automation,
- › Firefighting systems,
- › Architectural, façade and roofing works,
- › Internal finishing works,
- › Vertical transportation,
- › Technological systems such as parking & parking management and façade maintenance,
- › Landscaping,
- › Fit-out works.

The project has implemented HSE management systems aligned with ISO 45001:2018 and ISO 14001:2015 standards.

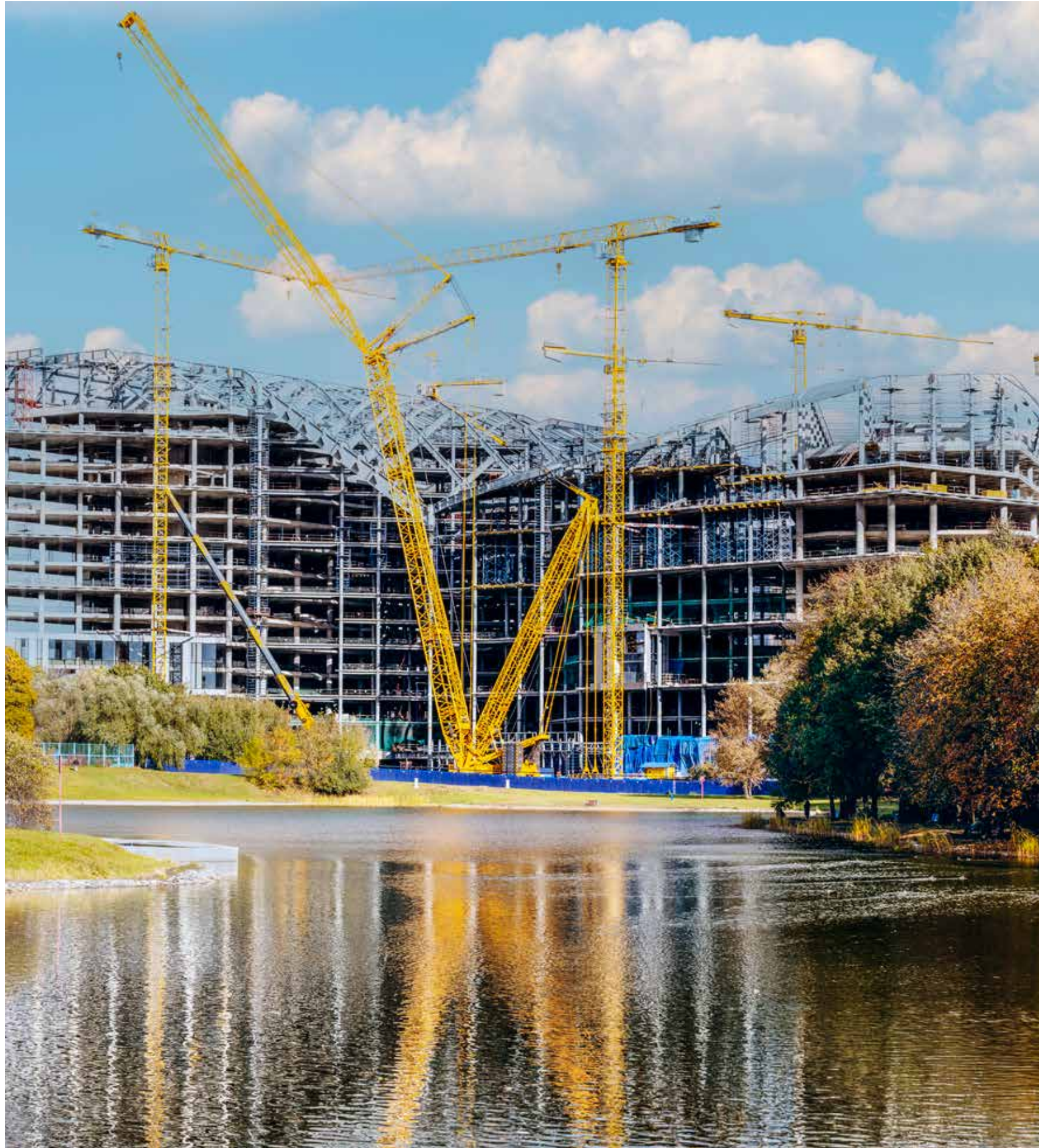
Utilizing an E-HSE platform for monthly reporting and incident reporting, alongside BIM360 software for inspections, hazard observations, and their subsequent follow-ups.

Approximately 115,346 person-hours of training, excluding new hire orientations, have been delivered to project employees.

Noise measurements at night are conducted monthly by a licensed institution.

A sustainability audit conducted by the Head Office in September led to the establishment of the Project Sustainability Department and all observations from the audit were addressed. Relevant procedures have been implemented under the scope of sustainability, and sustainability targets have been defined.





Documents prepared within the scope of project-specific sustainability include:

- › Project Sustainability and Stakeholder Engagement Plan,
- › Green Procurement Plan,
- › Material Efficiency Plan,
- › Community Liaison Implementation Plan,
- › Employee Grievance Procedure

Actions taken within the scope of project-specific sustainability include:

- › Initiating ethical and behavioral rules training, achieving a 95% completion rate for white-collar personnel and 98% for blue-collar personnel,
- › Conducting BREEAM awareness training for the Head Office design and project team, involving a total of 73 participants,
- › Reducing kilowatt consumption per square meter by 70% within the scope of electricity consumption,
- › Reducing the amount of waste produced per square meter by 80% within the scope of waste reduction.

The following activities have been undertaken since the contract signing date:

- › Substantial progress has been made in concrete works, specifically with the pouring of 43,945 m³ of foundation concrete, 90,653 m³ of slab concrete, 21,354 m³ of wall concrete, and 12,968 m³ of column concrete. Additionally, 7,508 tons of foundation rebar, 19,208 tons of slab rebar, 3,818 tons of wall rebar and 3,587 tons of column rebar installation have been executed. Structural concrete works were completed as of August 2023.
- › All of lattice beam diagrid soffit structures has been erected out of the approximate design value of 125,000 m².
- › In specific project regions, post-tensioned concrete beam technology has been implemented, allowing for significantly larger spans compared to conventional methods and reducing beam dimensions.
- › Also, in reinforced concrete; composite column technology which consists of steel I pro-

file within a concrete column is used. The interaction of these different materials is provided by using stud-bolt elements having a shear-based behavior under loading.

- › Exposed concrete fine smooth finish comprises circular columns, lattice beam diagrid soffit, core walls, suspended slabs, edge beams and parapet walls.
- › As of the end of 2023 an approximate total of 13,400 tons of structural steel elements have been erected comprised of vertical, horizontal and roof steel structures.
- › 42,350 m² of vertical and horizontal water proofing has been executed and 2,165 pieces of retaining wall anchorage head cutting were completed.
- › A total of 14,500 m² of façade panel installation was completed.
- › 484 out of 487 units of Klaus multi-level parking system have been installed, with the remaining 3 units awaiting installation following the dismantling of the tower crane at the corresponding location.
- › Forty-two air handling units (AHUs) have been installed and the remaining 256 units are scheduled for installation before May 2024.
- › All 11 chiller units have been installed.
- › Works within the Individual heating center have been completed and hot water supply from the city is scheduled for January 2024.
- › The installation of 36,862 m of heat supply system pipes, 31,669 m of domestic sewerage and water supply pipes, 50,760 m of fire-fighting system pipes has been completed. Additionally, 38,645 m of cable tray and 400,021 m of cables were laid. The installation of 3,133 m of round ventilation section and 49,764 m² of rectangular ventilation section has been accomplished.
- › Gas-block wall installation covering 35,979 m² and the pouring of 8,675 m³ of cement-sand screed have been executed.
- › Within the scope of infrastructure works (heat network, domestic sewerage network and water supply) have been completed.
- › Stormwater sewerage network work has reached 80% progress.

HIGH TECHNOLOGICAL MULTIFUNCTIONAL MEDICAL COMPLEX (HMMC)

Constructed to meet the latest advancements in medical standards, the Multidisciplinary Medical Complex establishes a new benchmark in Russia, not only excelling in a diverse spectrum of medical care areas but also in the quality and sophistication of its medical equipment.



The High Technological Multifunctional Medical Complex consists of main hospital building covering an area of 112,000 m²; oncology building with an area of 15,000 m², underground carpark with an area of 22,000 m², diesel fuel tank, collector, galleries which provide connection of all buildings to each other, external works consisting of earthworks and infrastructure, and working design responsibilities are also included in the scope of works.

The complex will have a world-class range of modern diagnostic and medical equipment. It will operate its own ambulance substation, polyclinic, accident and emergency unit, trauma center and hospital.

In the main hospital building:

- › A total of 17 operating rooms, 2 of which are hybrid,
- › 33 intensive care units, 6 of which are pediatric,
- › 395 patient beds, including 5 high VIP, 36 VIP, 32 pediatric, 32 oncology and 8 infection patient beds,
- › Laboratory that will serve both hospitals and other institutions,
- › It consists of a diagnostic section consisting of 4 MRI device rooms, 4 tomography device rooms, 6 x-ray rooms, a treatment pool and other small sections.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE
St. Petersburg, Russian Federation	Limited Liability Company "Constructiv"	Phase 1: October 2019 – June 2020 Phase 2: October 2020 – July 2021 Phase 3: May 2021 – May 2024 Phase 4: May 2022 – May 2024	Phase 1: Lump Sum Phase 2: Unit Price Phase 3: Lump Sum Phase 4: Lump Sum

The Oncology Hospital consists of:

- › Proton therapy center integrated with the nuclear medicine center within the complex,
- › X-Ray therapy center,
- › 5 linear accelerators,
- › 1 Linear MR therapy, 3 tomography and 1 MRI device.

One of the advantages of the new complex will be high transport accessibility due to its location in the Yukkovsky residential area, at the intersection of main highways on the border of the city and the region, and the presence of a helipad on the roof, which will organize the transportation of seriously ill patients.

Constructed to meet the latest advancements in medical standards, the Multidisciplinary Medical Complex establishes a new benchmark in Russia, not only excelling in a diverse spectrum of medical care areas but also in the quality and sophistication of its medical equipment.

The complex is designed based on the principle of minimum energy consumption and maximum energy efficiency. Base on this principle building management system, heating and cooling system, and lighting systems have been completed.

The construction works including architectural, mechanical, electrical of the Multifunctional Medical Complex, oncology, underground parking and communication collector buildings were completed in 2023.

HMMC Project is in the process of being handed over to the client, involving the completion of the punch list works, testing and commissioning of engineering systems and demobilization of temporary facilities.

By the end of December 2023, the project reached 2,531,369 person-hours without any lost time incident (LTI)

Scheduled to commence patient admissions on January 9, 2024, this modern hospital is designed to provide medical care to 20,000 patients annually, thereby creating numerous job opportunities.



SPECIAL PROJECTS

ENKA has an agreement with Caddell Construction to provide consultancy and project services for construction of special projects.

The agreement was reached after successful collaboration of ENKA and Caddell on the construction of the US Consulate building project in İstinye, İstanbul, which was completed in 2003.

With this understanding, ENKA consulted up to the completion of special projects in Cameroon in 2005, Guinea, Mali and Sierra Leone in 2006, Algeria and Nepal in 2007, Bosnia and Herzegovina in 2010, Djibouti in 2011, Burundi in 2012, Equatorial Guinea in 2013, the Dominican Republic in 2014, Djibouti Camp Lemonnier, Mauritania, Russian Federation and the Netherlands in 2017, Afghanistan in 2019, India in 2022, Kenya and Saudi Arabia in 2023.



Further projects were awarded to Caddell Construction for 3 more special buildings with similar scope of works in Asia in 2016, 1 in South America, 1 in North America, 1 in Europe, 1 in Africa in 2017, 1 in North America in 2018 and 1 in Europe in 2021, 2 in South America, 1 in Africa and 1 in Asia in 2022. ENKA is currently involved in 11 special building projects, which have a total value of almost US\$ 3.5 billion.

Phase 1 of the project in Central Asia was completed in 2023. Design work has commenced in Phase 2

of the project, with the overall project scheduled for completion in 2027.

Phase 1 of another project in Asia was completed in July 2022. Phase 2 has started and is planned to be completed in January 2024.

Apart from those, 2 projects in Asia have been successfully completed and their guarantee periods have commenced. The 1st and 2nd Phases of the project in South America have been completed, with the 3rd phase scheduled for completion in January 2024.

The project that commenced in Europe in May 2018 is currently undergoing interior finishing and commissioning works, with all phases planned for completion in March 2025. Another project in Europe has completed mobilization, and material supply and construction works are underway. The project is planned to be completed in 2025.

A project in North America undertaken in February 2018 is progressing with ongoing concrete and interior finishing works, aiming for completion in 2024. Another project in North America, which commenced in May 2019, is advancing with continuous concrete and interior finishing works, with a planned completion in 2024.

The project in Africa commenced in January 2018. All phases of the project have been successfully completed, handed over to the employer, and the

guarantee period has started. Another new project has begun in Africa, with mobilization and earthworks currently in progress.

Mobilization, material supply works and piling works have commenced for 2 new projects in South America. Projects are planned to be completed in 2027 and 2029.

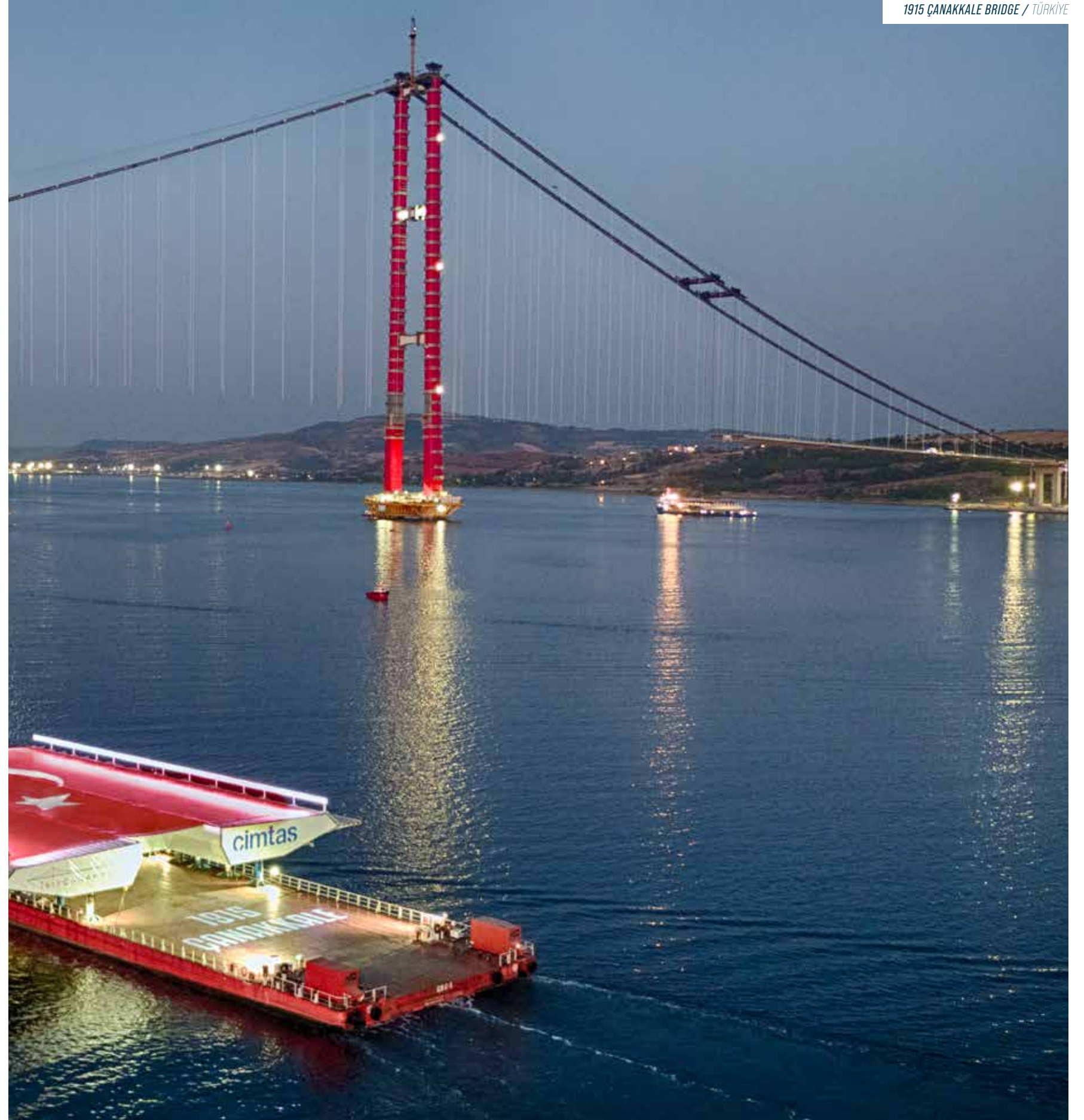
In another project in Asia, mobilization and concrete works are started. Project is planned to be completed in 2027.



GROUP COMPANIES

Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş.	Gemlik, Türkiye
Cimtas Boru İmalatları ve Ticaret Ltd. Şti.	Gemlik, Türkiye
Cimtas Ningbo Modular Skids & Pipe Spools	Ningbo, China
Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti.	Gemlik, Türkiye
Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş.	Kocaeli, Türkiye
Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş.	Türkiye

1915 ÇANAKKALE BRIDGE / TÜRKİYE



ÇİMTAŞ ÇELİK İMALAT MONTAJ VE TESİSAT A.Ş. (ÇİMTAŞ STEEL) - TÜRKİYE

Çimtaş, having successfully celebrated its 50th anniversary in 2023, continues its national and international projects by carrying its half-century experience into the future.



In 2023, Çimtaş completed the structural steel fabrication and transportation works for the Yandex Headquarters Building, situated near the Moscow River and renowned for its eye-catching design. The installation work of structural steel is currently being carried out by ENKA seamlessly.

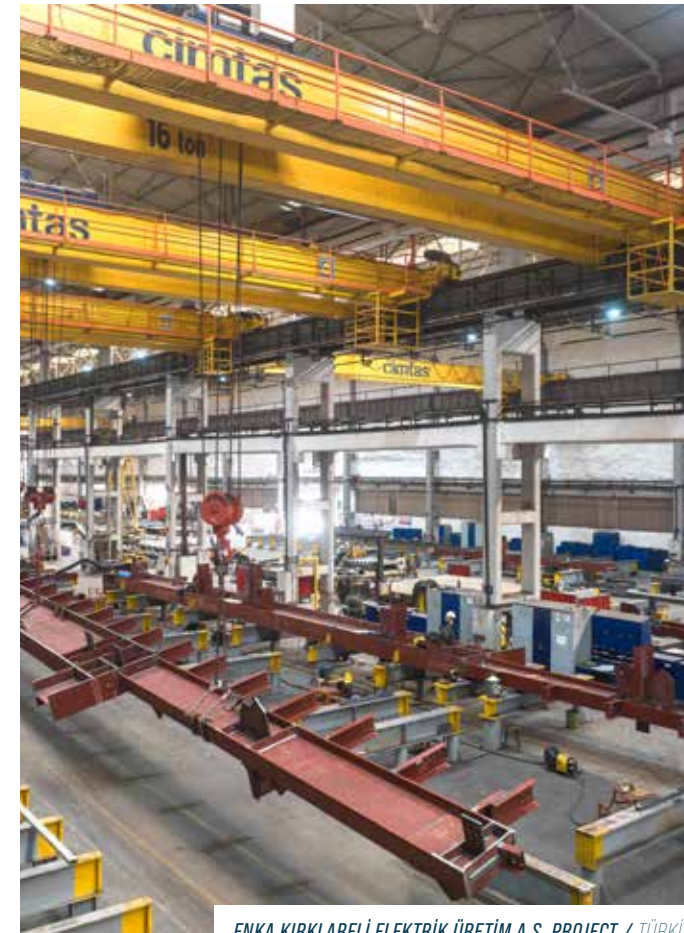
262 Fifth Avenue Project, another significant skyscraper project located in the center of New York Manhattan, is located on 5th Avenue in New York Manhattan, 300 meters away from the historic landmark Empire State Building. With 57 floors and a height of 275 meters, Çimtaş successfully completed the connection design, fabrication, trial assembly and transportation of the structural steel for this skyscraper in 2023.

Çimtaş signed a contract with ENKA Kırklareli Elektrik Üretim A.Ş. in September 2023 as part of the structural steel supply and fabrication works for the turbine and electrical buildings of the Kırklareli Combined Cycle Power Plant, which is an investment of ENKA. Situated in Kırklareli, Türkiye, the project encompasses a total of 2,750 tons of structural steel. Fabrication and shipments are progressing according to schedule, with approximately one-fifth of the project completed by the end of 2023. The remaining fabrication is planned for completion in the 1st quarter of 2024.

Çimtaş was awarded the contract for the fabrication of the compression ring structure of the Barcelona Nou Camp Stadium in the last days of 2023. The manufacturing of

the structure, comprising 92 beams to be manufactured from a total of 6,100 tons of S460 grade high-strength steel, is planned for completion in the 3rd quarter of 2024.

The first step and one of the most crucial components of the High-Speed Wind Tunnel project, the contract for which was signed in 2021 and planned to be established at the TÜBİTAK Defense Industry Research and Development (SAGE) campus, is the Air Storage System (HDS) project. Within the scope of the HDS project, the manufacturing of 15 horizontal pressure vessels, as well as 13 large-diameter elbows providing connections between the vessels, and 1 Y-Piece channel, valves, instrumentation, and walking platforms around the system were completed. The entire scope was shipped to the SAGE campus between December 2022 and January 2023. The design, analysis, and manufacturing steps of the project were carried out by Çimtaş. As part of the project, field installation, assembly and post-assembly leak tests are also planned to be carried out by Çimtaş in 2024 after the delivery of the system foundations by SAGE.



ENKA KIRKLARELİ ELEKTRİK ÜRETİM A.Ş. PROJECT / TÜRKİYE

In 2022, Çimtaş continues the manufacturing of 5 process columns in three different contracts signed with Ica Fluor for the Salina Cruz Refinery Project, a new investment by Pemex. Çimtaş has undertaken all mechanical designs, transportation analyses, procurement, manufacturing and FAS deliveries of the columns. Two process columns, including one large column weighing 670 tons, were made ready for shipment in November 2023. The remaining three process columns are scheduled to be completed and shipped in the first quarter of 2024. With these projects, closely monitored by the Mexican government, Çimtaş has become the main pressure vessel supplier for Pemex, the country's largest company.



WIND TOWERS FABRICATION

In May 2023, Çimtaş signed a contract with Star Refinery A.Ş., a subsidiary of SOCAR, to supply one debutanizer condenser. The project involves Çimtaş taking on the mechanical design, procurement and manufacturing aspects. The heat exchanger in this project contains a significant amount of monel alloys and requires monel weld overlay, making it a special piece of equipment. The engineering and procurement stages of the project have been completed, and manufacturing is ongoing with delivery scheduled for March 2024.

With low-carbon, sustainable, clean energy targets and the determination of global authorities, wind energy has maintained its sectoral priority in energy projections.

To address this growing demand, Çimtaş, an important turbine tower supplier in the European continent, achieved a significant milestone in 2023 by propelling

ENKA to the forefront in the field of ENR - Wind Generation.

In 2023, Çimtaş carried out a total of 105,000 ton of production with the ongoing production in its Gemlik and Gölçük facilities and renewed its production record in 2022. While 90% of the production is exported, the project destinations are spread across the European continent, including Spain, Croatia, Serbia, Netherlands, Finland, Poland, Germany, England and Sweden.

The rotor and stator business line, being one of the wind turbine energy converter parts with narrow tolerance and precision machining, which has been running for 6 years, continued until the end of the 1st quarter of 2023, and the total production during this period reached 1,130 units. In addition to domestic deliveries, 60% of the production was exported and shipped to Portugal.



ICA FLUOR SALINA CRUZ / MEXICO

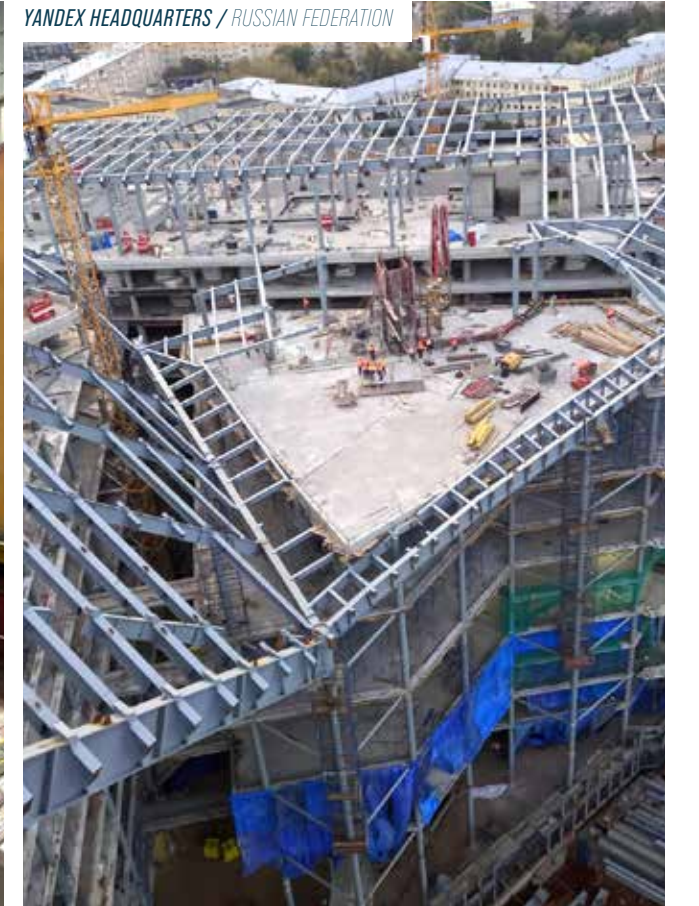
262 FIFTH AVENUE PROJECT / USA



SOCAR PETKIM HEAT EXCHANGER / TÜRKİYE



YANDEX HEADQUARTERS / RUSSIAN FEDERATION



CIMTAS BORU İMALATLARI VE TİCARET LTD. ŞTİ. (CIMTAS PIPE) – TÜRKİYE

Located in Gemlik, Türkiye, Cintas Pipe is a leading provider of Integrated Piping Solutions (IPS) for top-tier global customers in power, oil and gas, petrochemicals, mining, metal, nuclear and offshore industries worldwide.



Cintas Pipe engineers, fabricates, assembles, and installs high pressurized piping systems, process skids, and preassembled units for power and petrochemical plants as well as conducting material procurement and manufacturing longitudinally submerged arc welded (LSAW) pipes, butt weld fittings, induction bends, and branch connections to the highest international standards.

In 2023, Cintas Pipe fabricated over 21,285 tons of process and power pipe spools and manufactured 2,525 tons of butt weld fittings, induction bends, branch connections, and 14,530 tons of LSAW pipes for 22 projects. In addition to its fabrication and manufacturing activities, Cintas Pipe provided 141,600 person-hours of multi-disciplinary engineering services and procured 28,465 tons of steel piping and support materials for the following projects:

Oil & Gas Projects:

- › Bechtel – Pluto LNG (LSAW Pipe Fittings and Pipe Spools)
- › Bechtel – Corpus Christi LNG Project - (LSAW Pipe, Fittings and Pipe Spools)
- › Bechtel – Port Arthur LNG (LSAW Pipe, Fittings and Pipe Spools)
- › Bechtel – Rio Grande LNG (LSAW Pipe, Fittings and Pipe Spools)
- › Baker Hughes – Desuperheaters (Pipe Spools)
- › Kinetics Technology S.p.A. - HBO Project (Pipe Spools)
- › Kinetics Technology S.p.A. - Rijeka Refinery Project (LSAW Pipe and Pipe Spools)
- › Çimtaş Steel – Yandex Headquarters Project (LSAW Pipe)



- › Çimtaş Shipyard – Subsea 7 Installation Aids (LSAW Pipe)
- › Erciyas – Benin Pile Pipe Project (LSAW Pipe)
- › Komotini Refinery (LSAW Pipe)
- › Chiren Gas Storage (LSAW Pipe)
- › SOCAR (Engineering Services)

Power (Fossil, Nuclear and Renewable Energy) Plant Projects:

- › ENKA - Tripoli West 671 MW Simple Cycle Power Plant (LSAW Pipe, Fittings and Pipe Spools)
- › ENKA – Hinkley Point C Nuclear Plant – IP/LP Spool Fabrication for Power Island Piping (Pipe Spools)
- › GE - Hinkley Point C Nuclear Plant – L40 HP Spool Fabrication, HP Turbine Inlet Piping, IP & LP Piping and Cross Under Pipes (LSAW Pipe, Fittings and Pipe Spools)
- › GE - Turbine Piping - 6B, 6F, 9E, 9F, 9FA and 9HA (Pipe Spools)
- › GE Power - Dolna Odra 1.4 GW Power Plant (Pipe Spools)
- › MPW Americas - IPP Power Plant External Piping (Pipe Spools)
- › MPW Americas (Engineering Services)

PLUTO LNG TRAIN 2 PROJECT IN WESTERN AUSTRALIA - BECHTEL

Award Date: 2021

Cintas Pipe has manufactured 1,981 tons of butt weld fittings, 9,231 tons of LSAW pipes and supplied 7,329 tons of materials in carbon, low temperature carbon and stainless-steel within integrated piping solution strategy.

Project is scheduled to be completed in 1st quarter of 2024 with 16,500 tons of spool fabrication.

CORPUS CHRISTI LNG PROJECT IN TEXAS, USA - BECHTEL

Award Date: 2022

Project started in February 2022, involving the manufacturing of 890 tons of butt weld fittings and 5,500 tons of LSAW pipes at Cintas Pipe facilities, encompassing carbon, low-temperature carbon and stainless-steel metallurgies. Additionally, 8,500 tons of materials have been outsourced from the supply-chain.

Within 2023, Cintas Pipe has fabricated more than 7,000 tons of prefabricated pipe spools. The project is planned to be completed in the 3rd quarter of 2024 with a targeted total of 14,500 tons of pipe spool fabrication.

PORT ARTHUR LNG PROJECT IN TEXAS, USA - BECHTEL**Award Date:** 2023

The project commenced in February 2023 with the manufacturing of 660 tons of butt weld fittings and 4,616 tons of LSAW pipes at Cimtas Pipe facilities in carbon, low temperature carbon and stainless-steel metallurgies. Additionally, 1,924 tons of materials have been outsourced from the supply-chain. Manufacturing and procurement activities will be continued in 2024 and 2025 with the new releases. The total project scope is 30,000 tons. The fabrication of pipe spools started in November 2023 and is scheduled to be completed in December 2025.

RIO GRANDE LNG PROJECT IN TEXAS, USA - BECHTEL**Award Date:** 2023

Project started in 2023 with manufacturing of 104 tons of butt weld fittings and 2,190 tons of LSAW pipes at Cimtas Pipe facilities in carbon, low temperature carbon and stainless-steel metallurgies. Additionally, 1,318 tons of materials have been outsourced from the supply-chain. Manufacturing and procurement activities will continue in 2024 and 2025 with the new releases. The total scope of the project is 25,000 tons; the pipe spool fabrication will commence in January 2024 and is scheduled to be completed in April 2026.

TRIPOLI WEST 671 MW SIMPLE CYCLE POWER PLANT IN LIBYA - ENKA**Award Date:** 2022

In 2023, Cimtas Pipe completed a total 316 tons of pipe spools for this project.

HINKLEY POINT C NUCLEAR POWER PROJECT IP/LP SPOOL FABRICATION IN THE UK - ENKA UK**Award Date:** 2022

Cimtas Pipe will fabricate medium and low-pressure piping systems weighting 2,400 tons for ENKA UK as part of its contract, covering all piping systems for the power island at Hinkley Point C Nuclear Power Station. As part of the integrated piping solutions approach, Cimtas Pipe's products consisting of 770 tons of LSAW pipes, 225 tons of elbows and tees in alloy, stainless and carbon steel material grades, were completed in 2022 and are being used for the fabrication of this scope. Shop pre-fabrication of the medium and low-pressure piping systems commenced in October 2023 and planned to continue until the 2nd quarter of 2025.

**HINKLEY POINT C NUCLEAR POWER PROJECT IN THE UK - GE****Award Date:** 2022

GE awarded the fabrication of 2,300 tons of L40 High Pressure (HP) Pipe Spools, 1,120 tons of L20 High Pressure Pipe Supports, 30 tons of ST301 HP Turbine inlet piping fabrication and 350 tons of L05 Cross Under Pipe fabrication as part of the Hinkley Point C Nuclear Power Project. The fabrication of L40 Pipe Spools commenced in the 2nd quarter of 2022 and was carried out the entire 2023. The project is anticipated to be completed and shipped within the 1st quarter of 2024. Additionally, the fabrication of L05 Cross Under Pipe was carried out successfully, meeting the deadline and shipped in September 2023. The completion of ST301 HP Turbine Inlet Piping is scheduled within the year 2023.

TURBINE PIPING IN FRANCE - GE**Award Date:** Multiple orders since 2002.

During 2023, Cimtas Pipe and GE Power continued their business relationship by collaborating on several projects and ongoing turbine piping fabrication works. Since 2002, Cimtas Pipe has fabricated over 6,500 tons of pipe spools for turbine piping, specifically for GE's 6B, 6F, 9E, 9F, 9FA and 9HA turbines. In 2023, a total of 73 tons of pipe spools for GE gas turbines were fabricated and delivered worldwide.

DOLNA ODRA IN POLAND - GE**Award Date:** 2021

Cimtas Pipe received two purchase order packages from GE to provide 900 tons of L41 and L42 pipe spools in carbon, stainless and alloy steel pipes including material supply service for the Dolna Odra Power Station. Dolna Odra project was completed in 2023 in accordance with EN 13480 standard.

IPP POWER PLANTS IN UTAH, USA - MITSUBISHI POWER AMERICAS**Award Date:** 2022

Mitsubishi Power Americas awarded Cimtas Pipe with the contract for external piping works for IPP Power Plants. The project was completed in 2023 with the shipment of 151 tons of pipe spools.

RIJEKA REFINERY UPGRADE PROJECT IN CROATIA - KINETICS TECHNOLOGY S.P.A.**Award Date:** 2021

The project, involving 2,070 tons of piping and 260 tons of supports, was completed in 2023.

HBO PROJECT IN POLAND - KINETICS TECHNOLOGY S.P.A.**Award Date:** 2023

Cimtas Pipe started the fabrication and delivery of carbon steel pipe spools in 2023. The project, encompassing 1,007 tons of piping and 138 tons of support, is scheduled for completion in 2024.

ENGINEERING SERVICES IN TÜRKİYE - SOCAR**Award Date:** 2023

In 2023, Cimtas Pipe performed engineering services for over 50 projects at Petkim Petrochemical Plant, Star Refinery and SOCAR Storage Facility. The scope of work for SOCAR includes process engineering, process safety, plant design and piping, instrumentation and control, electrical, mechanical, structural, and civil design activities.

ENGINEERING SERVICES, IN USA - MPW AMERICAS**Award Date:** 2023

Cimtas Pipe signed a contract with MPW Americas in 2023, which involved engineering services for the modularization of the complete Gas Turbine Enclosure, encompassing plant and piping, pipe stress and support, structural, instrumentation and control, and electrical design. The product is designed to meet the most challenging design conditions, allowing it to be constructed modularly anywhere in the USA.



CIMTAS NINGBO MODULAR SKIDS & PIPE SPOOLS (CIMTAS NINGBO) - CHINA

Cimtas Ningbo is a market-leading company providing high-quality spool fabrication and rigorously assembles skids, jigs and modules. The company established operations in China in 2002 and enlarged its capacity via custom-designed manufacturing technologies in 2019.



Cimtas Ningbo serves the market with 55,250 m² of land and 31,680 m² of covered area with approximately 500 employees.

In 2023, Cimtas Ningbo successfully delivered more than 380,000 diameter-inches of gas turbine, boiler, steam turbine piping, assembled skid and turbine auxiliary module systems and quick-disconnect clamp assembly components to its customers, reaching its highest revenue from the establishment. In addition, Cimtas Ningbo has successfully renewed its ASME, ISO27001 and EN1090-1/EN1090-2 certifications.

Thanks to its strong sense of responsibility and dedication of its employees, Cimtas Ningbo surpassed 2023 Covid spread during China opening period smoothly and completed its projects on time without any delays.

In line with sustainability targets, Cimtas Ningbo utilized green energy by implementation of solar panels which supplies approximately 50% of its electric consumption. Our commitment to decarbonization is extended with Renewable Energy Certification (REC) to cover the remaining portion of the electric supply from the grid.

In 2023, Cimtas Ningbo achieved successful deliveries of gas turbine piping accompanied by jig assemblies, skids and modules for Mitsubishi Heavy Industries projects. These projects are as follows:

- › CFE Salamanca, Mexico
- › CFE San Luis Potosi, Mexico
- › CFE Valladolid, Mexico
- › CFE Merida, Mexico
- › Novo Tempo Barcarena, Brazil
- › Intermountain Power Plant, USA
- › Alba Power Station, Bahrain

- › Tashkent Thermal Power Cogeneration, Uzbekistan
- › Qingdao Energy Kaiyuan, China

Cimtas Ningbo continues to strengthen its partnership with Mitsubishi Power, concentrating on delivering engineering solutions that optimize cost efficiency and standardization across their entire product range.

A noteworthy milestone was achieved in 2023, as Cimtas Ningbo successfully assembled and delivered the largest quantity of Modular Skid Enclosures and gas turbine piping, including turbine auxiliary components, since the establishment of the facility. This accomplishment not only signifies a significant achievement but also places the company at the pinnacle of its production capacity. Additionally, Cimtas Ningbo has been honored with the prestigious Certificate of Appreciation for 2023 from Mitsubishi Heavy Industries, recognizing its exceptional contributions.

In collaboration with Siemens Energy, Cimtas Ningbo has manufactured gas turbine piping for their facilities in China, Germany and the United States. Its partnership with Siemens Energy in 2023 has been marked by significant achievements, including the receipt of two prestigious awards: the Siemens Energy Certificate of Appreciation and the Siemens Energy Recognition Award.



During the course of 2023, Cimtas Ningbo has successfully provided piping systems to numerous power plants located worldwide. The projects listed below have contributed to the growth of the company and strengthened its reputation as a reliable supplier of high-quality piping solutions.

- › SCC5-8000H Yuehua Huangpu Power Station, China
- › SMC Batangas LNG Combined Cycle Power Plant, Philippines
- › Shenzhen Dongbu Power Plant Phase II Project, China
- › Mawan Upgrading CCPP Phase I, China
- › Les Awirs Power Station, Belgium
- › Pioneer Generation Station, USA
- › CCC González Ortega Power Station, Mexico
- › CCC San Luis Río Colorado Power Station, Mexico
- › Manzanillo Power Land Power Station, Dominican Republic
- › CCC Tuxpan Phase I Power Station, Mexico

In the modular “Auxiliary Integrated Packages” business line with Siemens Energy, Cimtas Ningbo has actively participated in the production of significant projects, including completed SGT6-9000HL LNG-to-Power UTE GNA II Project in Brazil, Tuxpan Phase I Plant Project in Mexico. Furthermore, the production for the Mintia-Deva power station in Romania is on-going.

In 2023, Cimtas Ningbo proudly continued its long-standing partnership with General Electric as their trusted global solution partner in the energy market. Our commitment to excellence and quality was recognized through notable achievements and significant progress made throughout the year. One of the highlights of our partnership with General Electric was receiving the prestigious “General Electric - Excellence in Quality” award. This recognition reflects our unwavering dedication to delivering exceptional products and services, solidifying our position as a reliable and trusted partner in the industry.

Throughout 2023, Cimtas Ningbo successfully supplied piping systems to various power plants across different locations globally. Some of the notable power plants the company had the privilege to work with include:

- › Nhon Trach Power Station, Vietnam
- › Orot Rabin Power Station, Israel
- › Hamriyah IPP Power Station, UAE
- › Agios Nikolaos Power Station, Greece
- › Plant Crist, USA
- › Ostroleka Power Station, Poland
- › Seraing Power Station, Belgium
- › Besmaya CCPP-13, Iraq
- › CFE HQ Manzanillo III Power Plant Project, Mexico
- › NVE Silverhawk Power Station Project, USA
- › Guoxin Gaoyou Gas Thermal Power Station, China
- › Kindle Energy Magnolia Power Plant Project, USA
- › Okeechobee Clean Energy Center, USA
- › Huaibei Pingshan Power Station, China
- › Taichung Combined Cycle Power Plants Project, Taiwan
- › Guoxin Yizheng Gas Thermal Power Station, China
- › Köln-Niehl Combined Cycle Heat and Power (CHP) Plant Project, Germany

Furthermore, Cimtas Ningbo has been bestowed with the Excellent Supplier Award by Toshiba Energy Systems & Solutions. In 2023, we accomplished the fabrication and shipment of the following various steam turbine piping projects, further solidifying our position as a reliable and accomplished partner.

- › CFE San Luis Potosi, Mexico
- › Vung Ang II, Vietnam
- › Tanawon Geothermal, Philippines



CFE VALLADOLID / MEXICO



LNG-TO-POWER UTE GNA II PROJECT / BRAZIL



INTERMOUNTAIN POWER PLANT / USA

ÇİMTAŞ HASSAS İŞLEME SANAYİ VE TİCARET LTD. ŞTİ. (ÇİMTAŞ PRECISION MACHINING) - TÜRKİYE

Çımtaş Machining stands as a leading company in the power and aerospace industries by manufacturing structural and rotating gas turbine components directly to the Original Equipment Manufacturers.



Çımtaş Machining has expanded its product range in 2023, notably with the award of advanced parts for GE Vernova's H-class turbines, specifically the 7HA and 9HA. The highlight of these contributions are the AFT frames for 7HA and 9HA turbines, which are integral to the combustion modules. These parts, crafted from nickel-based superalloys, demand high precision and complex manufacturing processes, including 5-axis turning and milling, electron beam welding, and 5-axis fast hole electro discharge drilling.

The company also initiated production of unisleeves and flow sleeves for H-Class turbines, following the previous completion of liner and transition piece parts. These components are characterized by their intricate hydraulic forming, high-velocity oxygen fuel coatings for wear resistance and precision robotic welding.



COMBUSTION CHAMBER TRANSITION ART FRAME / USA

To meet GE's varied technology needs, Çımtaş Machining started producing diverse fleet components like AFS bosses and flanges, successfully launching serial production of 11 different variants.

Repair and refurbishment of gas turbine parts also emerged as a new business line. This includes the refurbishment of 9HA combustion casings and Flow Sleeves, utilizing chemical cleaning, weld build-up, stripping, re-coating, and machining. The first orders were delivered in 2023 to GE's Belfort turbine assembly facility and Toshiba GE turbine services in Yokohama.

The 5-year contract with GE Vernova exceeded with a 50% higher volume than projected for 2023, and orders secured for 2024 have already doubled the contractual volume. Despite facing global supply challenges for nickel-based superalloys, Çımtaş has ensured customer needs are met through expedited procurement and production.

Çımtaş Machining is also involved in concurrent engineering projects like GE's 7HA.03 Advance Gas Path upgrade, Siemens' Rotating Olefins Cracker Phase-2 and Bechtel's cooling ejectors, contributing to cost efficiency, quality, manufacturability and technological advancements.

Collaborating strategically with Baker Hughes, Çımtaş Machining has begun producing parts for Baker Hughes' latest turbines, Nova LT12 and LT16, leading to new opportunities including in Saudi Arabia.

The company continues its partnerships with GE Aerospace, Rolls Royce and TAI, and has successfully met the standards of seven National Aerospace and Defense Contractors Accreditation Program (NADCAP) certification audits.



HIGH PRESSURE COMPRESSOR ROTATING SEAL LOCK / USA

ÇİMTAŞ GEMİ İNŞA SANAYİ VE TİCARET A.Ş. – TÜRKİYE

In 2023, Çimtaş Shipyard completed the fabrication of 67,402 tons reaching Çimtaş' highest annual wind tower production weight. By exporting all products to Europe, the company has also attained its highest annual export tonnage to date.



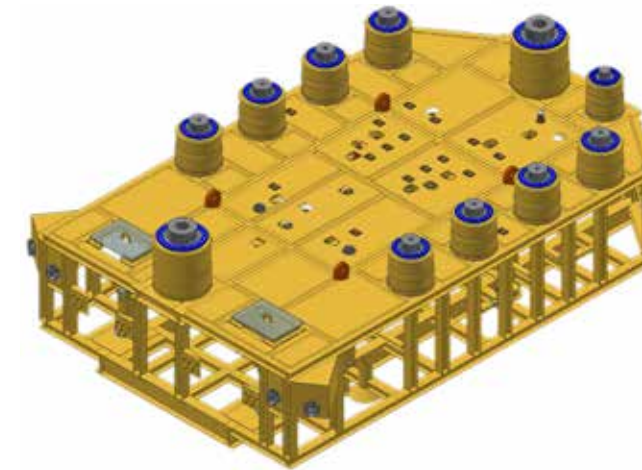
Within the fabrication scope for first subsea project of Turkish Petroleum Sakarya Gas Field Development Project, commenced in last quarter of 2022, Çimtaş Shipyard completed the fabrication and delivery of high-pressure service gas transmission piping (Rigid spool) and the temporary parts (Installation Aids) in 2023.

Çimtaş Shipyard continued building of two chemical tankers with a capacity of 6,000 DWT in 2023. Furthermore, a contract has been signed for two more chemical tankers of the same design and their building will commence in 2024.

Çimtaş Shipyard has started the structural steel fabrication for the Kırklareli Natural Gas Combined Cycle Power Plant Project and will complete its scope and ship its scope in early 2024.

In 2023, within the scope of Turkish Petroleum - Sakarya Gas Field Development Project (Phase-2), Çimtaş Shipyard signed a contract for the first subsea manifolds and suction piles fabrication in Türkiye, which is planned to be completed in 2024.

WIND TOWER SHIPMENT

TURKISH PETROLEUM SAKARYA GAS FIELD DEVELOPMENT
PROJECT (PHASE-2) / TÜRKİYE

ENKA KIRKLARELİ ELEKTRİK ÜRETİM A.Ş. PROJECT / TÜRKİYE

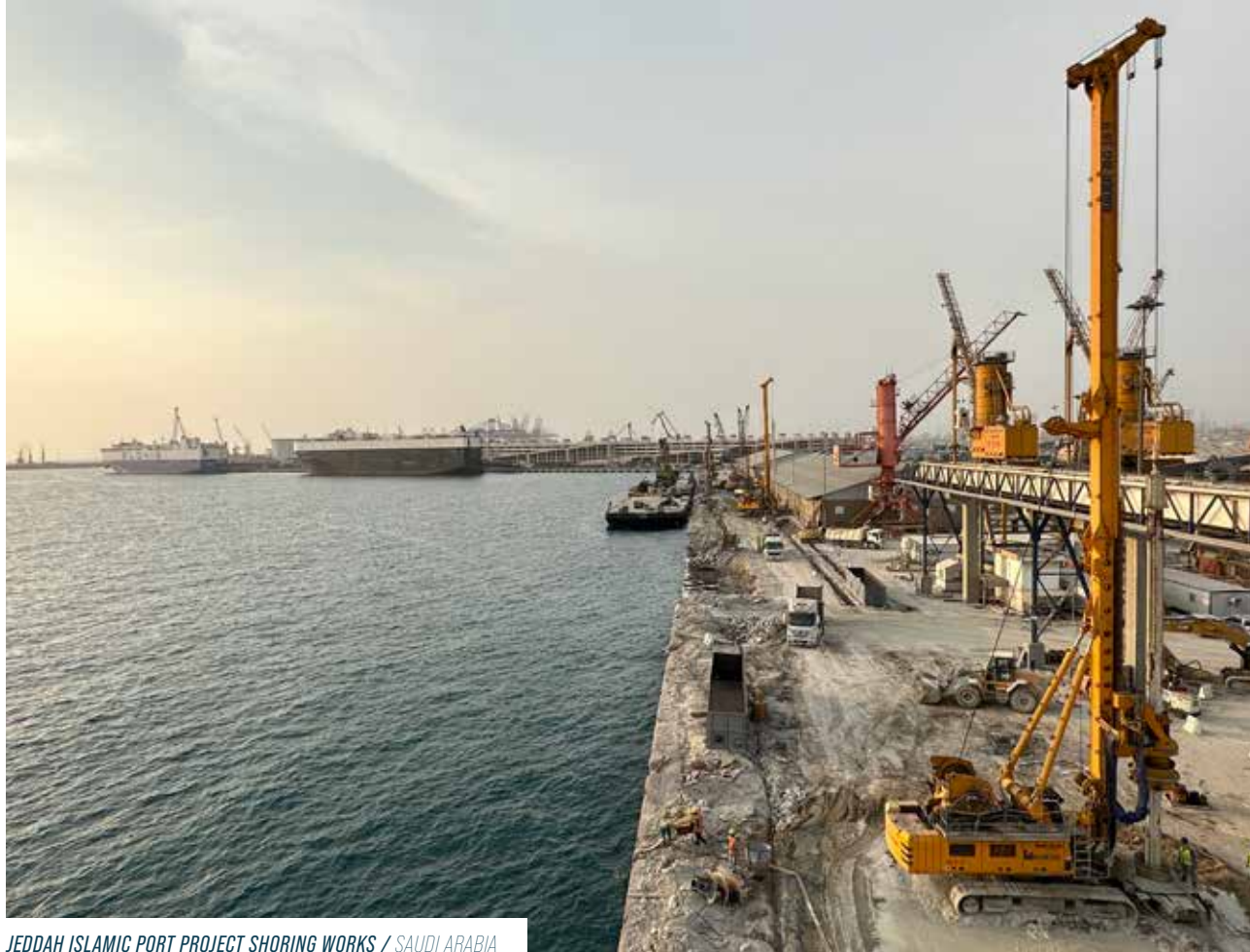


TURKISH PETROLEUM SAKARYA GAS FIELD DEVELOPMENT PROJECT / TÜRKİYE



KASKTAŞ KAYAR KALIP ALTYAPI SONDAJ KAZIK VE TECRİT A.Ş. - TÜRKİYE

Kasktaş started ground engineering and foundation works in 1957 as an internal department of ENKA and was transformed into an individual company in 1975.



JEDDAH ISLAMIC PORT PROJECT SHORING WORKS / SAUDI ARABIA

As of the end of 2023, with a total of 309 employees including 57 technical and 46 administrative personnel, Kasktaş offers high-quality and economical solutions through its staff experienced in geotechnical design and all types of soil engineering and its special geotechnical machinery and equipment. In addition to having a large and modern machinery park, the company continues to add new machinery and equipment to its fleet in order to meet the current requirements in the area of soil engineering.

Having successfully completed Third Party Inspection of the ISO 9001 Quality, ISO 14001 Environmental and ISO 45001 Occupational Health & Safety Management Systems, administered by BSI in 2023, Kasktaş upholds its operations with an unwavering commitment to quality.

The Environmental and Occupational Health and Safety System, which had been established in the company headquarters and the main workshop earlier in 2007, was expanded in the 1st half of 2009 to encompass all construction sites both in Türkiye and internationally. Additionally, Kasktaş' affiliate in Saudi Arabia has implemented the ISO 14001 Environmental and ISO 45001 Occupational Health & Safety Management Systems, obtaining certification from BSI in 2009.

Kasktaş commenced the year of 2023 with 10 ongoing projects and additional 8 new projects were also undertaken during this period. The major projects completed by Kasktaş in 2023 are presented below:

Türkiye

- › Akkuyu Nuclear Power Plant Pump Stations and UZP Structures Shoring Works
- › Akkuyu Nuclear Power Plant 50UZQ & 60UZQ Piling Works
- › Akkuyu Nuclear Power Plant 11UQF Soil Improvement Works
- › DSI Ankara Süleymanlı Dam Lake Slurry Wall Works
- › DSI Çorum Sungurlu Dam Lake Slurry Wall Works
- › MBE Metro Project TOKİ Station Shoring Works
- › ENKA Kırklareli Elektrik Üretim A.Ş. 850 MW Natural Gas Combined Cycle Power Plant Piling Works

Saudi Arabia

- › Jeddah Islamic Port Project Shoring Works
- › King Abdullah Financial District Project Shoring Works
- › Qiddiyah City Rock Stability Works

Russian Federation

- › JK Era Complex Shoring Works
- › JK Ever Complex Anchor Works
- › JK Onest Complex Piling Works
- › Ostrov 6 Project Shoring Works
- › Tverskaya 7 Telegraph Building Piling Works
- › Varshavskoye Shosse 25 Housing Project Piling Works
- › Vetkina Housing Project Piling Works
- › Victory Park Project Soil Improvement and Piling Works



ENKA KIRKLARELİ ELEKTRİK ÜRETİM A.Ş. 850 MW NATURAL GAS COMBINED CYCLE POWER PLANT PILING WORKS / TÜRKİYE

AKKUYU NUCLEAR POWER PLANT PUMP STATIONS AND UZP STRUCTURES SHORING WORKS

Following the completion of 10UQA, 20UQA, 11&22 UZP and 12 UZP Structures within the scope of the Akkuyu Nuclear Power Plant Project in Mersin, a contract was signed with IC İctaş Nükleer A.Ş. for the shoring works of 30UQA and 21&32 UZP Structures.

The scope of all contracts includes a total of 45,000 m² of diaphragm wall, 4,000 m³ of barrette pile, 199,000 m of jet grout, 69,000 m of SBMA anchor and 342,000 m³ of excavation works.

The project commenced in 2020. In 2023, 25,000 m of SBMA anchor and 171,500 m³ of excavation were executed. The remaining excavation work is planned to be completed as of April 2024.

AKKUYU NUCLEAR POWER PLANT 50UZQ & 60UZQ PILING WORKS

Following the works at 50UZQ area, the contract for the 60UZQ piling works within the scope of the Akkuyu Nuclear Power Plant, located in Mersin, was signed with Cengiz İnşaat. The project includes a total of 17,500 m of secant pile.

The project commenced in 2022. In 2023 the project was completed by executing 16,500 m of secant pile.

AKKUYU NUCLEAR POWER PLANT 11UQF SOIL IMPROVEMENT WORKS

The contract for the 11UQF soil improvement works within the scope of the Akkuyu Nuclear Power Plant in Mersin was signed with TSM Enerji. The contract includes the execution of 7,000 m of jet grout.

The project commenced in 2023 and all contracted works were successfully executed within the same year, leading to the timely completion of the project.

DSİ ANKARA SÜLEYMANLI AND ÇORUM SUGURLU DAM LAKES SLURRY WALL WORKS

General Directorate of State Hydraulic Works is building dams in Ankara and Çorum in order to expand modern irrigation in agriculture, ensure maximum benefit from agricultural lands, deliver healthy and potable water to the taps and protect settlements and agricultural lands against flood risks. Within

the scope of these dams, contracts were signed with DNZ İnşaat and Baraj Grup İnşaat for the slurry wall works of Ankara Bala Süleymanlı Dam Lake and Çorum Sungurlu Dam Lake. The slurry wall works encompass 5,000 m² for the Süleymanlı Lake and 12,500 m² for the Sungurlu Lake.

Both projects started in 2023 and were completed, involving a total of 17,500 m² of slurry wall installations.

MBE METRO PROJECT TOKİ STATION SHORING WORK

The contract was signed with İctaş for the TOKİ Station shoring works within the scope of the Mahmutbey – Bahçeşehir – Esenyurt Metro Line Project, which is under construction by the Istanbul Metropolitan Municipality. The project includes 32,000 m³ of diaphragm wall, 10,000 m³ of barrette pile, 2,000 m of secant pile and 2,000 m of tangent pile.

The project commenced in 2022 and 23,500 m³ of diaphragm wall was completed in 2023. The remaining barrette pile work is scheduled for completion by March 2024.

ENKA KIRKLARELİ ELEKTRİK ÜRETİM A.Ş. 850 MW NATURAL GAS COMBINED CYCLE POWER PLANT PILING WORKS

The contract was signed with ENKA İnşaat for the piling works within the scope of the Kırklareli 850 MW Natural Gas Combined Cycle Power Plant Project, located in Kırklareli. The project consists of 4,000 m of bored pile.

The project commenced in 2023 and was completed by executing all the work within the year.

JEDDAH ISLAMIC PORT PROJECT SHORING WORKS

The contract was signed with PC Marine Services for the shoring works of the Jeddah Islamic Port Berths. The scope of the contract encompasses 23,000 meters of bored pile and 9,500 meters of anchor works. Jeddah Islamic Port is not only at the critical location of the international shipping route between the East and West via the Suez Canal but also one of the biggest ports in Saudi Arabia.

The project commenced in 2023 and 13,000 m of bored pile and 3,000 m of anchor works were completed within the year. The remaining works are planned to be completed by March 2024.

QIDDIYAH CITY ROCK STABILITY WORKS / SAUDI ARABIA



DSİ ANKARA SÜLEYMANLI SLURRY WALL WORKS / TÜRKİYE





MBE METRO PROJECT TOKI STATION SHORING WORKS / TÜRKİYE

KING ABDULLAH FINANCIAL DISTRICT PROJECT SHORING WORKS

The contract was signed with Taj Dhabi for the works within the scope of the King Abdullah Financial District to be established in Riyadh. The scope of the project encompasses shoring works and the design process for these works is currently in progress.

The project is planned to begin as of January 2024.

QIDDIYAH CITY ROCK STABILITY WORKS

The contract was signed with El Haif Company for the rock stabilization works within the scope of the Qiddiyah City Project Upper Plateau which will be built 45 km from the city of Riyadh as an entertainment megaproject. The contract consists of 123,000 m of anchor and 41,000 m of rock bolt works.

The project commenced in 2021. In 2023, the project was completed by executing 47,000 m of anchor and 33,000 m of rock bolt works.

JK ERA COMPLEX SHORING WORKS

The contract was signed with Ant Yapı for the shoring works within the scope of the JK Era Complex

located in Moscow. The project consists of 6,500 m³ of diaphragm wall.

The project commenced in 2023 and was completed by executing all the work within the year.

JK EVER COMPLEX ANCHOR WORKS

The contract was signed with Ant Yapı for the execution of anchor works as the horizontal support element within the scope of the JK Ever Complex located in Moscow. The project consists of 4,000 m of anchor.

The project commenced in 2022. In 2023, the project was completed by executing 1,000 m of anchor.

JK ONEST COMPLEX PILING WORKS

The contract was signed with Antteq for the piling works within the scope of the JK Onest Complex located in Moscow. The project includes 1,200 m of bored pile and 84 of pile bottom injection.

The project commenced in 2022. In 2023, the project was completed by executing 500 m of bored pile and 64 of pile bottom injection.

OSTROV 6 PROJECT SHORING WORKS

The contract was signed with Ant Yapı for the shoring works within the Ostrov 6 Project located in Moscow. The project consists of 6,000 m³ of diaphragm wall and 8,000 m of anchor works.

The project commenced in 2021. In 2023, the project was completed by executing 1,000 m of anchor.

TVERSKAYA 7 TELEGRAPH BUILDING PILING WORKS

The contract was signed with Ant Yapı for the piling works within the Tverskaya 7 Telegraph Building Project located in Moscow. The project consists of 7,000 m of secant pile.

The project commenced in 2023 and was completed by executing all the work within the year.

VARSHAVSKOYE SHOSSE 25 HOUSING PROJECT PILING WORKS

The contract was signed with Bolshaya Medveditsa for the piling works within the scope of the Varshavskoye Shosse 25 Housing Project located in Moscow. The project involves the installation of 36

bored piles and the execution of 4 pile loading tests. All works have been completed in the project started in 2023.

VETKINA HOUSING PROJECT PILING WORKS

The contract was signed with MR Group for the piling works within the scope of the Vetkina Housing Project located in Moscow. The project encompasses the installation of 20 bored piles and the implementation of 4 pile loading tests. All works have been completed in the project started in 2023.

VICTORY PARK PROJECT SOIL IMPROVEMENT AND PILING WORKS

The contract was signed with Antteq for the soil improvement and piling works of the Victory Park Project, which is being built in Moscow as a multifunctional elite residential complex. The project consists of 7,000 m of bored pile, 8,000 m of anchor and 14,000 m of jet grout.

The project commenced in 2021. In 2023, the project was completed by executing 3,500 m of bored pile, 4,000 m of anchor and 12,000 m of jet grout works.



OSTROV 6 PROJECT SHORING WORKS / RUSSIAN FEDERATION



JEDDAH ISLAMIC PORT PROJECT SHORING WORKS / SAUDI ARABIA



VETKINA HOUSING PROJECT PILING WORKS / RUSSIAN FEDERATION



JK ONEST COMPLEX PILING WORKS / RUSSIAN FEDERATION

POWER GENERATION

Adapazarı Elektrik Üretim Ltd. Şti.	<i>Türkiye</i>
Gebze Elektrik Üretim Ltd. Şti.	<i>Türkiye</i>
İzmir Elektrik Üretim Ltd. Şti.	<i>Türkiye</i>
ENKA Kırklareli Elektrik Üretim A.Ş. 850 MW Natural Gas Combined Cycle Power Plant	<i>Türkiye</i>
Kameno Solar Photovoltaic Power Plant	<i>Bulgaria</i>



ADAPAZARI AND GEBZE NATURAL GAS COMBINED CYCLE POWER PLANTS / TÜRKİYE

ADAPAZARI ELEKTRİK ÜRETİM LTD. ŞTİ. GEBZE ELEKTRİK ÜRETİM LTD. ŞTİ. İZMİR ELEKTRİK ÜRETİM LTD. ŞTİ.

In 1997, a partnership between ENKA by 40% and InterGen by 60% was awarded by the General Directorate of Turkish Electricity (TEAŞ) and the Ministry of Energy and Natural Resources to carry out the turnkey construction and operation of three natural gas combined cycle power plants in Gebze, Adapazarı and İzmir with a total installed capacity of circa 4,000 MW under the Build-Own-Operate (BOO) scheme.

The projects commenced in 2000 and the turnkey construction of the Gebze, Adapazarı and İzmir natural gas combined cycle power plants was awarded to the Bechtel-ENKA Joint Venture (BEJV). The Gebze and Adapazarı plants were commissioned in 2002 and the İzmir plant in 2003. Consequently, ENKA, together with its partner InterGen, emerged as the largest private sector electricity producer in Türkiye. During operation period, ENKA acquired the shares of its partner InterGen, establishing itself as the sole owner of the power generation companies.

The Electricity Sale agreements and the Natural Gas Sale Contracts reached their expiration at the end of the BOO period in 2019. Following the BOO period, the power plants obtained generation licenses and commenced operation in the merchant electricity market.

In 2023, the ENKA power plants generated circa 5.0 billion kilowatt-hours of electricity, contributing to a cumulative total of over 465 billion kilowatt-hours throughout their operational history. With an annual production capacity of 32 billion kilowatt-hours, these power plants have the potential to fulfill 10% of Türkiye's total energy consumption.

Throughout the operational period, ENKA has enhanced the infrastructure of its power plants, investing in cutting-edge technology through the implementation of the "Advanced Gas Path and DLN2.6+ Upgrade." This industry-leading technology has not only improved fuel efficiency but has also reduced the emission footprint, while enhancing operational flexibility and reliability.

The ENKA power plants hold certificates of ISO 45001 Occupational Health and Safety Management System, ISO 14001 Environmental Management System, ISO 27001 Information Security Management System, ISO 9001 Quality Management System, and ISO 50001 Energy Management System. Regular audits are conducted to ensure compliance with these certifications.

Furthermore, the Energy Market Regulatory Authority (EPDK) has issued ENKA Enerji Ticaret A.Ş. with an electricity supply license and a natural gas import (spot market) license. These licenses empower ENKA Enerji to participate in wholesale/retail activities in both electricity and gas markets.



İZMİR NATURAL GAS COMBINED CYCLE POWER PLANT / TÜRKİYE



GEBZE & ADAPAZARI NATURAL GAS COMBINED CYCLE POWER PLANTS / TÜRKİYE

ENKA KIRKLARELİ ELEKTRİK ÜRETİM A.Ş. 850 MW NATURAL GAS COMBINED CYCLE POWER PLANT

ENKA Kırklareli Elektrik Üretim A.Ş. has undertaken the construction of the Kırklareli Natural Gas Combined Cycle Gas Turbine Thermal Power Plant (CCGT-TPP) project located in Kırklareli city in Türkiye as its own investment. The plant is currently being constructed in the Eriklyurdu village zone of Babaeski district of Kırklareli.

The Notice to Proceed for the project was issued on November 11, 2022, and the project duration is 35 months from the NTP.

The works are being executed on an engineering, procurement, construction and commissioning (EPCC) basis. This encompasses engineering, manufacturing, on-site deliveries, erection works, as well as the operation, commissioning, start-up and testing of the plant.

The power plant will be based on 1x1x1 configuration, equipped with one GE's 9HA.02 gas turbine and hydrogen cooled generator (H78), one D650 steam turbine and air-cooled generator (A78), one triple pressure reheat heat recovery steam generator (HRSG) to be supplied by GE, one air cooled condenser (ACC), one gas regulating metering station (RMS) and all associated equipment and systems.

Upon completion, the plant will achieve an output of 850 MW, utilizing natural gas as its fuel source.

Detailed design documentation and procurement engineering works are ongoing, with progress on procurement related engineering (material requisition release) at 48%. The detailed design progress has reached approximately 45%.

Manufacturers have been already selected for air cooled condenser (ACC), gas regulating metering station (RMS), distributed control system (DCS), transformers, water treatment plant and switchyard.

Additionally, the planned schedule includes the delivery of gas turbine and steam turbine to the site in May 2024, with the delivery of generators for gas turbine and steam turbine to the site planned for July 2024.

The highlights of the progress made on site activities as of the end of December 2023 are as follows:

- Temporary camp facilities (with a capacity of 1,180 people), warehouses, workshop and site office erection works have been completed.
- Excavation and filling works for site leveling have been finalized. Approximately 20,000 m³ of reinforced concrete has been poured out of the total 70,000 m³.
- Structural steel erection works have commenced, with 1,100 tons of structural steel already erected out of 6,595 tons.
- Sandwich panel erection works have begun and 3,350 m² of roof cladding has been achieved.

The completion progress for site construction works reached approximately 12% as of December 31st, 2023.

The total workforce at the project site by the end of December 2023 is 550, including 48 white-collar staff.

As of December 31st, 2023, a total of 942,284 person-hours or 415 days have been worked without any lost time incidents (LTI).

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Babaeski, Kırklareli, Türkiye	ENKA Kırklareli Elektrik Üretim A.Ş.	November 2022 – September 2025	Engineering, Procurement, Construction & Commissioning (EPCC)	USD 462 Million + VAT





KAMENO SOLAR PHOTOVOLTAIC POWER PLANT

Town Up 8 LTD, a wholly owned subsidiary of ENKA, has undertaken a Solar Photovoltaic Power Plant in Burgas, Bulgaria. With a capacity of 45 MWp, the plant is planned to have an annual electricity generation capacity of 63 GWh/year.

LOCATION	CLIENT	PROJECT DURATION	CONTRACT TYPE	CONTRACT VALUE
Burgas, Bulgaria	ENKA İnşaat ve Sanayi A.Ş.	September 2023 – December 2024	EPC	EUR 40 Million



The investment project of the company will be realised on a total area of 470,000 m² and all construction works will be carried out by subcontractors. The main quantities of the project within the project scope of work are as follows:

- › Approximately 80,000 solar panels,
- › 120 inverters
- › Approximately 1,750 tonnes of steel structure
- › 1 Substation centre building
- › 8 units field transformer and switchgear centre
- › Approximately 600 km of solar cable.

The estimated completion duration of the project is about 15 months.

The works carried out on the project by the end of 2023 December:

- › The main activities of the project have not commenced at the site. It is planned to start with steel construction erection in January 2024.
- › The construction site cleaning has been completed.
- › Improvement of connection roads to the project site is ongoing.
- › The construction of the perimeter fence has commenced.
- › Most of the main material items have been tendered and procurement procedures have been finalised.



REAL ESTATE

ENKA TC

City Center Investment B.V.

LLC MosENKA

LLC Moskva Krasnye Holmy

LLC Otel Moskva - Krasnye Holmy, Swissotel Krasnye Holmy

ENKA Invest

ENKAMOS Region B.V.

LLC ENKA Flex Offices - Flexity

ENKA TC

ENKA TC, formerly known as RamENKA, was established in Moscow in 1997 as an equal partnership between ENKA and Migros with the aim of developing shopping centers and a supermarket chain in the Russian Federation.



KASHIRSKAYA SHOPPING CENTER / RUSSIAN FEDERATION

In November 1997, the company launched its first Ramstore hypermarket and shopping center in the Kuntsevo District of Moscow. Constructed by ENKA, the complex covered a total area of 19,400 m².

Despite the economic crisis in the Russian Federation, the company sustained its growth. In 1998, it opened its second hypermarket and shopping center in Marinoy Roshcha.

ENKA completed the construction of the 32,500 m² Marinoy Roshcha shopping center in a remarkably short time, all while maintaining the highest quality standards.

Between 1999 and 2003, ENKA TC expanded significantly by opening 23 new stores, bringing the total number of its stores to 25 and the number of its shopping centers to 6.

The company initiated its expansion beyond Moscow, with new stores opening in Krasnoyarsk, Kazan and Nizhniy Novgorod during the same period. Despite some closures between 2004 and 2007, the overall number of stores increased to 53, and the number of shopping centers reached 10.

To fund its investments, the company made use of International Finance Corporation (IFC) and commercial bank loans in addition to its own resources. A total of USD 170 million in loans was provided by the IFC between 1998 and 2006, all of which were repaid in 2008, ahead of their maturity dates.

In addition to retail space in shopping centers, the company significantly expanded its operations by renting out office space, starting with the Vernadskogo complex in 2007.

ENKA became the sole owner of the company in 2007 by having acquired the 50% share held by Migros and renamed the company "ENKA TC".

In order to focus on real estate operations as its main line of business, ENKA TC transferred the hypermarket operations in its shopping centers to AUCHAN through rental agreements. Upon the completion of this operation, the leasable area of ENKA TC increased from 167,000 m² to 227,000 m².

The shopping malls owned by ENKA TC which operated under the "Ramstore" brand name were re-branded "Kapitoliy" in 2009. In January 2010, the supermarket brand name "Ramstore" was changed to "Citystore".

Aligned with the company's plan to exit the retail business and focus on real estate operations, the retail assets of ENKA TC were sold off to OOO "BILLA" and OOO "BILLA REALTY" in April 2012. Following that, ENKA TC had completely exited the retail sector by the end of 2012.

The rental revenues of the company continued to grow, reaching USD 100 million in 2023.

During 2006 and 2007, two of ENKA TC's most important shopping mall developments were recognized with "Best Shopping Centre" awards by the Commercial Real Estate Committee (CRE) of the Russian Federation. The Kapitoliy Shopping Mall in St. Petersburg was honored with the "St. Petersburg's Best Shopping Centre" award in 2006, while the Kapitoliy Vernadskogo Shopping Mall in Moscow received the "Moscow's Best Large-Scale Shopping Mall" award in 2007.

The Kapitoliy Vernadskogo Shopping Mall was also selected among more than 60 nominated projects as "Best Project in the Sphere of Investment and Construction in Moscow in 2012" by the Moscow Local Administration. Later, it was chosen as the "Best Shopping Complex" at the "100 Best Office and Retail Centers in Russian Federation" awards ceremonies held in St. Petersburg in both 2017 and 2018.

The Kapitoliy Sevastopolsky Shopping Mall in Moscow was named the "Most Convenient Shopping Centre in the South-West Administrative District of Moscow" by Moscow Municipality in 2009.

Aligned with investments made for redevelopment of existing assets, ENKA TC completed the project development phase during the 2nd quarter of 2011 and commenced the redevelopment of the Kuntsevo Plaza, originally opened in 1997.

In this project, the existing building covering an area of 19,400 m² was demolished and a new, modern complex with a total area of 245,000 m² was constructed.

The complex consists of a shopping mall, office buildings and a small number of apartment units. The shopping mall opened its doors upon the completion of construction works at the end of 2014, while the construction of the office buildings was completed in the 2nd quarter of 2015. The shopping mall boasts a net leasable area of 61,000 m² and the office building a net leasable area of 29,094 m². Additionally, there is an underground parking lot with capacity for 2,028 cars. The total investment cost amounted to USD 484 million.



KASHIRSKAYA SHOPPING CENTER / RUSSIAN FEDERATION



KUNTSEVO SHOPPING CENTER / RUSSIAN FEDERATION

The Kuntsevo re-development project was presented with several awards:

- › The 2012 “Cityscape Future Retail Award in Emerging Markets” at the International Conference for Global Real Estate took place in Dubai, where 36 nominated projects from 13 different countries were showcased.
- › The “Best Shopping Centre” award from the Russian Council of Shopping Centers (RCSC) was received in April 2015.
- › The “Best Retail Architecture Russian Federation”, “Best Retail Development (5 Stars) Russian Federation” and “Best Retail Development Europe” awards at the International Property Awards were received in 2016.
- › The “Best Office Complex” and “Best Shopping Complex” awards were received at the “100 Best Office and Retail Centers in Russian Federation” award ceremony held in St. Petersburg in both 2017 and 2018.



Additionally, Kuntsevo Plaza achieved recognition as one of the Russian Federation’s 37 certified green investment projects by obtaining a green building certificate (Green Standard – GOLD) in April 2013.

In the 2nd quarter of 2013, the construction of a shopping mall at Sergiev Posad in the Moscow Region, commenced. The mall opened for retail operations at the beginning of September 2014, featuring a total area of 36,750 m², a leasable area of 24,883 m², and a car park with capacity for 696 cars. This project involved an investment of USD 59 million.

In the 4th quarter of 2015, construction work began on the construction of the new Kashirskaya Shopping Mall, replacing the existing mall, which had been demolished to make way for it. The new building boasts a total area of 196,750 m² and a leasable area of 70,000 m². The total investment cost, including construction, design, infrastructure works, approvals, road works etc., amounted to USD 232 million. The new shopping mall commenced operations in March 2018.

Kashirskaya Plaza has been honored with several important awards:

- › The “Best Shopping Centre” among projects at the implementation stage in the “Large Shopping Centers” category at the RCSC Awards in 2018.
- › The winner of the prestigious international European Property Awards in two nominations (Retail Architecture, Moscow, Russian Federation; Retail Development, Moscow, Russian Federation) simultaneously in 2018.
- › The “Best Large Shopping Center” in the Commercial Real Estate Moscow Awards in 2019.
- › The “Best Implemented Project in the Field of Construction of Multifunctional Shopping Centers and Complexes” in the awards ceremony organized by the Department of Urban Policy in 2019.
- › “Global Best Project” in the Retail / Mixed Use Development Category in Engineering News-Record (ENR) 2019 Global Best Projects Competition.

CITY CENTER INVESTMENT B.V.

City Center Investment B.V. (CCI) was established in 2003 for the development of the Naberezhnaya Tower complex, one of the most prestigious business centers in Moscow honored with a Commercial Real Estate Award for being the best Class-A business center.



Situated in Moscow's international business center, it serves as a model of inspiring architecture and state-of-the-art innovative design. CCI has successfully cultivated long-term relationships with its tenants, thanks to its competitive advantages in the commercial real estate market.

Naberezhnaya Tower complex comprises three blocks, boasting a total leasable area of 163,000 m². Currently, 109 employees involved in office leasing, facility management and operation, and the provision of fit-out works. In 2023, approximately 4,000 m² of fit-out works were undertaken for tenants.

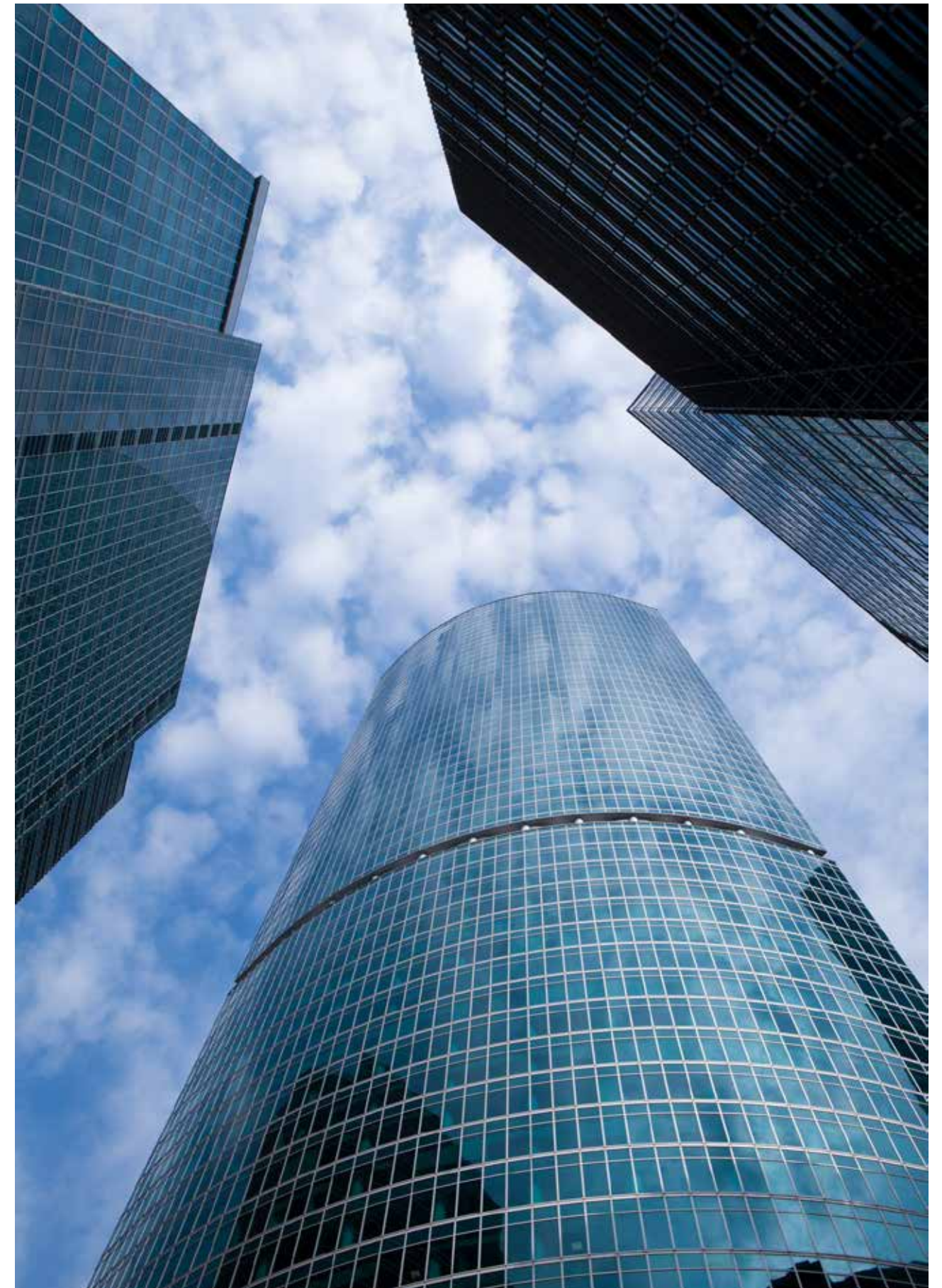
The political and global financial crises that started in 2022 continued in 2023. Despite the challenging conditions, a recovery was noted in the Russian office market compared to the previous year, attributed to the increased activities of local companies.

Notwithstanding, through the constructive and professional approach and the correct planning, the occupancy rate of the building was maintained at a high

level of 95% in 2023. With this strategic approach, CCI managed to extend contracts with existing tenants, covering a total rentable area of over 28,000 m², as well as to conclude new lease agreements with a total area of more than 16,500 m².

The CCI operations team diligently provides comprehensive and regular maintenance for the business center, overcoming disruptions and challenges in the international supply chain. The maintenance was conducted on-site and in full, with additional measures implemented.

Noteworthy tenants at CCI include reputable corporations such as Alibaba, Arconic, Berlin Chemie, Seamless, Eli Lilly, Elanco, Forward Energy, General Electric, GE Healthcare, Haleon, IBM, Kept, Marie Tecnimont, Medtronic, Merz Pharma, Mitsui & Co, Mubadala, Ozon, Pfizer, Renaissance Capital, Richemont, SMS Group, Unipro, Novonordisk and Segezha.



LLC MOSENKA

In 1991, ENKA leveraged its robust business relations in the Russian Federation, as well as the country's stable economic progress, founded LLC MosENKA as its first investment company in Moscow, together with a group of Russian partners. The main goal was to meet the increasing demand for office space in the Russian capital while introducing real estate services that align with western standards to the country.

MOSENKA 2 / RUSSIAN FEDERATION



Currently, fully owned by ENKA, MosENKA remains committed to the development and leasing of office spaces. The company has successfully renovated 6 historic buildings, boasting a cumulative construction area of 46,500 m², transforming them into contemporary office structures.

M1 and M5 buildings underwent restoration and handed over in 2012 and 2019 respectively.

As of 2023, the company is operating 4 buildings that have undergone modernization.

The occupancy rate for these buildings stood 91% at the end of 2023.

Tenants of MosENKA include well-known local and international companies such as Accor, Atlas Chain, Becton Dickinson, EcoFinance, Ipsen, MGCom, Saipem, Sinara, TopTech and Varian Medical System

The company employs staff of 77, and its turnover in 2023 amounted to approximately USD 10 million.

MOSENKA 6 / RUSSIAN FEDERATION



MOSENKA 3 / RUSSIAN FEDERATION



MOSENKA 4 / RUSSIAN FEDERATION





LLC MOSKVA KRASNYE HOLMY

Moskva Krasnye Holmy (MKH) commenced its operations in the summer of 1995.

Fully owned by ENKA, the company was established following an investment agreement with a number of Russian partners, including the Municipality of Moscow, for the development of the Russian Cultural Center, which will be built in five phases and include office, commercial, cultural and sports buildings on a 7-hectare plot of land leased for 49 years in the center of Moscow.

The company, owned by ENKA, successfully completed the office spaces, a hotel, a conference center, an art gallery and parking lots covering a total area of 156,000 m².

By the end of 2023, the office buildings had sustained an occupancy rate of 81%. Noteworthy ten-

ants of LLC Moskva Krasnye Holmy include reputable corporations such as ADV, Air Liquide, Avtozavod Saint Petersburg (Ex Nissan), El6, Givaudan, Keysight Technologies, MIC, RBC and Vegas Lex.

The corporate policy strongly emphasizes institutionalization and aims to increase productivity and profitability by engaging the most qualified local staff and top-tier local subcontractors, in coordination with a core Turkish management team.

Presently, the company employs a staff of 98 and the company's turnover in 2023 was approximately USD 23 million.



LLC "OTEL MOSKVA - KRASNYE HOLMY", SWISSOTEL KRASNYE HOLMY

Established in 2005, Swissotel Krasnye Holmy is a 5-star hotel featuring 236 rooms.

Situated in the heart of the Russian capital, the hotel provides exceptional service and luxury, complemented by breathtaking views of the city. The hotel boasts a remarkably convenient location in Moscow's business district, surrounded by major office complexes and financial institutions, such as the Paveletskaya Tower, the Aurora Business Park and the Vivaldi Plaza. Additionally, its proximity to Paveletsky railway station provides a significant advantage for business travelers transferring to Domodedovo Airport.

Swissotel Krasnye Holmy Moscow became a finalist in the Top 15 Awards 2023, nominated for "Best Site for Newlyweds."

The hotel's bars and restaurants host various Moscow and international gastronomic festivals and workshops of world-renowned bartenders. City Space Bar & Restaurant at the top of the hotel is ranked among the best bars in the world. This very popular destination has also won the World Travel Awards and is the perfect place to have a cocktail while enjoying breathtaking 360-degrees views of Moscow.

In 2023, the hotel achieved a turnover of around USD 12 million, with a workforce comprising 168 employees.



ENKA INVEST

ENKA Invest commenced operating in 1994 as part of ENKA's real estate investment division, which has been active in Moscow since the early 1990s.



PAVELETSKAYA PLAZA / RUSSIAN FEDERATION

It owns and operates four complexes situated in the center of Moscow, boasting a total leasable area of 76,000 m². Paveletskaya Plaza, Tsvetnoy Palazzo, Sretenka Complex and Chaplygina House are all built, owned, developed and operated by ENKA Invest.

The company, which employs a staff of 61, specializes in office and residential leasing, and building and facility management, and provides construction services for tenants' fit-out works. Its exceptional facilities and services have fostered long-term relationships with tenants.

ENKA Invest team closely monitors the evolving political situation that began in 2022, extending into 2023, and its delayed effects on the commercial real estate industry. The team adjusts its marketing strategy accordingly.

While some international companies suspended their business activities in the Russian Federation, the presence of Russian legal entities that succeeded them has expanded. ENKA Invest occupancy rate is at 79%. Despite the challenges posed by political crises, lease contracts totaling approximately 22,000 m² were extended and over 3,000 m² of new contracts were signed, including the expansion of Flexity, an ENKA project that offers tenants fully fitted out and furnished premises with a full scope of service operation.

In 2023, approximately 2,420 m² of renovation work undertaken for existing and new tenants delivered on time without compromising quality. ENKA Invest operations team provides comprehensive and regular maintenance of the business center, overcoming disruptions and difficulties in the international supply chain. This is executed on-site and in full, with additional measures taken.

As of the end of 2023, ENKA Invest's tenants included major multinational firms such as AxTeam, Bulgari, B1 Consult, HSBC, IATA, LG Electronics, Zarubezhneft Production Kharyaga, Lundbeck A/S, Data.ru, Hytes Communication, National Oilwell Varco, Nestle, Alfa Sigma, Clarins, UBS, Club "Valdai" and Wheely.

ENKAMOS REGION B.V. OVCHINNIKOVSKAYA BUSINESS CENTER

The Ovchinnikovskaya (OVC) Business Center is located on Ovchinnikovskaya Embankment and offers working opportunities at the heart of the Russian capital.



Its proximity to the Kremlin, Red Square, and other iconic landmarks enhances its significance. Previously owned by the Russian Ministry of Economic Development, the building with the iconic Soviet-style architecture was reconstructed by ENKA in 2022 as a modern Class A office building within a year. The renovation seamlessly combined local architectural elements with state-of-the-art technology to provide users with a comfortable and secure workspace, thoughtfully designed to align with the city's structure.

The facility comprises a 10-storey building with an outdoor parking lot, offices, retail spaces, lobby areas and a multifunctional conference hall. The total construction area of the building is 28,000 m² with a total leasable area is 20,000 m².

Designed by the "WELL", a certified international architectural bureau, the complex provides clients with the opportunity to work in a high-quality, well-connected environment that meets all their needs and enhances work efficiency.

Also featuring meditation rooms, green common areas, gyms, shower and game zones, the OVC Business Center offers a unique work environment. The project can accommodate up to 2,700 work desks over 80 meeting rooms, coffee points and lounges. One of the unique opportunities offered by the facility is the multifunctional conference room with an area of 400 m² and a capacity of 250 people.



FLEXITY

The Flexity concept was introduced by LLC ENKA Flex Offices and 2023 was a year of strengthening positions, broadening the scope of activities and enhancing the provided services. Over the past year, Flexity has expanded its portfolio to over 3,500 work stations, achieving full occupancy of all premises by the end of September 2023.



In 2024, the target of the company will be to respond to this high demand observed across the company's portfolio.

Flexity attributes its performance last year to ENKA's strong corporate culture and solid managerial approach.

Despite the challenges that unfolded globally over the past year, Flexity managed to maintain a strong market position and currently stands as the largest serviced office operator in the Russian capital. This year, some well-known large companies as Samsung, Octapharma, Sberbank and Aeroflot placed their trust in Flexity for their office needs in Moscow.

Flexity continues its dedication to delivering on its promise of creating and managing environments conducive to thriving. As of the end of 2023, the company takes pride in servicing its partners and enhancing their office experience each day. The regular events organised within its built-in environments, including meditation sessions, quiz nights, and table tennis tournaments, contribute to making coming to the office more appealing than ever.

2023 marked a year of restructuring internal processes, implementing crucial changes within the team, and expanding Flexity's business strategy. Thanks to a robust marketing plan and the utilization of various digital platforms, the company achieved and maintained 100% occupancy of its premises with long-term tenants in 2023. Additionally, through Flexity Meetings & Events, the company has started to lease its halls and meeting rooms to a broader market for short-term leases.

2023 was also a year of fine tuning operations and facility management of Flexity. A comprehensive assessment of main vendors of the company for key services and market offerings led to partnerships with several new key vendors, aimed at elevating the quality of its services.

Despite being mindful of the surrounding risks, the company maintains confidence in the future of its operations.

In 2024, Flexity's focus will be on expanding the portfolio, boosting online presence, continuous improvement of service quality, and the launch of a new business line catering to entrepreneurs and small businesses.

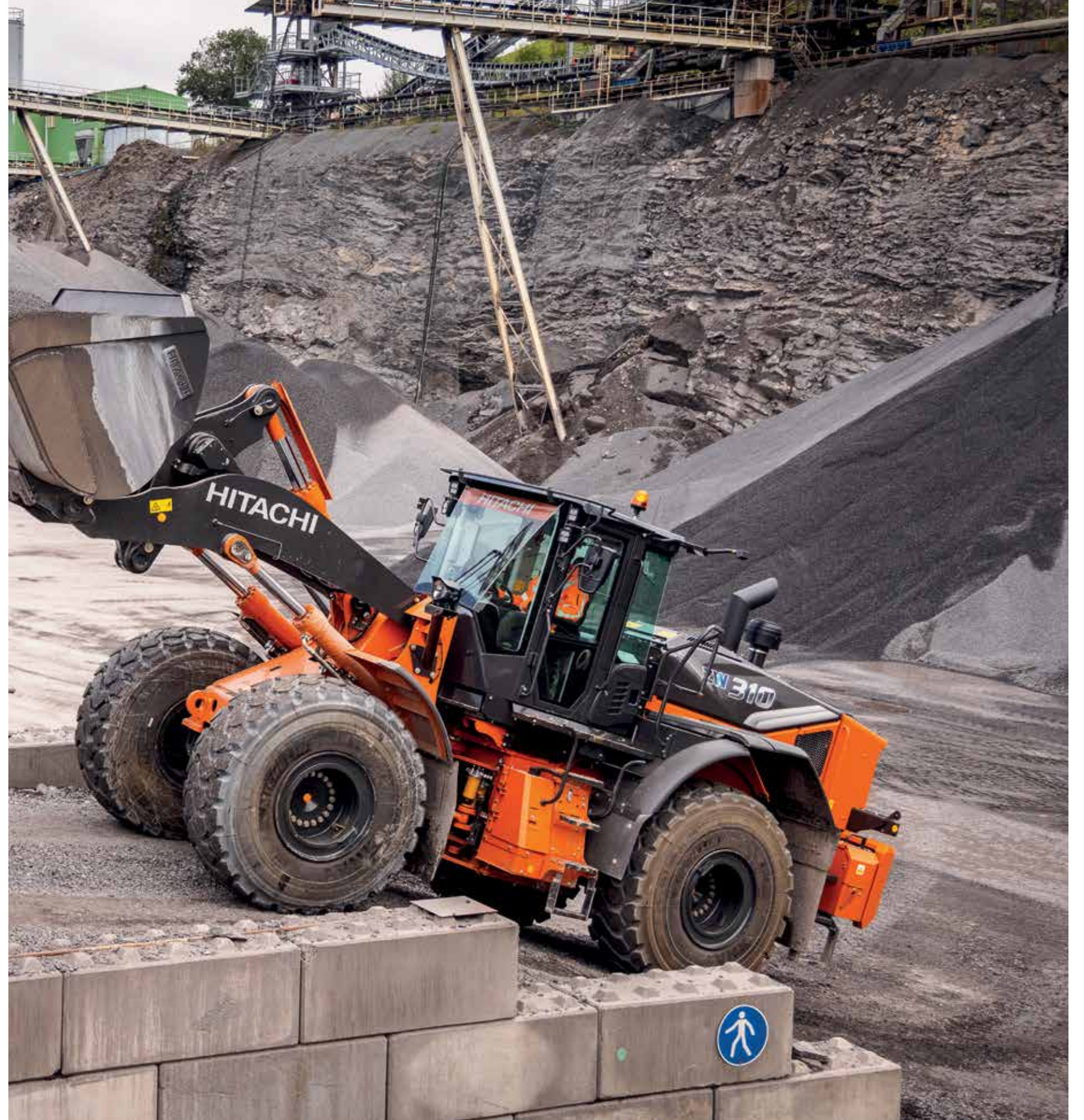


TRADE

ENKA Pazarlama İhracat İthalat A.Ş.

ENTAŞ Nakliyat ve Turizm A.Ş.

AirENKA Hava Taşımacılığı A.Ş.



ENKA PAZARLAMA İHRACAT İTHALAT A.Ş.

Established in 1972, ENKA Pazarlama entered the Turkish construction market by specializing in the sale and servicing of Hitachi excavators and wheel loaders. From day one, the company embraced a strategic approach, focusing solely on representing the most renowned and esteemed global brands.



ENKA Pazarlama is a prominent provider in the heavy construction, lifting equipment, machinery and industrial machinery sectors. The company provides sales and aftersales services throughout Türkiye via its five regional branches, three sales office, one liaison office, 57 sub-dealers and authorized service providers.

ENKA Pazarlama provides sales and after-sales support to customers through five TSE approved service centres, each holding ISO 9001:2015 and ISO 27001:2013 quality certificates. Guided by its mission to be "reliable solutions partners", the company strives to ensure customer satisfaction and excellence in its services.

ENKA Pazarlama owns and operates open and covered machinery and equipment parks in İstanbul, Ankara, İzmir, Adana and Mersin Free Zone.

With its advanced technical expertise and customer satisfaction-oriented approach, ENKA Pazarlama stands as one of the foremost companies in its field in Türkiye.

Recognizing its responsibilities to stakeholders and the broader environment, particularly after the earthquakes centered in Kahramanmaraş in 2023, ENKA Pazarlama took several initiatives to enhance the sustainability of its operations and contribute to social support efforts.

ENKA Pazarlama has established its own C-type bonded warehouse to enhance its service to customers. The company remains committed to delivering high-quality and cost-effective solutions to its customers, guided by the ISO 9001 Quality System and ISO 27001 Information Security Management System and by closely following the latest technological developments.



As a distributor for the world's leading manufacturers of construction and industrial machines and equipment, ENKA Pazarlama specializes in marketing and distributing the following product groups:

CONSTRUCTION MACHINERY GROUP:

- › **Hitachi:** Hydraulic excavators, wheel loaders, mining hydraulic excavators and rigid dump trucks
- › **XCMG:** Graders, rollers and asphalt equipment
- › **Bell:** Articulated dump trucks
- › **Tana:** Landfill compactors and shredders
- › **Shantui:** Dozers

INDUSTRIAL PRODUCTS GROUP:

- › **Mitsubishi:** Marine engines and industrial engines
- › **Shanghai Diesel:** Marine engines and generators
- › **SDMO:** Generators and lighting systems

LIFTING EQUIPMENT GROUP:

- › **TCM:** Forklift and warehouse equipment
- › **Heli:** Forklift and warehouse equipment
- › **HSC – Sumitomo Heavy Industries:** Crawler cranes
- › **Tadano:** Rough terrain and all terrain mobile cranes and crawler cranes
- › **Palfinger:** Truck mounted loading and recycling cranes, on truck forklifts, hydraulic ramps and crawler mobile cranes
- › **XCMG:** Drilling rigs, telehandlers, skid steer loaders and aerial platforms

ENKA Pazarlama successfully expanded its distributorship territories to include Azerbaijan and Georgia, contributing to a substantial increase in turnover to over Euro 240 million. This achievement further solidifies the company's distinctiveness, reliability and superiority in the sector.

ENTAŞ NAKLİYAT VE TURİZM A.Ş.

ENTAŞ was established in 1976 and joined the International Air Transport Association (IATA) in 1982.

ENTAŞ is also a member of the American Society of Travel Agents (ASTA) and the Universal Federation of Travel Agents Associations (UFTAA), as well as national organisations such as the Association of Turkish Travel Agents (TÜRSAB) and the Association of Istanbul Travel Agents (ISAD).

ENTAŞ offers a diverse array of cultural and business travel options for both individuals and groups, catering to both national and international customers. Its commitment to delivering high-quality service has solidified its enduring position in the sector.

ENTAŞ is dedicated to precisely understanding customer requirements, consistently enhancing the quality of its services, and, most importantly, ensuring complete customer satisfaction to uphold its extensive range of products and enduring collaborations. Furthermore, it strives to contribute to the sector's development by closely monitoring global best practices and implementing them in Türkiye.

ENTAŞ has consistently been at the forefront of adopting cutting-edge online international reservation systems in Türkiye, incorporating platforms such as Amadeus, Galileo and Troya.

ENTAŞ provides a comprehensive range of services, including:

- › Global airline ticket sales, hotel reservations, transfers and rent-a-car services
- › Tailored solutions for private or business trips and holidays
- › Luxury packages designed for both individuals and groups
- › Exclusive "Blue Voyage" yacht expeditions and specialized rail and cruise packages
- › City tours, with or without a professional tour guide
- › Expertly crafted cultural, religious, sports, health, adventure and nature tours and holidays
- › Customized programs for education and language schools

- › Private plane rental and VIP services
- › Coordination of conferences, seminars, fairs and symposia
- › Organization of dealer conventions and motivational trips
- › Corporate event planning, encompassing personnel dinners, award ceremonies, anniversaries and product launches
- › Arrangement of contracts with singers and performers, along with the provision of technical equipment, stage design and venue decoration services
- › Catering services, visa assistance and travel insurance options

Beyond its call center services, ENTAŞ is adept at generating customized purchasing reports aligned with the preferences of its corporate clients. These reports can be seamlessly forwarded to the designated individuals within the specified timeframe, ensuring efficient and tailored communication.

ENTAŞ has maintained its prominent position over the years, consistently securing a place among the top 5 national agencies in airline ticket sales for more than a decade. Notably, it boasts the highest turnover among agencies operating from a single location without any branch offices.

ENTAŞ was awarded the "Sustainable Aviation Fuel with Lufthansa" certificate in 2023 which is a first in Türkiye.

For the journeys of employees of ENKA, the CO₂ emissions resulting from the combustion of jet fuel have been offset with Sustainable Aviation Fuel (SAF) on flights operated by Austrian Airlines, Brussels Airlines, Lufthansa and SWISS.

With this, ENKA has compensated for 76 kg of CO₂ and has helped to accelerate progress towards a more sustainable future.



AIRENKA HAVA TAŞIMACILIĞI A.Ş.

AirENKA Hava Taşımacılığı A.Ş. (AirENKA Air Transport Corp.) was established in 2002 with the aim of providing air taxi services for both domestic and international routes. The company obtained an Operational License (No. 2002-HT-04) from the Directorate General of Civil Aviation in Türkiye, commencing on 22 April 2002.



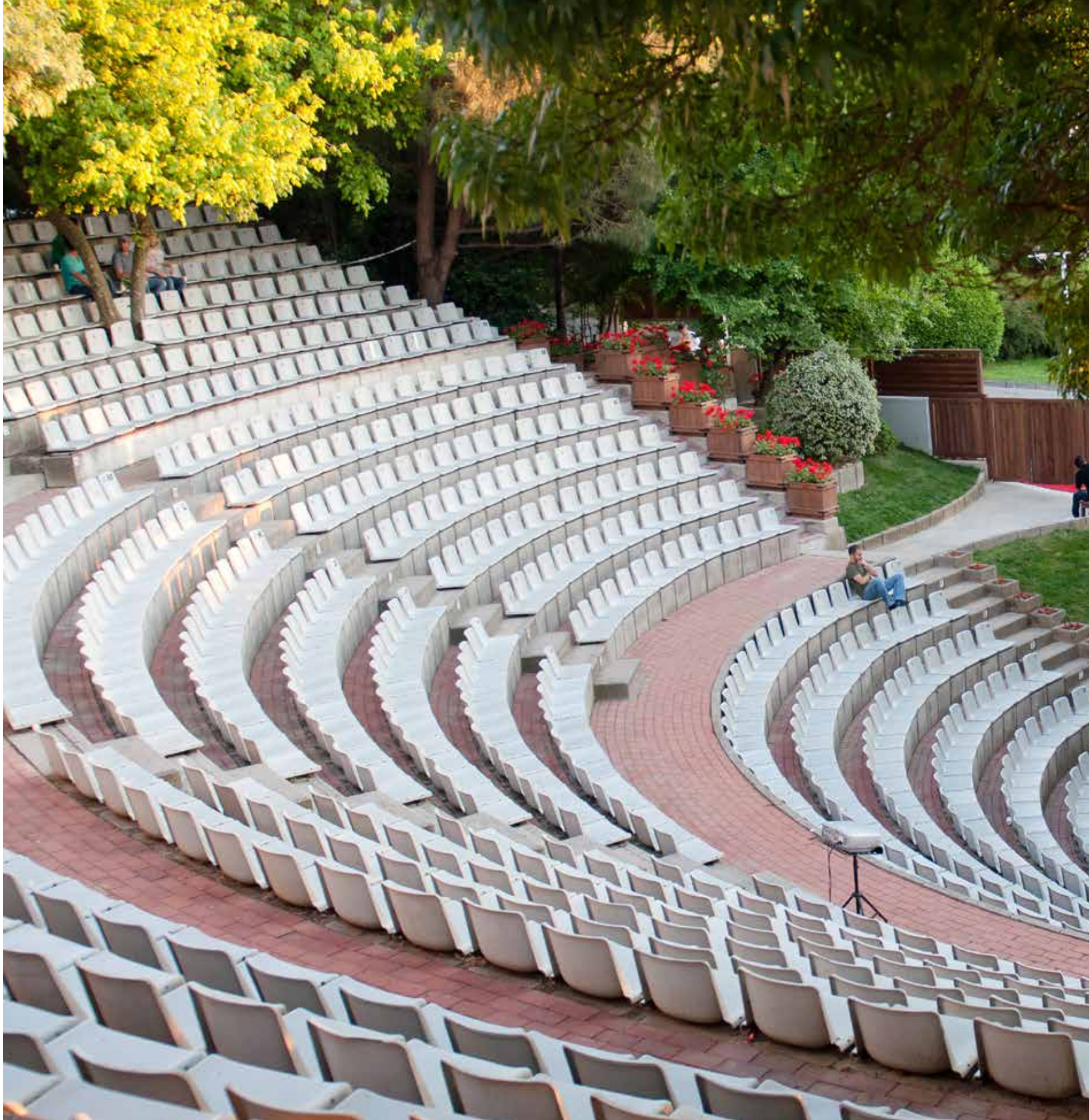
AirENKA operates a Gulfstream G450 type jet aircraft, manufactured in 2015, equipped with state-of-the-art onboard technology.

The highly experienced flight crew consistently undergoes refresher training in the USA to ensure compliance with international aviation regulations.

In 2023, major maintenance operations were conducted at the Gulfstream facility in Farnborough and Jetaviation AG in Basel. Minor maintenance procedures were carried out at Sabiha Gökçen Airport with Turkish Technic. Monthly tasks and navigation database updates were performed by AirENKA CAMO at Sabiha Gökçen Airport as well.

In 2023, the company recorded a total of 349 flight hours to 39 different cities.





SOCIAL ACTIVITIES

ENKA Foundation, İstanbul

ENKA Sports Club, İstanbul

ENKA İstanbul Schools

ENKA Adapazarı Schools

Private ENKA Vocational and Technical Anatolian High School, Kocaeli

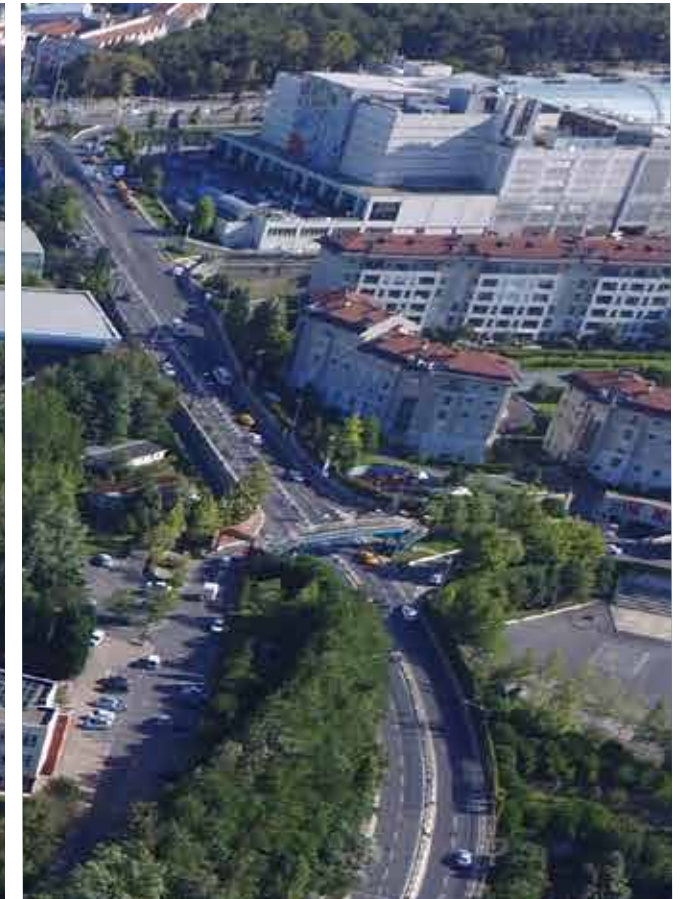
Private ENKA Science and Technology High School, Kocaeli

ENKA Sanat, İstanbul



ENKA FOUNDATION

The ENKA Foundation was founded in 1983 with the idea of preserving the strong tradition of foundations in Turkish culture and sustaining the concepts that are the building blocks of civilisation.



The inherent mission of the foundation is to educate individuals through scientific methods, fostering their development into modern, productive and inquisitive individuals, while unlocking their potential in an environment seamlessly integrating sports, education, culture and the arts.

Established in 1983 on the gentle slopes of İstinye, Istanbul, the Sadi Gülçelik Sports Complex is a testament to these principles. Its core values encompass ethics, morality, respect, trust, sincerity, openness and innovation.

In addition to the ENKA Sports Club, the ENKA Foundation encompasses ENKA Schools and ENKA Sanat. ENKA Schools originated with the establishment of ENKA Schools İstanbul in İstinye in 1996, followed by the launch of ENKA Schools Adapazarı in the wake of the 1999 earthquake. The Private ENKA Technical and Vocational Anatolian High School opened its doors in Kocaeli in 2008 and the ENKA Kocaeli Science and Technology High School started teaching in 2014. All units and members of the foundation are committed to disseminating and sharing the wealth of its heritage with society at large.

ENKA SPORTS CLUB

The ENKA Sport Club set out with the slogan “The Future Belongs to the Youth”. To this end, a quality training system is employed to equip thousands of children in the club teams and sports schools with outstanding intellectual and physical qualities, and every year many young talents are gained for Turkish sport.

Since its foundation in 1983, the club has trained 9,147 certified athletes. At present, a total of 1,904 athletes comprising 1,472 licenced and 432 in the youth setup are actively continuing their training under the supervision of expert trainers and representing the club and the country in national and international events across the various sports in which the club involved.



ATHLETICS

International Events:

At the World Athletics Championship in Budapest, ENKA athletes performed as follows:

- › Salih Korkmaz came 16th in the 20km Walk with a time of 1:19:49, meeting the entry standard for the 2024 Paris Olympics.
- › Yasmani Copello Escobar reached the semi-final in the 400m Hurdles with a time of 48.92 seconds while İsmail Nezir finished 6th in his race with a time of 49.92 seconds.
- › Necati Er finished 16th in the Triple Jump with a leap of 16.59m in the qualifiers.
- › Mikdat Sevler finished 9th in the 110m Hurdles with a time of 13.92 seconds in his race.
- › Yasmani Copello Escobar came 14th in the semi-final of the 400m Hurdles semi-final with a time of 48.66 seconds, achieving the entry standard for the 2024 Paris Olympics.
- › Tuğba Danişmaz came 14th in the Triple Jump with a leap of 14.11m.
- › In the 3,000m Steeplechase, Tuğba Güvenç came 10th in her race with a time of 9:50.96.

ENKA athletes performed as follows at the World University Games in Chengdu, China:

- › Tuğba Danişmaz is the World Champion in the Triple Jump, breaking the Turkish Record with 14.31m.
- › Meryem Bekmez was World Champion in the 20km Walk with a time of 1:33:53.
- › Salih Korkmaz was World Champion in the 20km Walk with a time of 1:23:40.
- › The 4x400m Relay Team including İsmail Nezir and Berke Akçam was the World Champion with a time of 3:03.46.
- › Semra Karaaslan was 2nd in the World with a time of 9:50.42 in the 3,000m Steeplechase.
- › İsmail Nezir came 2nd in the World with a time of 48.72s in the 400m Hurdles.
- › Necati Er was 2nd in the World with a leap of 16.83m in the Triple Jump.
- › Berke Akçam was 4th in the World with a time of 48.93 seconds in the 400m Hurdles.
- › Emel Dereli came 4th in the World in the Shot Put with a distance of 16.85m.
- › Mikdat Sevler was 4th in the World in the 110m Hurdles with a time of 13.62 seconds.
- › Ömer Amaçtan came 6th in the World in the 10,000m with a time of 29:51.09.
- › The 4x100m Relay Team including Ertan Özkan finished 7th in the World in a time of 36.96 seconds.

At the European Indoor Athletics Championship, ENKA athlete Tuğba Danişmaz took the gold medal in the Women's Triple Jump, breaking the Turkish Record with a leap of 14.31m.

In the European U-23 Athletics Championship in Finland, ENKA athletes recorded the following achievements:

- › Ali Eren Ünlü was European Champion in the High Jump, clearing 2.22m.
- › İsmail Nezir was European Champion in the 400m Hurdles with a time of 49.19 seconds.
- › Berke Akçam came 2nd in Europe in the 400m Hurdles with a time of 49.48 seconds.
- › The 4x400m Relay Team including İsmail Nezir and Berke Akçam came 2nd in Europe with a time of 3:03.04, breaking the U-23 Turkish Record.
- › Halil Yılmaz came 7th in the Hammer Throw with a distance of 70.67m.
- › Nuh Bolat was 9th in Europe with a distance of 18.26m in the Shot Put.

ENKA athletes obtained the following results in the European Athletics U-20 Championship held in Israel between 7-10 August:

- › Hayrettin Yıldız came 2nd in Europe in the 10,000m Walk with a time of 42:12.78.
- › Diyar Ergüven was 4th in Europe in the 3,000m Steeplechase with a time of 8:49.21.
- › Merve Karakaya was 6th in Europe in the 3,000m Steeplechase with a time of 10:27.45.
- › Eda Nur Tulum was 6th in Europe in the 400m with a time of 53.45 seconds.
- › Ayça Fidanoğlu came 6th in Europe with a time of 4:21.26 in the 1,500m.
- › Utku Göler was 7th in Europe in the 5,000m in a time of 14:21.51.
- › Ayettullah Demir reached the semi-finals in the 110m Hurdles breaking the Turkish U-23 Record with his time of 13.63 seconds.

Twenty-two of ENKA athletes successfully represented Türkiye in the Balkan Senior Athletics Championships in Kraljevo, Serbia, on 22-23 July 2023. ENKA athletes representing Türkiye won a total of 13 medals with four 1st places, five 2nd places and four 3rd places, and Türkiye finished the medals table in 1st with a total of 24 medals. The performances of ENKA athletes in the Balkan Senior Championships were as follows:

- › Tuğba Danişmaz – 1st place in the Triple Jump (14.00m),
- › Tuğba Güvenç – 2nd place in the 3,000m Steeplechase (9:29.75),
- › Semra Karaaslan – 3rd place in the 3,000m Steeplechase (9:47.76),
- › Buse Savaşkan – 3rd place in the High Jump (1.89m),
- › Demet Parlak – 4th in the Pole Vault (4.15m),
- › Simay Özçiftçi – 5th in the 200m (23.56 seconds, a personal best) and 8th in the 100m (11.83 seconds),
- › Cansu Nimet Sayın – 15th in the 100m Hurdles (13.70 seconds),
- › Yasmani Copello Escobar – 1st in the 400m Hurdles (48.71 seconds),
- › Necati Er – 1st in the Triple Jump (16.58m),
- › Ertan Özkan – 1st in the 4x100m Relay (39.09 seconds) and 5th in the 100m (10.54 seconds),
- › Mikdat Sevler – 2nd in the 110m Hurdles (13.46 seconds),

- › Berke Akçam – 2nd in the 400m Hurdles (48.97 seconds),
- › Ramazan Baştuğ – 2nd in the 5,000m (14:11.20),
- › Turgay Bayram – 2nd in the 3,000m Steeplechase (8:55.31),
- › Ersin Tekal – 3rd in the 3,000m Hurdles (8:57.82),
- › Can Özüpek – 3rd in the Triple Jump (16.18m),
- › Utku Göler – 4th in the 1,500m (3:47.15),
- › Halil Yilmazer – 9th in the Hammer Throw (69.28m),
- › Ömer Şahin – 6th in the Discus Throw (57.13m),
- › Muhammet Raşit Kalafat – 6th in the Javelin Throw (69.72m),
- › Osman Kul – 8th in the Discus Throw (55.58m),
- › Caner Yağcı – 12th in the Long Jump (7.01m).

ENKA athletes won nine medals at the U-18 Balkan Athletics Championships hosted by Türkiye in Sivas. A total of 310 athletes from 15 countries took part, and Türkiye topped the medals table with 21 medals – 4 gold, 13 silver and 4 bronze. ENKA athletes achieved the following results:

- › Mazlum Tuncer – Balkan Champion in the 1,500m with 4:02.14,
- › Muhammed Ağgün – 2nd in the Balkans in the 800m with 1:53.75,
- › Talha Gülnihal – 2nd in the Balkans in the 110m Hurdles with 13.95 seconds,
- › Musab Kundakcı – 2nd in the Balkans in the 2,000m Steeplechase with 6:05.45,
- › Mehmet Kaçmaz – 2nd in the Balkans in the Long Jump with 7.19m,
- › Batuhan Özdemir – 2nd in the Balkans in the Shot Put with 17.91m,
- › Elif Naz Köseoğlu – 2nd in the Balkans in the 2,000m Steeplechase with 7:08.86,
- › Aleyna Karabulut – 2nd in the Balkans in the Triple Jump with 12.62m,
- › Özlem Özcan – 3rd in the Balkans in the Shot Put with 14.93m.

Representing Türkiye in the U-23 category in the European Throwing Cup in Leira, Portugal, ENKA athlete Halil Yilmazer came 3rd in Europe with a personal best distance of 70.45m.



ENKA athlete Hayrettin Yıldız represented Türkiye in the U-20 category at the European Race Walking Team Championship held in the Czech Republic on 21 May 2023 and completed the 10,000m course in 2nd place in a time of 42:24 minutes.

ENKA athlete Yasmani Copello Escobar finished 2nd in his race and 5th overall in the 400m Hurdles event in the World Athletics Continental Tour bronze series Atletica Geneve – EAP Competition in Geneva, Switzerland. Running in the 2nd of the four races held, he achieved his fastest time of the season with 49.25 seconds.

In the World Athletics Continental Tour Competition in Marseille, France, ENKA athlete Yasmani Copello Escobar competed in the 400m Hurdles and came 1st with 48.80 seconds – a record time for the event.

ENKA athlete Tuğba Danişmaz came 2nd in the Triple Jump in the Paavo Nurmi Games International Athletics Competition in Finland with a leap of 14.03m.

ENKA athlete Buse Savaşkan was 3rd in the High Jump at the Internationales Hochsprung International Athletics Competition in Berlin, clearing 1.85m.

In the UAE Grand Prix held in Dubai in the United Arab Emirates on 12 May 2023, ENKA athlete Berke Akçam finished 2nd in the 400m hurdles in a time of 51.12 seconds.

Competing in the High Jump in the LSU Purple Tiger NJCAA meet held in Baton Rouge, Los Angeles on behalf of the University of Louisiana at Monroe, ENKA athlete Ali Eren Ünlü achieved a personal best of 2.20m, meeting the entry standard for the European U-23 Championship.

ENKA athlete Mehmet Çelik achieved a time of 1:48.23 in the 800m at the TTU Corky Classic NJCAA meet held in Texas on behalf of South Plains College, improving his own Turkish U-23 and Adult Indoor Record.

In the Track and Fields vs Texas Tech Open Multis Indoor Championship, ENKA athlete Mehmet Çelik achieved his best indoor performance at 600m with a time of 1:16.88 – a better time than the existing Turkish Open-air Record (1:17.23).

Competing in the high jump for the University of Louisiana at Monroe, where he is studying, in the finals of

the US NCAA Division 1 Indoor T&F Championships (the National Indoor Championship), ENKA athlete Ali Eren Ünlü finished 7th with a jump of 2.18, becoming the first high jumper from his university to clear this height since the 1990s.

Ayça Fidanoğlu, number two in Europe and EYOF 1,500m champion, made a great start to the season by running 800m in 2:05.57 in the Turkish Schools Championship in İzmir. With this time, she also entered the world U-18 age group rankings in 2nd place.

ENKA athlete Ali Eren Ünlü, who is continuing his education and his sports career in the USA, came 1st in the High Jump in the SBC Outdoor Track & Field Championships held in South Carolina on 13 May, at the same time improving his personal best by clearing 2.23m.

ENKA athlete Sinan Ören came 2nd in the 300m Hurdles at the Competition Der Krummen Strecken in Germany on 14 May in a time of 35.91 seconds.

ENKA athlete Ayça Fidanoğlu finished 7th in the international event held in Karlsruhe. Her time of 4:17.15 took her to the top of the European U-18 and U-20 rankings.

Representing Türkiye in the High Jump at the 2023 Rynek Kościuszki Competition, a World Athletics Continental Tour Challenger event, on 21 May, ENKA athlete Buse Savaşkan came 1st with a jump of 1.88m.

At the Competition of International de Forbach which took place in France between 27-29 May 2023, ENKA athletes performed as follows:

- › Berke Akçam came 2nd in the 400m Hurdles with a time of 50.08 seconds, breaking the Turkish U-23 record,
- › Mikdat Sevler came 3rd in the 110m Hurdles with a time of 13.73 seconds,
- › Tuğba Danişmaz came 3rd in the Triple Jump with a leap of 13.86m,
- › Mehmet Çelik came 10th in the 800m with a time of 1:47.21, breaking the Turkish U-23 record which had been held by Sermet Timurlenk since 1978.

Running in the 300m Hurdles at the meeting International Citta Di Lucca in Italy, ENKA athlete Şevval Özdoğan achieved a personal best of 9:53.98, meeting the European U-23 entry standard.

ENKA athletes obtained the following results at the Dromia Sprint & Relays Competition in Greece:

- › Sinan Ören – 2nd in the 400m Hurdles with a time of 51.19 seconds,
- › Mikdat Sevler – 3rd in the 110m Hurdles with a time of 13.70 seconds.

ENKA athlete Mikdat Sevler came 2nd in the 110m Hurdles at the Memorial Josef Odlozil Prague International Athletics meeting in Prague in a time of 13.78 seconds.

ENKA athlete Buse Savaşkan came 1st in the High Jump in the Motonet GP Jyvaskyla International Athletics meeting in Finland, clearing 1.88m.

ENKA athlete Necati Er came 2nd in the Triple Jump at the International JBL Jump Fest in Slovakia with a leap of 16.35m.

In an International Walking Race Competition in Lithuania, one of ENKA athletes, Salih Korkmaz, completed the 20km Walk in 2nd place in a time of 1:22:33, while ENKA young sportsman Hayrettin Yıldız finished 11th in the same event and broke the Turkish U-20 record with a time of 1:27:08.

In the Safarov International Athletics Competition in Azerbaijan, ENKA athletes achieved the following:

- › Nuh Bolat – 1st place in the Shot Put with a distance of 18.45m,
- › Orçun Ünalın – 2nd place in the 100m with a time of 10.65 and 2nd place in the 200m with a time of 21.86.

At the Motonet Gp Lappeenranta event in Finland, ENKA athlete Mikdat Sevler came 2nd in the 110m Hurdles in a time of 13.63 seconds.

ENKA athletes recorded the following achievements at the 16th European Youth Olympic Festival held in Slovenia between 25-29 July 2023:

- › Eda Nur Tulum came 2nd in the 400m with a time of 53.32 seconds, breaking the Turkish U-18 and U-20 Records,
- › Ayça Fidanoğlu came 2nd in the 1,500m with a time of 4:17.74,
- › The Swedish Medley Relay Team including Eda Nur Tulum and Aleya Karabulut came 5th in its race, breaking the Turkish U-18 Record with a time of 2:13.10.

TURKISH INTER-CLUB LEAGUES

U18 THROWING LEAGUE: 29. ENKA Girls and Boys Teams both finished as Champions in the 29th Nurullah İvâk Throwing Cup and the U-18 Inter-Club Throwing League competitions.

WALKING LEAGUE:

ENKA Adult Women and Men Teams and U-18 and U-20 Girls Teams finished the league as Champions while ENKA U-20 Men Team came 3rd.

U-16 LEAGUE: In the U-16 Turkish Championship, the ENKA boys were Champions and the girls came 2nd.

U-18 LEAGUE: In the U-18 Turkish Championships, ENKA were Champions in both girls and boys.

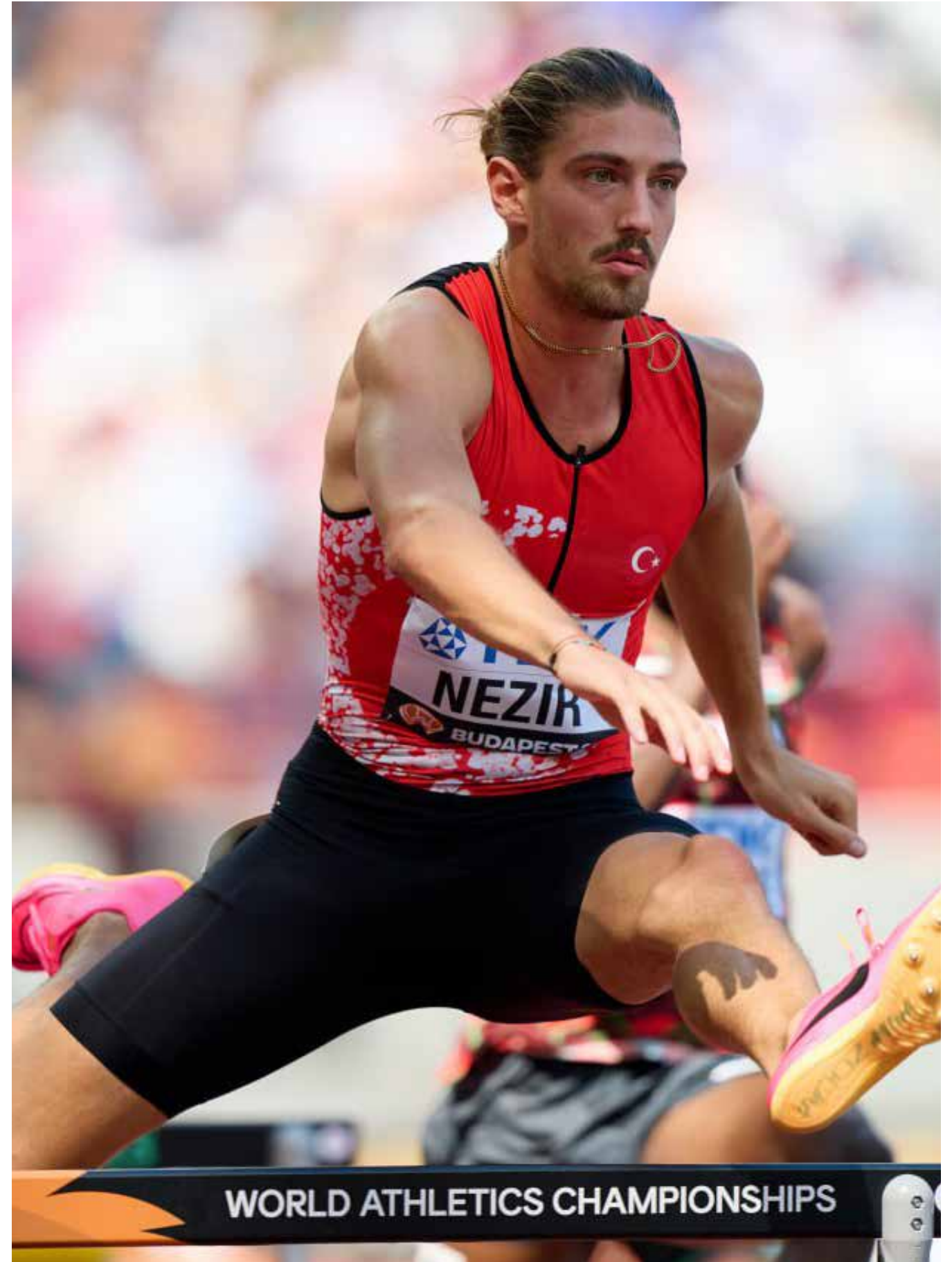
U-20 LEAGUE: ENKA U-20 Girls and Boys Athletics Teams were both Champions in the U-20 Clubs League Finals.

SUPER LEAGUE: ENKA's Women and Men Athletics Teams both finished 2nd in the league following the Turkish Super League Finals.

RECORDS SET BY ENKA ATHLETES IN THE 2023 SEASON:

NAME-SURNAME	EVENT	TIME/ DISTANCE	COMPETITION-VENUE	RECORD
Tuğba Danişmaz	Triple Jump	14.16m	European Games - European Athletics Team Championships, Group 1, Poland	TR
	Triple Jump	14.31m	European Indoor Championships, İstanbul	TR Indoor
	Triple Jump	14.31m	World University (FISU) Games, China	TR
Ayetullah Demir	60m Hurdles	7.78s	Indoor Olympic Trials, Bursa	U20TR
	60m Hurdles	8.01s	Turkish Indoor Championship, İstanbul	U20TR Indoor
	110m Hurdles	13.40s	Turkcell U-20 Clubs Final, İzmir	U20TR
	110m Hurdles	13.63s	European Athletics U-20 Championship, Israel	U20TR
	110m Hurdles	13.48s	Olympic Trials, Konya	U20TR
Eda Nur Tulum	400m	54.95s	Turkish U-20 Championship, Bursa	U18TR Indoor - U20TR Indoor
	400m	54.38s	Turkish U-20 Championship, Bursa	U18TR Indoor - U20TR Indoor
	400m	54.22s	Adult National Team Selection Competition, Bursa	U18TR Indoor
	400m	53.52s	European Games - European Athletics Team Championships, Group 1, Poland	U18TR
	400m	53.82s	European Games - European Athletics Team Championships, Group 1, Poland	U18TR Indoor - U20TR
	400m	53.32s	16th European Youth Olympic Festival (EYOF)	U18TR Indoor - U20TR
	600m	1:33.88s	Olympic Trials, Bursa	U18TR Indoor - U20STR-TR Indoor
	1,500m	4:26.69min	Adult National Team Selection Competition, Bursa	U18TR Indoor
Ayça Fidanoğlu	800m	2:09.72min	Adult National Team Selection Competition, Bursa	U18TR Indoor
	800m	2:06.68min	Turkish Adult Indoor Championship	U18TR Indoor
	1,500m	4:22.46min	Olympic Trials, Bursa	U18TR Indoor
	800m	2:09.42min	Olympic Trials, Bursa	U18TR Indoor
	800m	1:48.23min	TTU Corky Classic NJCAA, USA	TR Indoor - U23TR Indoor
Mehmet Çelik	800m	1:47.90min	Jarvis Scott Open, USA	TR Indoor - U23TR Indoor
	800m	1:47.21min	Competition International De Forbach, France	U23TR
	800m	1:46.84min	European Games - European Athletics Team Championships, Group 1, Poland	U23TR
	600m	1:16.88min	Texas Tech Invite & Multis, Sports Performance Center, Texas	TR Indoor - U23TR Indoor
	300m	38.20s	Turkish Indoor Championship, İstanbul	TR
Hayrettin Yıldız	20km Walk	1:31:04h	22nd Balkan Walking Race Championship, Antalya	U20TR
	20km Walk	1:27:08h	49th International Race Walking Competition Lithuania	U20TR
	10,000m Walk	40:26.05min	Olympic Walking Trials, Adana	U20TR

NAME-SURNAME	EVENT	TIME/ DISTANCE	COMPETITION-VENUE	RECORD
Berke Akçam	400m Hurdles	50.08s	Competition International De Forbach, France	U23TR
Meryem Bekmez	10km Walk	44:11:12min	Turkish Athletics Federation Walking Cup, Bursa	TR
İsmail Nezir	400m Hurdles	48.84s	European Games - European Athletics Team Championships, Group 1, Poland	U23TR
	400m Hurdles	48.72s	World University Athletics Championship	U23TR
	4x400m	3:06.49min	8th International Relay - Sprint Cup, Erzurum	U23TR
Buse Arıkazan	Pole Vault	4.43m	Olympic Trials, Bursa	TR Indoor - TR
Sinan Ören	300m	33.11s	Olympic Trials, Bursa	TR Indoor
Şerife Berra Güven	3000m Walk	14:50.72min	Turkish U - 16 Championship, Konya	U18TR
Yasmani Copello Escobar	400m Hurdles	48.80s	International Marseille Competition, France	MR
Salik Korkmaz	5000m	19:10.03min	Spor Toto Inter-Club Walking League Finals, İzmir	TR
Berke Akçam	4x400m	3:09.41min	European Indoor Championships, İstanbul	TR Indoor
İsmail Nezir				
Berke Akçam	4x400m	3:03.04min	European U - 23 Athletics Championship, Finland	U23TR
İsmail Nezir				
Eda Nur Tulum	Swedish medley relay	2:13.10min	16th European Youth Olympic Festival, Slovenia	U18TR
Aleyna Karabulut				



TENNIS

International Tournaments:

DAVIS CUP

The Turkish National Men Tennis Team which included ENKA sportsmen Altuğ Çelikbilek, Cem İlkel and Sarp Ağabigün, and which was captained by Bora Gerçek, the Chief Pro Tennis Trainer of ENKA Club, came up against Slovenia in the Davis Cup World Group 1 Play-Offs.

The Davis Cup match, which was hosted by ENKA Club, provided tennis fans with an opportunity to watch high class tennis. In the first round of singles matches, Altuğ Çelikbilek defeated Sebastian Dominko 6-2 and 6-3 while Cem İlkel overcame Bor Artnak 6-2 and 7-6 (7-5), giving Türkiye a 2-0 lead. In the critical doubles match, Cem İlkel and Altuğ Çelikbilek beat Sebastian Dominko and Blaz Rola 7-5, 4-6 and 6-4, making the score 3-0 and guaranteeing Türkiye's qualification for World Group 1.

BILLIE JEAN KING CUP

The Turkish National Women's Tennis Team including ENKA sportswomen Çağla Büyükakçay, İpek Öz and Zeynep Sönmez finished 6th in the Europe/Africa Group 1 of the Billie Jean King Cup, thus securing their place in the group.

BILLIE JEAN KING CUP JUNIOR TOURNAMENTS

The Turkish national team including ENKA player İrem Kurt finished 5th in the Billie Jean King Cup Juniors tournament held in Rhodes between 2-4 August 2023.

WTA AND ATP CHALLENGER TOURNAMENTS

ENKA player Zeynep Sönmez came 2nd in the Zavarovalnica Sava Ljubljana WTA 125 Tournament in Slovenia. By so doing, she became the youngest Turkish tennis-player ever to reach a singles final in a WTA-level tournament.

ENKA sportsman Cem İlkel reached his 1st quarter final at ATP Tour level by defeating the sixth seed and world number 45 Max Purcell 6-3, 4-6 and 6-4 at the Sofia Open ATP 250 tournament held in Bulgaria. In this way he also became the third Turk to reach the quarter finals of a tournament of this level.

ENKA player Cem İlkel finished 2nd in the Lugano Challenger Tournament in Switzerland.

ENKA sportsman Sarp Ağabigün and his partner Ergi Kırkın finished 2nd in the Megasaray Hotels Open ATP Challenger Tournament in Antalya.

ENKA's Sarp Ağabigün and his partner Ergi Kırkın reached the doubles final in the Kiskut Open ATP Challenger Tournament in Hungary.

ITF WOMEN'S AND MEN'S TOURNAMENTS

ENKA sportswoman Ayla Aksu reached the doubles finals of the ITF W60 Amstelveen Women's Open in the Netherlands with her partner Ena Kajeveć and of the international W60 Bodrum tournament with her partner Harriet Dart.

ENKA player Çağla Büyükakçay and her partner Lina Gjorcheska played the final of the ITF W60 Liepaja Tournament in Latvia.

ENKA sportswoman İpek Öz won her first championship at W40 level by defeating Astra Sharma 6-1 and 6-3 in the final of the W40 Ystad Tournament in Sweden.

ENKA player Çağla Büyükakçay came 2nd in the W40 Favorit Open ITF Tournament in Bulgaria.

In the final of the W40 Tallinn Tournament, ENKA player Zeynep Sönmez, who had entered via the qualifiers, beat top seed Viktoria Kuzmova 7-6, 3-6 and 6-3 to take the championship.

ENKA sportswoman Ayla Aksu played in the final of the W25 Monastir Magic Tour ITF Tennis Tournament in Tunisia and also in the final of the W25 Malmö ITF Tournament in Sweden.

ENKA player İpek Öz reached the final of the W25 Bastad ITF Tournament in Sweden.

ENKA sportswoman Doğa Türkmen was doubles Champion with her partner Ayşegül Mert in the ITF W15 Tournament held in Antalya between 9-15 January 2023, as well as with her partner Nataia Siedliska



in the W15 Antalya International Tennis Tournament and with her partner Vittoria Modesti in the W15 Buzau ITF Tournament in Romania. She also played the doubles final in another W15 Antalya Tournament with her partner Amelie Van Impe.

Melisa Ercan defeated Stefani Webb of the host country 6-2 and 7-5 in the W15 Caloundra Tournament to win her third consecutive Championship at professional level. Melisa also won the first Singles Championship of her professional career in the ITF W15 Norges la Ville Tournament where she defeated top seed Amelie Van Impe. She won her 2nd consecutive Championship at W15 level in the W15 Monastir Tournament, where she met with Beatrice Stagno in the final and defeated her without conceding a set: 6-3 and 6-3.

ENKA player Başak Eraydın played in the doubles final of the ITF W15 Tournament in Antalya along with her partner Sonja Zhiyenbayeva.

ENKA players Başak Eraydın and Leyla Nilüfer Elmas reached the doubles final in the ITF W15 Tournament in Antalya.

ENKA sportsman Cem İlkel was a finalist in the M25 Roda de Bara International Tennis Tournament in Spain.

Among ITF series tournaments, ENKA player Cengiz Aksu reached the doubles final of the M25 Antalya International Tennis Tournament in Antalya with his partner Mert Naci Türker. He also played in the final of the ITF M15 Monastir Tournament with Chirag Dhan as his partner and in the final of the M25 Antalya Tournament with Mert Özdemir. Cengiz was Champion in the Antalya M15 ITF Tournament with his partner Gökberk Sarıtaş.

ENKA player Tuna Altuna was a finalist in the doubles at the M15 International Tennis Tournament held in Antalya.

ENKA sportsman Sarp Ağabigün played in the doubles finals at both the ITF M15 Tournament, with partner Grigoriy Lomakin, and the M15 Antalya International Tournament, with partner Denolly Corentin.

ENKA players Cengiz Aksu and Tuncay Duran played in the doubles final at the M15 Sharm El-Sheikh Tournament in Egypt.

ITF Junior Tournaments;

ENKA Player Melisa Ercan was Champion in the J300 Traralgon Tournament in Australia.

ENKA player Kerem Yılmaz was finalist in the doubles at the ITF Junior J200 Tournament with his partner Bruno Kokot. He was Champion in the singles and finalist in the doubles at the J100 Soul Cup in İstanbul.

ENKA player İrem Kurt was a finalist in both the singles and the doubles at the ITF J60 Tournament in Antalya, and Champion in the Girls' Singles and Girls' Doubles events at the J60 Damaour ITF Tournament in Lebanon.

ENKA player Melih Anavatan reached the singles final at the ITF J60 Tournament in Lebanon. He was doubles Champion at the ITF J60 Damaour Tournament in Lebanon and a doubles finalist at the J30 Pazardzhik International Tennis Tournament in Bulgaria.

ENKA player Deniz Turan was doubles Champion at the ITF J60 Tennis Tournament hosted by ENKA Club and with her partner Maja Pawelski at the ITF Junior J30 Tournament held in İzmir and reached the final of the doubles at the J30-level ITF Tournament held in Albania.

ENKA player Nehir Ertan was finalist in the doubles at the ITF Junior J30 Tournament in Iran, finalist in the singles at the J60 Damaour ITF Tournament in Lebanon and finalist in the doubles at the ITF Junior J30 Tournament in İzmir.

ENKA player Mars Argun was doubles Champion at the J30 Peja ITF Tournament in Kosovo with his partner Egemen Karaman and doubles finalist in the ITF J30 Tournament held by the Radael Nadal Academy in Kuwait with Peter Verno.

ENKA players Ege Topbaş and Ozan Avanoğlu were finalists in the doubles in the J30 Tahran ITF Tournament in Iran.

ENKA player Baran Sivaslı was finalist in the singles at the J30 Karaj ITF Tournament in Iran.

At the J30-level ITF Juniors Soul Cup Tournament in İstanbul:

- › ENKA player Melih Anavatan was Champion in the Boys' Singles,
- › ENKA players Ayşe Bal and Nehir Ertan were finalists in the Girls' Doubles.

Among ENKA players competing in the J30-level ITF Juniors Soul Cup Tournament in İstanbul:

- › Melih Anavatan was 2nd in the Boys' Singles,
- › Mustafa Ege Şık and Baran Sivaslı came 2nd in the Boys' Doubles,
- › Ayşe Bal and Ezgi Çağıl Özçelik were 2nd in the Girls' Doubles.

In the ITF J30-level Matrix Optimum İstanbul Tennis Tournament, ENKA players obtained the following results:

- › Mustafa Ege Şık – Boys' Singles finalist,
- › Deniz Turan – Girls' Singles finalist,
- › Ezgi Çağıl Özçelik and her partner Defne Urgan – Girls' Doubles Champions.

Tennis Europe and Other International Tournaments:

The Turkish U-14 Boys' Team including ENKA player Mustafa Ege Şık advanced to the semi-final of the Tennis Europe Winter Cup by beating Italy 3-0 in their first encounter. After losing 2-1 to Great Britain, Türkiye competed against Germany for 3rd place. The national U-14 Boys' Team defeated Germany 2-0 to finish the Tournament 3rd in Europe.

Representing Türkiye in the Monte Carlo Tennis Europe Junior Masters, which features Europe's best-performing U-14 and U-16 Girls and Boys, ENKA player Mustafa Ege Şık's performance made him 6th in Europe.

Having earned the right to participate as 7th seed in the Super category Kungens Kanna & Drottningens Pris Tournament in the Swedish capital of Stockholm, in which the best U-14 players in Europe take part, ENKA player Mustafa Ege Şık reached the last eight and played in the quarter final.

The Turkish U-14 Boys' Team including ENKA player Mustafa Ege Şık came 2nd in the European Summer Cup Finals and earned the right to participate in the ITF World Junior Tennis Finals Tournament in Czechia between 7-12 August 2023.

The Turkish U-14 Boys' Team made up of ENKA player Mustafa Ege Şık and his teammates Samim Filiz and Kaan Işık Koşaner came 5th in the World Cup Finals in Czechia.





ENKA player Mustafa Ege Şık was: finalist in the singles and doubles in the Tennis Europe Soul Cup Tournament; U-14 singles finalist and doubles Champion in the category II ITF Tennis Europe Development Championships in which 11 countries took part; doubles Champion in the 29th Taça International Maia Lovem 2023 Tennis Europe Tournament in Maia, Portugal; semi-finalist in the singles and doubles Champion with his German partner Eric Dylan Mueller at the Tennis Europe category 1 Open Stade Français 2023 Tournament in Paris, and singles finalist in the Tennis Europe category 2 Soul Cup Tournament in İstanbul.

ENKA player Melisa Ercan became the first Turkish tennis player to reach the 3rd round of the French Open Tennis Championship by defeating Tatum Evans 6-2 and 6-3 in the first round and world no.2 Sara Saito 6-7(4-7), 6-3 and 6-3 in the second round.

ENKA player Ayşe Bal was singles and doubles Champion in the category 3 U-14 Cudi Cup Tennis Europe Tournament and doubles Champion in the category 3 16&U Olive Farm Cup Tournament in Datça.

ENKA player Uras Bodur reached the singles final at the Tennis Europe category 2 Autumn Cup Tournament in Baku.

ENKA player Leo Ozan Sheehan was singles Champion at the Tennis Europe category 3 Tournament held in Adana.

ENKA players Ayşe Bal and Lila Bodur reached the final of the doubles event at the Tennis Europe category 3 Ahmet Ergüden Cup Tournament that took place in Antalya.

Ayşe Bal was singles Champion at the Tennis Europe category 3 Sadi Gülçelik Cup tournament while she and Ezgi Çağıl Özçelik were the doubles Champions.

In the Tennis Europe category 3 16&U Olive Farm Cup Tournament held in Datça, ENKA player Leo Ozan Sheehan reached the boys' doubles final.

Eren Kip and his partner Yağız Yıldız were doubles Champions in the Tennis Europe category 2 Soul Cup Tournament in İstanbul.

In the Tennis Europe category 3 Ergon Cup Tournament in Erzincan:

- › ENKA player Ayşe Bal and her partner Ecrin Lal Yavuz were Girls' Doubles Champions,
- › ENKA players Leo Ozan Sheehan and Eren Kip were Champions in the Boys' Doubles.

In the Tennis Europe category 2 U-14 Hittite Cup Tournament in Ankara:

- › ENKA player Mustafa Ege Şık came 2nd in the boys' singles and was Champion in the boys' doubles with his partner Kaan Işık Koşaner,
- › ENKA players Ayşe Bal and her partner Ecrin Lal Yavuz were the Girls' Doubles Champions.

In the Tennis Europe category 3 Soul Cup Tournament in İstanbul:

- › ENKA player Ayşe Bal reached the Girls' Singles Final,
- › ENKA player Eren Kip and his partner Mert Efe Zaim were finalists in the boys' doubles.

National Tournaments

ENKA players achieved the following results in the Turkish Adult Tennis Championship in İstanbul:

- › Başak Eraydın – Turkish Women's Singles Champion,
- › Cem İlkel – Turkish Men's Singles Runner-Up,
- › Başak Eraydın and Melis Sezer – Turkish Women's Doubles Champions,
- › Cengiz Aksu and Tuncay Duran – Turkish Men's Doubles Champions,
- › Doğa Türkmen – Turkish Women's Doubles Runner-Up.

In the U-18 Turkish Tennis Teams Championship held in İstanbul, ENKA came 2nd in the girls' competition and 3rd in the boys' one.

ENKA won the Women's Championship and came 2nd in the Men's at the Turkish Tennis League Finals

organised by the Turkish Education Association (TED) Sports Club between 18-24 December 2023. The ENKA players who took part were Çağla Büyükkakçay, İpek Öz, Zeynep Sönmez, Ayla Aksu, Başak Eraydın, Melisa Sezer, Cem İlkel, Altuğ Çelikkbilek, Sarp Ağabigün, Tuncay Duran, Cengiz Aksu and Tuna Altuna.

International Rankings:

ENKA players in the WTA & ATP top 1,000 as of December 2023: Zeynep Sönmez (164), İpek Öz (242), Ayla Aksu (361), Çağla Büyükkakçay (382), Başak Eraydın (943), Cem İlkel (255), Altuğ Çelikkbilek (305) and Tuncay Duran (892).

ENKA players in the ITF Junior top 1,000 as of December 2023: Kerem Yılmaz (250), İrem Kurt (260), Melih Anavatan (460), Deniz Turan (777) and Nehir Ertan (942).

ENKA players in the Tennis Europe top 1,000 as of December 2023: U-16 – Mustafa Ege Şık (21), Ayşe Bal (169), Çağan Çetin (238), Leo Ozan Sheehan (286), Nehir Ertan (428), Mustafa Ege Topbaş (487), Eren Kip (597) and Lila Bodur (790); U-14 – Ayşe Bal (32), Kemal Güner (553), Baran Ramazanoğlu (581), Cem Öztunç (691) and Tayga Aşıkoğlu (937).



SWIMMING

International Competitions:

ENKA sportsman Polat Uzer Turnalı set a new Turkish open age-group record of 1:58.21 at the European U-23 Swimming Championship held in the Irish capital Dublin on 11-13 August 2023. He went on to place 7th in the 200m Butterfly in Europe with a time of 1:58.41 in his final race.



ENKA swimmers recorded the following achievements in the European Junior Swimming Championship held in the Serbian capital Belgrade between 4-9 July 2023:

- › Merve Tuncel was European Champion for the third time in succession in the 1,500m freestyle in a time of 16:18.53. Merve was also European Champion in the 800m Freestyle in a time of 8:35.10 and won the silver medal in the 400m Freestyle in 4:10.44.
- › With her time of 4:48.96 in the 400m Medley, Belis Şakar finished 4th and at the same time achieved a Junior World Swimming Championship qualifying time.
- › Sudem Denizli broke the Turkish Record for the 17-18 age group in the 100m Backstroke, coming 6th in her race with a time of 1:01.97. She went on to finish 7th in her semi-final race, breaking the Turkish Record for the 17-18 age group in the 100m Backstroke with a time of 1:01.87.
- › The men's 4x200m Freestyle Relay Team including Tolga Temiz finished 3rd with a time of 7:21.38.

In the Comen Mediterranean Swimming Cup in Greece between 16-18 June 2023:

- › ENKA swimmer Kadem Göksu Erdağlı placed 1st in the 400m Freestyle in a time of 3:54.66, 2nd in the 200m Freestyle in 1:52.60 and 2nd in the 1,500m

Freestyle in 15:40.61. The 4x200m Freestyle Relay Team of which he was a member came 1st with a time of 7:35.38, breaking the Turkish 15-16 age group record.

- › ENKA swimmer Onur Ege Öksüz came 2nd in the 400m Medley in a time of 4:31.04 and 3rd in the 200m Medley in 2:08.12.

In the Multinational Junior Swimming Meet held in Limassol, Cyprus on 1-2 April 2023, ENKA swimmers obtained the following results:

- › Belis Şakar – Champion in the 400m Medley with a time of 4:51.27,
- › Defne Taniğ – Champion in the 200m Butterfly with a time of 2:13.64,
- › İpek Burcu Aydın – 3rd place in the 200m Medley with a time of 2:19.99,
- › 4x200m Freestyle Relay Team including Belis Şakar and Defne Taniğ – 2nd place with a time of 8:25.29,
- › 4x100m Freestyle Relay Team including İpek Burcu Aydın and Nehir Güven – 2nd place with a time of 3:51.33,
- › Tolga Temiz – 2nd place in the 400m Freestyle in a time of 3:57.27, 3rd in the 200m Freestyle in a time of 1:52.90 and 3rd with his team in the 4x200m Freestyle Relay in 7:33.81,
- › Kemal Ata Akıncı – 3rd in the 50m Freestyle with a time of 23.46 seconds.

ENKA swimmers obtained the following results at the International Edirne Swimming Cup between 17-19 March 2023:

- › Ekaterina Avramova – Champion in the Open Age 100m Backstroke with 1:02.62,
- › İlknur Nihan Çakıcı – Champion in the Open Age 100m Freestyle in 58.36 seconds and in the Open Age 50m Freestyle with 26.55 seconds,
- › Beliz Şakar – Junior and Open Age Champion in the 400m Medley with a time of 4:54.59, and 2nd in the Juniors and 3rd in the Open Age category in the 200m Medley with a time of 2:20.17,
- › İpek Burcu Aydın – Junior and Open-age Champion in the 200m Medley with a time of 2:19.59, and 3rd in the Juniors in the 100m Breaststroke with 1:03.43,
- › Defne Taniğ – Champion in the Juniors and 2nd in the Open Age category in the 200m Butterfly with a time of 2:15.16,
- › Sudem Denizli – 2nd in the Open Age category in both the 100m Backstroke with a time of 1:02.68 and the 200m Backstroke with a time of 2:13.74,
- › Sezen Kalak – 3rd in the Juniors in the 100m Freestyle with a time of 58.72s, and 2nd in the Juniors in the 50m Freestyle with a time of 27.36 seconds,
- › Mehlika Kuzeh Yalçın: Champion in the Open Age category in the 100m Butterfly with a time of 1:01.40 and 2nd in the Open Age category in the 50m Butterfly with a time of 28.36 seconds,
- › Nehir Güven – 2nd in the Juniors in the 100m Breaststroke in a time of 1:03.02,
- › Karya Sekman – 3rd in the Open Age category in the 50m Breaststroke in a time of 34.19 seconds,
- › Ceylin Yılmaz – 3rd in the Juniors in the 200m Breaststroke in 2:45.06,
- › Kemal Ata Akıncı – Champion in the Juniors in both the 50m Butterfly, with a time of 25.35 seconds, and the 50m Freestyle (23.47s), and 3rd in the Juniors in the 100m Freestyle with 52.99 seconds,
- › Uluç Emre Cantürk – 2nd in both the Junior and Open Age categories in the 200m Backstroke with a time of 2:06.04,
- › Efe Çelik – 3rd in the Juniors in the 200m Medley with 2:13.95,
- › Doğukan Arsen Tombul – 3rd in the Open Age category in both the 100m Backstroke, with a time of 57.61s and the 50m Backstroke with a time of 26:56 seconds.

The following results were obtained by swimmers from ENKA Club who took part in the International

Swimming Tournament Grand Prix Burgas 2023 in Burgas, Bulgaria between 19-21 May 2023 as part of the Federation Combined National Team contingent:

- › Ceylan Naz Cireli – 1st place in the Open Age category and the 13-14 age group in the 400m Medley in a time of 5:14.32, 2nd in the 13-14 age group in the 200m Backstroke in 2:24.34, 2nd in the 13-14 age group in the 50m Backstroke in 32.04s, 4th in the 13-14 age group in the 100m Backstroke in 1:09.43 and 1st in the Open Age 4x50m Girls' Medley Relay with a time of 2.02.27, breaking the Turkish Records for the 13-14 and 15-16 age groups.
- › Duru Düzen – 2nd place in the 13-14 age group and 3rd place in the Open Age category in the 50m Freestyle with a time of 27.63 seconds, 3rd in the 13-14 age group in the 200m Freestyle with 2:15.90, 3rd in the 13-14 age group in the 200m Medley with 2:32.28, 5th in the 13-14 age group in the 100m Freestyle with 1:01.42 and 2nd in the Open Age category in the 4x50m Freestyle in a time of 1:50.76, breaking the Turkish Record for the 13-14 and 15-16 age groups.
- › Berra Nur Özçelik – 2nd in the 13-14 age group and 3rd in the Open Age category in the 200m Butterfly in a time of 2:27.46, 2nd in the 13-14 age group and 3rd in the Open Age category in the 100m Butterfly in 1:05.15, 3rd in the 13-14 age group and 4th in the Open Age category in the 50m Butterfly in 29.69 seconds and 7th in the 13-14 age group in the 50m Freestyle in 29.26 seconds,
- › Su Yüksel – 3rd in the 13-14 age group in the 400m Medley with a time of 5:18.19, 1st in the 13-14 age group and 2nd in the Open Age category in the 200m Breaststroke with 2:43.12, 3rd in the 13-14 age group in the 100m Breaststroke with 1:18.30 and 4th in the 13-14 age group in the 50m Breaststroke with 36.48 seconds,
- › Orhan Kaan Saygın – 2nd in the 13-14 age group and 5th in the Open Age category in the 200m Butterfly with a time of 2:18.81, 2nd in the 13-14 age group in the 200m Medley with 2:20.44, 3rd in the 13-14 age group in the 100m Breaststroke with 1:13.00 and 5th in the 13-14 age group in the 200m Freestyle with 2:04.88.

ENKA swimmers won the following medals in the Acropolis Swim Open 2023 Competition in Athens, Greece:

- › Belis Şakar – silver in the 400m Medley in a time of 4:52.36,
- › Defne Taniğ – bronze in the 200m Butterfly in a time of 2:14.07.



In the Bulgarian National Championships held in Bulgaria between 29 June-2 July 2023:

- › ENKA swimmer Alisa Enercan came 3rd in the Open Age category in the 400m Medley with a time of 5:12.14. She was also a member of the 4x100m Freestyle Relay Team which came 3rd in the Open Age category with a time of 3:59.10,
- › ENKA swimmer Yavuz Ömer Ağa was a member of the 4x100m Mixed Medley Relay Team which came 3rd in the Open Age category in a time of 4:10.07.

At the 47th International Swimming Competition Tel-ekom Slovenije 2023 held on 8-9 July 2023 in Radovljica, Slovenia, swimmers from ENKA Club achieved the following results:

- › İpek Burcu Aydinler came 1st in the 400m Medley with a time of 4:59.94. She was also 1st in the 200m Medley with a time of 2:22.70. In the 200m Butterfly, she came 2nd with 2:20.18.
- › Muharrem Batu Servi came 1st in the 1,500m Freestyle and the 800m Freestyle with times of 15:43.15 and 8:13.79, respectively. In the 400m Freestyle, he came 2nd in 3:59.11. He also received the award for the best swimmer in the men's section as he obtained the highest FINA points total.
- › Doğukan Arsel Tombul came 1st in the 50m Backstroke with a time of 26.97 seconds,
- › Eren Sezgin came 1st in the 200m Butterfly with a time of 2:03.40,

- › Efe Hacısalıhoğlu came 3rd in the 50m Freestyle with a time of 23.53 seconds.

Among ENKA swimmers who competed in the Central European Countries Junior Meet held in Kranj, Slovenia on 25-26 November 2023:

- › Yavuz Ömer Ağa was a member of the Turkish National 4x100m Medley Relay Team which came 1st with a time of 3:51.49, the best performance at age 15,
- › Berra Nur Yılmaz came 2nd in the Women's 200m Freestyle in a time of 2:05.84,
- › Neva Naz Güvenç, Yavuz Ömer Ağa and Berra Nur Yılmaz were members of the Turkish National 4x100m Mixed Medley Relay Team which came 3rd with a time of 4:04.89.

ENKA swimmer Ekaterina Avramova came 1st in the 50m Backstroke and 100m Backstroke events at the 2023 Middlesex County Championship in the United Kingdom in times of 29.41 seconds and 1:03.13 respectively.

In the Serbian Open 2023 in Serbia, ENKA swimmer Lara Kisakol came 3rd and won the bronze medal in the 100m Butterfly with a time of 1:03.60.

At the Giant Open 2023 International Swimming Competitions in France, ENKA swimmer Merve Tuncel won the silver medals in the 400m Freestyle in a time of 4:10.41, the 800m Freestyle in 8:38.28 and the 1,500m Freestyle in 16:21.68.

Participating in the Multinations Youth Swimming Meet 2023 held in Serbia on 1-2 April, ENKA swimmer Onur Ege Öksüz was Champion in the 400m Medley with a time of 4:31.03. He also came 3rd in the 200m medley with 2:09.57 and was a member of the 4x200 Freestyle Relay Team that came 2nd in a time of 7:41.33.

ENKA swimmer Doğukan Arsen Tombul came 1st in the 50m and 100m Backstroke events at the Grand Prix Kranj 2023 in Slovenia in times of 26.79 seconds and 57.84 seconds, respectively, and 2nd in the 200m Backstroke in 2:09.01.

ENKA swimmer Ekaterina Avramova came 1st in the 50m, 100m and 200m Backstroke events at the International Basel Cup held in Basel, Switzerland between 26-28 May 2023 with times of 29.09 seconds, 1:01.96 and 2:14.58, respectively. She also recorded the best performances on the first and third days of the competition and was declared the best swimmer in the event.

ENKA swimmer Ekaterina Avramova came 1st in the 50m and 100m Backstroke events in the Black Sea Cup held in Varna, Bulgaria with times of 29.36 seconds and 1:02.32, respectively. She also finished 2nd both in the 200m Backstroke, in a time of 2:13.91, and in the 50m Freestyle, in a time of 26.98 seconds.

At the 59th Sette Colli Trophy competition held in the Italian capital Rome between 23-25 June, ENKA

National Team swimmer Polat Uzer Turnalı swam the 200m butterfly in 1:58.31, setting a new Turkish Open Age Group Record.

Competing in the 9th International Briz-Ivan "The Ros-hav" Stoychev Competition in Bulgaria between 6-10 October 2023, ENKA swimmer Ekatarina Avramova came 1st in the 50m, 100m and 200m Backstroke events and 2nd in the 50m Freestyle.

National Competitions:

In the Turkish Arena Inter-Club Long Course Junior and Open-Age Swimming Championship and U-16 Individual Competition organised by ENKA Club between 4-8 August 2023:

- › ENKA Open Age Women's Team came 2nd,
- › ENKA Junior Girls' Team came 2nd,
- › ENKA Open-Age Men's Team came 3rd and
- › ENKA Junior Boys' Team came 3rd.

In the Turkish Arena Inter-Club Short Course U-16, Junior and Open Age Swimming Championship organised at the Beylikdüzü pool between 20-24 December 2023, ENKA came:

- › 3rd in the Open-Age Women's,
- › 3rd in the Open-Age Men's,
- › 3rd in the Junior Girls',
- › 3rd in the Junior Boys',
- › 2nd in the U-16 Girls' and
- › 2nd in the U-16 Boys.

TURKISH RECORDS SET BY ENKA SWIMMERS IN THE 2023 SEASON

NAME-SURNAME	EVENT	TIME	POOL	COMPETITION	RECORD
Neva Naz Güvenç	50m Backstroke	28.52s	25m	Türkiye Arena Inter-Club Short Course Junior and Open Age Championship, İstanbul	Age 14 TR
Ceylan Naz Cireli	4x50m Medley	2:02.27min	50m	Grand Prix Burgas, Bulgaria	Age 13-14 / 15-16 TR
Duru Düzen	4x50m Medley	1:50.76min	50m	Grand Prix Burgas, Bulgaria	Age 13-14 / 15-16 TR
Polat Uzer Turnalı	200m Butterfly	1:59.12min	50m	Performance Swimming Contests and Turkish Olympic Training Centre Trials, Mersin	Age 19+ TR
	200m Butterfly	1:58.21min	50m	European U-23 Championship, Ireland	Open Age TR
Sudem Denizli	100m Backstroke	1:01.97min	50m	European Junior Championship, Serbia	Age 17-18 TR
	100m Backstroke	1:01.87min	50m	European Junior Championship, Serbia	Age 17-18 TR
Ekaterina Avramova	4x50m Mixed Medley	1:40.76min	25m	European Short Course Championship, Romania	Age 19+ TR
Yavuz Ömer Ağa	50m Butterfly	24.48s	25m	Türkiye Arena Inter-Club Short Course Junior and Open Age Championship, İstanbul	Age 15 TR
	100m Butterfly	54.83s	25m	Türkiye Arena Inter-Club Short Course Junior and Open Age Championship, İstanbul	Age 15 TR
	100m Butterfly	55.28s	50m	Türkiye Arena Inter-Club Long Course Junior and Open Age Meet and Junior Individual Swimming Championship, İstanbul	Age 15 TR
Onur Ege Öksüz	400m Medley	4:14.79min	25m	Türkiye Arena Inter-Club Short Course Junior and Open-Age Meet, İstanbul	Age 16 TR
Ceylan Naz Cireli	4x50m Medley	2:06.55min	50m	Age 13+ Time Trials, İstanbul	Age 13+ TR
Defne Birsen Çayır					
Berra Nur Özçelik					
Duru Düzen					
Ali Demir Erusta	4x50m Mixed Medley	2:04.90min	50m	Age 13+ Time Trials, İstanbul	Age 13+ TR
Bedirhan Acar					
Berra Nur Özçelik					
Duru Düzen					
Ali Demir Erusta	4x100m Mixed Medley	4:32.76min	50m	Age 13+ Time Trials, İstanbul	Age 13+ TR
Bedirhan Acar					
Berra Nur Özçelik					
Duru Düzen					
Duru Düzen	4x200m Freestyle	8:59.68min	50m	Age 12+ Long Course Time Trials, İstanbul	Age 13 TR
Selin Karsu					
Berra Nur Özçelik					
Ceylan Naz Cireli	4x100m Medley	4:20.40min	25m	Age 13+ Short Course Time Trials, İstanbul	Age 13 TR
Ceylan Naz Cireli					
Su Yüksel					
Berra Nur Özçelik					
Duru Düzen	4x50m Medley	1:55.50min	25m	Türkiye Arena Inter-Club Short Course Junior and Open Age Meet, İstanbul	Age 17 TR
Neva Naz Güvenç					
Defne Koçak					
Defne Tanıĝ					
İpek Burcu Aydın					

NAME-SURNAME	EVENT	TIME	POOL	COMPETITION	RECORD
Neva Naz Güvenç	4x50m Medley	1:56.46min	25m	Türkiye Arena Inter-Club Short Course Junior and Open Age Championship, İstanbul	Age 15-16 / 17 TR
Defne Koçak					
Duru Düzen					
Berra Nur Yılmaz					
Duru Düzen	4x100m Freestyle	3:56.61min	25m	Türkiye Arena Inter-Club Short Course Junior and Open Age Championship, İstanbul	Age 14 TR
Ceylan Naz Cireli					
Alisa Enercan					
Berra Nur Yılmaz					
Duru Düzen	4x50m Freestyle	11:47.28min	25m	Türkiye Arena Inter-Club Short Course Junior and Open Age Championship, İstanbul	Age 14 TR
Serra Kütahyalıgil					
Alisa Enercan					
Berra Nur Yılmaz					



WATER POLO

International Events:

ENKA Water Polo A-team won its first three matches in the LEN Challenger Cup qualification group matches in Malta between 19-22 October 2023, defeating KVT Komodor of Bulgaria 25-3, Cetus Espoo of Finland 22-1 and EVK Zaibas of Lithuania 11-8. However, it trailed by 14-10 in its match against the host country's representative Valletta. The ENKA team ended up with the same points as the two other top teams in the group but missed out on a place in the finals by a goal difference of one, finishing the tournament in 3rd place.

ENKA players Bertan Haskumru, Emir Alp Atam and Ata İşbeceren were included in the Turkish National Team which came 9th in the European U-17 Championship.

ENKA players Batur Alp Yıldız, Batın Efe Koca, Demir Pekcanlı, Batu Bora Kutlu and Emir Akbaş represented Türkiye in the European U-15 Championship in Montenegro. The Turkish National U-15 team came 8th in the event.

National Events:

U-12 FESTIVAL: ENKA were Champions at the U-12 Boys Water Polo Festival.

SADİ GÜLÇELİK WATER POLO TOURNAMENT: ENKA were Champions in the Water Polo Tournament organised as part of the 36th Sadi Gülçelik Games.

U13 LEAGUE: ENKA came 2nd in the Mert Aksoy Turkish U-13 Championship in İzmir.

U15 LEAGUE: ENKA were Champions in the Ali Arda Akıncılar Turkish U-15 Championship.

U17 LEAGUE: ENKA Water Polo team came 3rd in the Turkish U-17 Championship.

U19 LEAGUE: ENKA Water Polo Team came 4th in the Turkish U-19 Championship.

SÜPER LEAGUE: ENKA were Champions in the 2022-2023 Season Water Polo Super League.

GRANTS

A total of 275 talented athletes who were also successful at school but in need of financial support earned the right to receive grants in 2023-2024.

SUMMER AND WINTER SPORTS SCHOOLS

In all, 1,639 students successfully completed ENKA 2023 Summer Sports School. ENKA 2023-2024 Winter Sports School activities are under way with 1,211 students.

SOCIAL MEMBER ACTIVITIES

ENKA fitness centre, outdoor and indoor tennis courts, 50m outdoor swimming pool, which can be enclosed with an inflatable cover in winter, 25m and 25x33m indoor pools, various other sports grounds, indoor sports hall, international synthetic athletics track, health centre and club social centre are at the service of 4,994 adult and junior club members.



ENKA İSTANBUL SCHOOLS

Founded in 1996, and well established within the Turkish educational system, ENKA İstanbul Schools educate a total of 1,234 students at pre-school, primary school, middle school and high school levels.



ACCREDITATION

The ENKA İstanbul Schools are accredited by the Turkish Ministry of National Education (MEB) and are subject to its principles and regulations. In addition, ENKA Schools are internationally accredited by the Council of International Schools (CIS) and the New England Association of Schools and Colleges (NEASC). ENKA Schools are authorized by the International Baccalaureate Organization (IB) to offer the Primary Years Program (PYP), the Middle Years Program (MYP) and the Diploma Program (DP), making it a full K12 IB continuum school.

ENKA İstanbul Schools are authorized to offer Advanced Placement (AP) courses and has served as an AP & SAT exam center since 2020. AP courses are offered to 11th and 12th grade students as elective courses. ENKA İstanbul Schools currently provide 14 AP courses.

ENKA İstanbul Schools completed its synchronized CIS/NEASC/IB re-accreditation and re-authorization in September 2023.

ENKA has six staff members certified by CIS as accreditation evaluators, which supports internal auditing of standards.

To further bolster the school's process of policies and ensure all needed policies exist and are regularly audited, following the CIS/NEASC/IBO accreditation, a staff team was created for ISO and trained in ISO 9001 theory and practice. The school has begun assessing current needs and will begin creating relevant policies and implementing ISO standards across school systems and processes. The first ISO audit will be conducted in March 2024.

The Board of Directors has updated the school's strategic plan and has revised their bylaws and board member appraisal procedure.

HIGH SCHOOL REQUIREMENTS

All ENKA İstanbul High School Students meet the requirements for a Turkish High School Diploma, study

a third language from grades 5 till 12, and receive most of their instruction in English, with 55% of all courses taught in English for grades 9-10 and 75% of all courses are taught in English for grades 11-12.

In addition to International Baccalaureate Diploma Programme (IBDP), our AP Program was launched in 2019 and now offers 14 AP classes to students. For their 11th and 12th grade curriculum, grade 10 students select one of the following pathways based on their career targets and academic ability:

- › Option 1: Turkish Diploma
- › Option 2: Turkish Diploma + Full IB Diploma
- › Option 3: Turkish Diploma + 1-6 AP courses

The breakdown of program selection for the Class of 2024 is:

- › 29% pursuing MEB (Turkish national curriculum)
- › 35% pursuing MEB + IB Diploma
- › 36% pursuing MEB + AP

ACADEMIC RESULTS

Class of 2023 IBDP Results

ENKA's Class of 2023 performed exceptionally well on their IBDP Exams, exceeding the world average by nearly 3 points. Overall average of ENKA İstanbul

Schools was 33, with a 100% pass rate and with ENKA students exceeding the world averages in 22 subjects.

Class of 2023 AP Exam Results

Class of 2023 AP exam results in the 2022 Advanced Placement (AP) exams, ENKA İstanbul Schools students excelled impressively, with an average of 4.24 out of 5 in all exams, exceeding the averages both in Türkiye and globally. Of 48 test takers, 31% earned AP Scholar with Distinction status.

SCHOLARSHIPS

The school provides three different scholarship options for students, including two different academic merit scholarships from the school and the ENKA Foundation, as well as athletics scholarships from the Ministry of Sports. While the school has had a longstanding commitment to provide financial aid to every enrolled student whose family demonstrates need, six years ago the school decided to add academic scholarships to its bursary offerings. Since doing so, the school's supporting foundation has granted 148 full academic scholarships to transfer students, who typically rank scholastically in the top 1% of the nation. In combination with the other bursary options, this means that currently 41% of ENKA's high school is on full scholarship.



TRKISH NATIONAL TEAM SCHOLARS & ATHLETES

The school has a long tradition of scholastic and athletic achievement. Since the school's inception, it has had 64 students on national teams. In 2023, the school has 21 students on the national team for their sport or activity:

13 Students currently on Turkish National Athletic Teams:

- › 1 Basketball (grade 10)
- › 1 Football (grade 12)
- › 1 Skiing (grade 7)
- › 7 Swimming (grades 9, 10 and 11)
- › 1 Synchronized Swimming (grade 11)
- › 1 Tennis (grades 6 and 9)

8 Students currently on National Academic Teams:

- › 6 Chess (grades 9, 10, 11 and 12)
- › 1 Math (grade 12)
- › 1 Sudoku (grade 10)

Of note, the school's chess team, which features two students who have completed their second norm for grandmaster status, won the 2023 FIDE World Schools Chess Championship in undefeated rounds with no draws. Similarly, at the 11th World Mathematics Invitational (WMI), ENKA's student won the Diamond Award and Star of the World honor.

ENTRANCE TO UNIVERSITY IN TRKİYE AND ABROAD

Typically, 100% of ENKA İstanbul Schools graduates go on to university. Approximately 80% select universities abroad.

For the Class of 2023 students opting for international universities, they won over USD 3.5 million in scholarships, with 32 acceptances to 14 QS 100 Schools.

Each year, ENKA İstanbul Schools graduates are admitted to leading international universities such as MIT, Harvard, Princeton, Stanford, Dartmouth, Columbia, Brown, Northwestern, Duke, John Hopkins, Oxford, Exeter, Edinburgh, Imperial College, King's College, Manchester, Warwick, Toronto, McGill and British Columbia.

For the Class of 2023 students opting for Turkish universities, 2 students placed in the top 1.000 of the TYT, 3 students placed in the top 5.000 of the AYT, 3 students placed in the top 1.000 of the YDT.

Graduates are currently studying at top universities in Türkiye including the Middle East Technical University, Boğaziçi (Bosphorus) University, Özyeğin University, İstanbul Bilgi University, Koç University, İstanbul Technical University and Sabancı University.

ENKA's Class of 2023 students opted for the following majors:

- › 45% Engineering
- › 22% Pre-Med
- › 11% Physics
- › 22% Other

CURRICULUM DEVELOPMENTS

Building on work of the previous year, the school furthered its faculty differentiation training to provide personalized education by content, process, environment, and product to better meet student needs.

Following our whole staff collaboration on defining a common understanding of global citizenship, ensuring the intentionality of teaching global citizenship in every lesson as achieved through reconfiguring lesson plan templates schoolwide.

Further developments in curriculum include the ongoing evolution of the Language Integration Program (LIP) created for differentiated language acquisition. Electives and courses to expand the offerings for students include creation of a middle school Turkish Critical Reading course, Computer Science and Software course, and a Critical Thinking and Debate course. To articulate critical thinking skills down into the middle school, to complement the Critical Thinking and Debate course, a middle school debate team was formed and ENKA launched and hosted the first national middle school debate tournament. Also supporting the development of critical thinking skills, running for the third consecutive year, the school runs a schoolwide month-long Theory of Knowledge (philosophy) activity through all sections of the school to get students thinking about thinking.

For the early years, the school began embedding the national curriculum Pre-School Scope and Sequence into its PYP curriculum more explicitly to ensure the intentional implementation in the planning process across all subjects. In addition, in 2022 the Pre-School began adopting the UFLI Foundations as its Phonics Program.

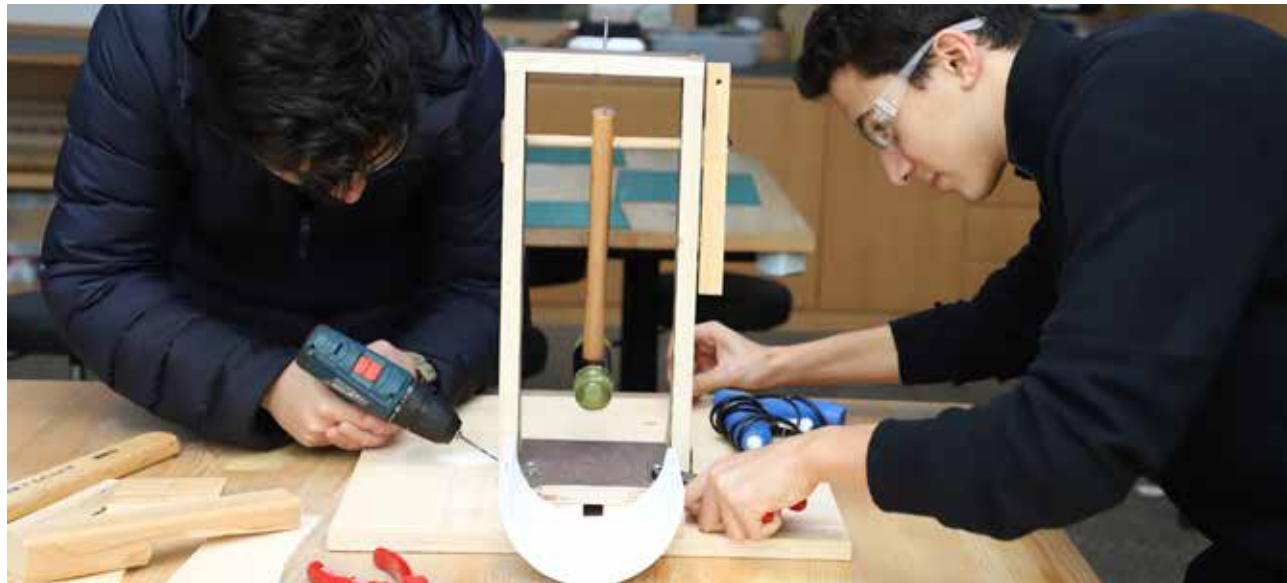
STAFF PROFESSIONAL DEVELOPMENT

ENKA İstanbul Schools have a strong culture of peer-to-peer PD, with staff trainings provided onsite and available asynchronously. Staff are also encouraged to identify external professional development opportunities. In 2022-2023, 258 independent PDs were requested, 75% of which were approved, resulting in 195 trainings, providing more than 2,000 hours of external professional development time. This represents a 47% increase in PDs over the previous school year.

The school's culture of PD includes a robust Teachers Teaching Teachers (TTT) volunteer-based peer PD program. This includes professional development sessions after school every Monday, rotating between EdTech trainings, IB trainings, peer-to-peer, or other targeted subjects. During these sessions, faculty members share best practice and subject specific examples. For these and other trainings, the school maintains a compendium of asynchronous learning materials recorded by the EdTech team and made available for teachers over their website.

ENKA İstanbul Schools serve as a certified national training center for Turkish schools wishing to learn how to implement the IB curriculum. The school offered 23 IB workshops in 2022-23 and will offer 14 IB workshops in 2023-2024.





HEALTH, SAFETY, SECURITY

In 2023, the school purchased a subscription to TES/ EduCare's Safeguarding online trainings to provide internationally certified child protection training, which is required annually for the entire staff. The TES portal also provides 40 other health, safety, safeguarding and wellbeing training accessible to all staff members.

School policies and procedures were revised and developed, with the following policies updated and finalized: Accidents and Incidents Reporting, Academic Integrity, Admissions, Assessment, Child Protection, Code of Ethics, E-Safety, Grievance, Hiring Academic Staff, IB Complaints, Inclusion, Language, and Risk Assessment.

The opportunity for First Aid Training and Certification is provided for all staff every year, and is mandatory for certain staff members, like PE teachers and for those who have specific roles in the Emergency Preparedness Plan. In 2023, 57 staff members were first aid certified and another 20 will take training in December 2023.

The school was audited and accredited for its hygiene by the Turkish Standards Institute.

ETHICAL PRACTICES

The school's E-Safety Policy was finalized and implemented. E-safety training is run twice annually to all staff which includes review of ethical communications, elements of the school's Code of Ethics and a review of the country's protection of personal privacy laws. The training includes workshopping case scenarios. Included in the training is a review of how to assess risk in the school environment.

The grievance policy for employees was significantly revised and includes the school's policy on diversity, equity and inclusion (DEI), harassment, and the school's ethical stances on numerous issues.

The school's Code of Ethics for all employee's was revised. The school's Academic Integrity policy was revised as well as the IB Complaint Policy for parents.

An intranet was developed in English and in Turkish which serves as a single location from which em-

ployees and find General Information, information on Health & Safety, Rights & Responsibilities, Supporting Students, Processes-Policies-Procedures, Routines, a "How To" Guide, Using Technology at ENKA, Curriculum Documents & Publications, staff directory and Onboarding for New Faculty.

BOARDING/RESIDENTIAL PROGRAM

In 2022-2023, the boarding facility extended its operations from a 5-day to a 7-day service.

Residential students are selected from the top performing students in the school's annual transfer exam, which typically has an average of 700 students participating from different provinces of Türkiye. Quotas are allocated for students who apply from outside of İstanbul to provide opportunities for students from different cities of Türkiye.

In 2022-2023 academic year, the number of residential students reached 38, from nine different cities: İstanbul, Tekirdağ, Kocaeli, Sakarya, Bursa, Ordu, Samsun, Adana and Hatay.

The number of 2023-2024 scholarship recipients this year is approximately 50% more than in previous years, bringing the total of boarding students to 62.

The school's residential halls consist of two buildings, gendered segregated, located approximately 100 meters away from the high school building, student cafeteria, swimming pool and fitness center, and approximately 200 meters away from the athletics track, open-air theater and tennis courts. The residential halls have security seven days a week. The location ensures that students remain safely on campus safely while also offering them many opportunities to participate in extracurricular activities.

Special events are conducted just for residential students, including monthly birthday parties, school trips and ENKA Sanat concert tickets are provided free to the boarding students. Events in 2022-23 included:

- › İstanbul TÜYAP Book Fair Trip
- › Philosophy Onsite Workshop
- › Dialogues in the Dark Museum Trip
- › Mother's Dinner Potluck

- › Taksim Chocolate Factory Trip
- › Environmental Safety Awareness Onsite Workshop
- › Fenerbahçe Beko – Anadolu Efes EuroLeague Basketball Game
- › Fenerbahçe Beko – Olympiacos EuroLeague Basketball Game
- › Creative Drama Workshop
- › Numerous music and drama performances held by ENKA Sanat

On the CIS Community Survey, conducted with residential students, the responses received in the form of agree and strongly agree are as follows:

- › 83% are satisfied with the residential program experience.
- › 81% feel that the induction and support program for residential students meets their well-being needs.
- › 81% says they have a staff member whom they can turn to for personal guidance and support.

CAMPUS FACILITIES

ENKA İstanbul Schools boast world-class facilities on a 33,680 m² campus within the ENKA Sadi Gülçelik Sports Complex, with the school buildings providing a total of 23,750 m² of usable space. The school has residence halls for its boarding students, which in 2023 include 62 academic scholarship students from 14 provinces. This accounts for 15% of the total high school student body.

2023 improvements to facilities and infrastructure include:

- › Work has begun on a rooftop solar panel system to subsidize the school's electricity needs. This system is planned to eventually provide 100% of the school's electricity needs.
- › To provide additional support to our boarding students, a recreational hall specifically for boarding students will be constructed in January 2024.

Technology improvements include:

- › Upgraded internet speed from 500Mbps to 1Gbps and implemented a backup internet for precaution.

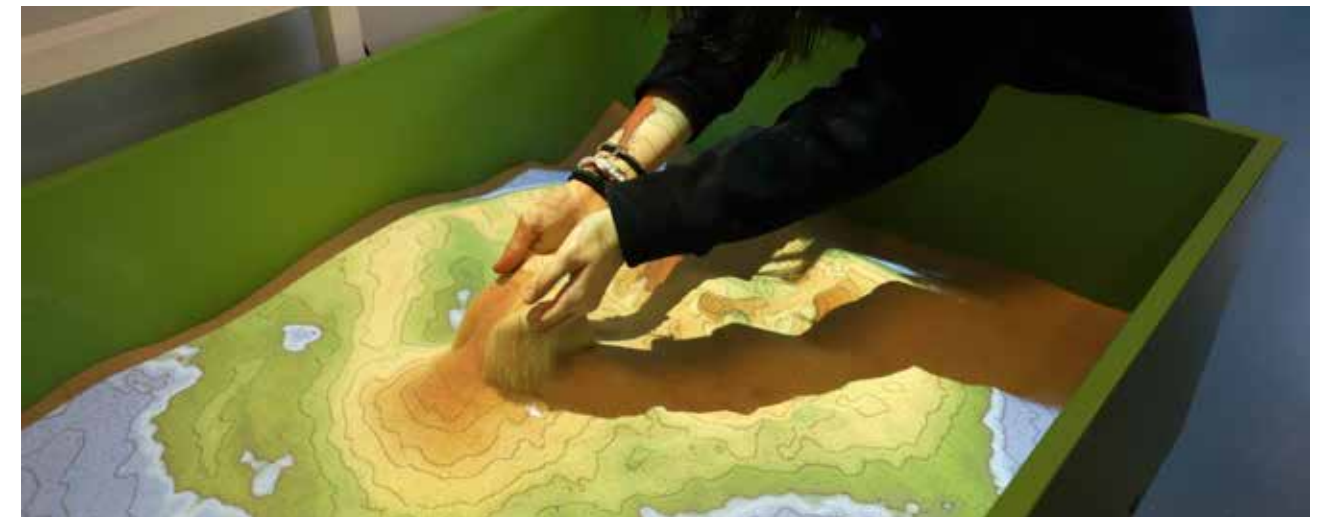
- › Bring Your Own Device program was launched for Grade 4. Grades 5-12 were already in the BYOD program.
- › Zoom conferencing capability acquired for large meetings up to 500 people.
- › Laptops were distributed to all 25 scholarship students.
- › Teacher iPads have been updated to 9th Generation iPads.
- › Increased number of EdTech and other applications to facilitate learning.
- › Additional enterprise sized photocopy machine in copy room.
- › Renewal of the network infrastructure's switch devices and the fiber cabling between the school blocks in accordance with latest technology.
- › Renewal of the wireless connection points (access points) and its management panel. With the cabling and connection point improvements, the ability for users to transfer much faster and larger data has been provided.

CLUBS & ACTIVITIES

Clubs, community service activities, extra-curricular activities and school teams all play as important a role as academic pursuits in the program of education. Activities like these emphasize the development of leadership and communication skills, promote a sense of responsibility, and stimulate self-confidence and a taste for discovery. They provide opportunities for students to develop their individual aptitudes and interests and help them prepare for their futures. They also help ensure that ENKA students become responsible citizens sensitive towards populations in need.

The school offers clubs for each school division, with 24 clubs in High School, 29 in Middle School and 40 in Primary School, including the Model United Nations Chess teams, the Debating Society, Scientific and Technical Research Council of Türkiye (TÜBİTAK) teams, English Drama, Film Production, Dance, Yoga and more.

ENKA students represent ENKA İstanbul Schools throughout Türkiye and abroad via many of these clubs and activities. Students have achieved both



national and international rankings and records in math, chess, fencing, tennis, swimming, skiing, gymnastics, judo, sailing, fencing, modern pentathlon, rock climbing, water polo and equestrian sports. Some of these international achievements are listed here.

MATHEMATICS DISTINCTIONS

- › World - 11th World Mathematics Invitational (WMI)
 - › Diamond Award
 - › The Star of the World Honor
- › World - Gold Medal - 19th International Zhautykov Olympiad
- › World - Silver Medal - International Mathematics Olympiad
- › World - Silver Medal - 40th Balkan Mathematical Olympiad (BMO)
- › World - Gold Medal - Junior Balkan Mathematics Olympiad

- › National - Kangaroo International Mathematics Competition
 - › Gold Medal
 - › 2nd Place

National Team Selections

- › 1st seed draft pick - U18 Turkish Sudoku National Team
- › 1st seed draft pick - Turkish Sudoku National Team
- › 2nd seed draft pick - TÜBİTAK Math Olympiads Junior National Team
- › 4th seed draft pick - U18 Turkish Brain Team
- › 14th seed draft pick - Turkish Brain Team

SCIENCE DISTINCTIONS

- › World - International STEM Olympics
 - › 1st Place & Gold Medal
 - › 2nd Place & Gold Medal

- › National - 2nd Place - TÜBİTAK 54th High School Students Research Projects Competition
- › National - 1st Place - TEAMS Competition (Tests of Engineering Aptitude, Mathematics, and Science)

CHESS DISTINCTIONS

- › World - 1st Place - 2023 FIDE World Schools Team Championship
Undeclared rounds, no draws
- › World - 1st Place - Azerbaijan U16 Chess Olympics
- › World - 1st Place - Marienbad Indoor GM Norm Chess Tournament
- › World - 39th Capelle La Grande Open Chess Tournament
 - » 1st Place - U18
 - » 1st Place - U16
- › World - 1st Place - European Schools Chess Championship
- › World - World Schools Chess Championship
 - » 1st Place - 17YO
 - » 2nd Place - 15YO
- › World - 2nd Place - Elite Category Chess Tournament
- › National - 3rd Place - Türkiye Stars Chess Tournament 16YO
- › Local - 1st Place - İstanbul Youth Chess Provincial Championship
- › Local - 1st Place - İstanbul Youth Chess Tournament
- › Local - 1st Place - İstanbul Chess Tournament

DEBATE DISTINCTIONS

- › National - ECNAIS Debate Türkiye League National Tournament
 - » 1st, 2nd and 5th Best Speakers

ATHLETIC DISTINCTIONS

Swimming

- › World - 1st Place - 400m Medley, Multinations Junior Swimming Championship
- › World - 2nd Place - 4x100 m overwater relay, 17th CMAS Finswimming World Cup
- › World - International Swimming Tournament Grand Prix Burgas 2023
- › 1st Place and New Turkish Record - 4x50m Freestyle Relay
- › 1st Place - 400m Individual Medley and 4x50m Medley Relay

- › 2nd Place - 200m Backstroke, 200m Medley, 200m Butterfly,
- › 4x50m Freestyle Relay, 50m Freestyle, 50m Backstroke
- › 3rd Place - 200m Freestyle, 200m Medley, 100m Breaststroke

Water Polo

- › National - Turkish National Water Polo Competition
 - » 1st Place - U11 Boys
 - » 2nd Place - Girls' A Team
 - » 3rd Place - U19 Girls
 - » 3rd Place - U17 Girls

Tennis

- › World - Tennis Europe International Cudi Cup
 - » 1st Place - Singles Girls
 - » 1st Place - Doubles Girls
- › National - 16YO Türkiye Championship
 - » 2nd Place - Doubles Girls
 - » 3rd Place - Singles Girls
- › Local - 1st Place - 16YO Singles Girls Winter Cup
- › Local - İstanbul Inter-School Tournament
 - » 3rd Place - Boys
 - » 4th Place - Girls

Fencing

- › World - 7th Place, U14 Fencing Euro Cup
- › World - 6th Place, International Children's Fencing Cup
- › National - 3rd Place - U14 Epee, Turkish Fencing Tournament

Track & Field

- › Regional - Provincial Schools Athletics Championship
 - » 2nd Place - 80m
 - » 3rd Place - Long Jump

Judo

- › Local - 3rd Place, Inter-school Judo Competition

Equestrian Sports

- › National - Inter-school Equestrian competition
 - » 2nd Place - Juniors Category
 - » 3rd Place - Stars Category



ENKA ADAPAZARI SCHOOLS

ENKA Adapazarı Schools were founded by ENKA Foundation on October 24th 1999 to provide opportunities for a free education to children who lost their parents in the 1999 Marmara Earthquake.



ENKA Adapazarı Schools continue to prioritize children who have lost their parents for various reasons, ensuring equal opportunities by covering their educational expenses. Financial aid is also extended to students who cannot afford tuition.

The high school program at ENKA Adapazarı Schools spans 5 years, and a comprehensive English program is implemented in the preparatory class.

ENKA Adapazarı Schools are subject to the regulation of the Ministry of National Education. The Primary Education Curricula of the Ministry of National Education is considered based on the inquiry within the framework of the International Baccalaureate Organization (IB) Primary Years Program (PYP).

ENKA Adapazarı primary school authorized by the PYP in 2012 underwent assessment visits in 2015 and 2020.

Since 2017, following the school's authorization for the International Baccalaureate (IB) Middle Years Program (MYP), educational activities and teacher professional development programs have been implemented according to MYP standards.

Education started in prefabricated buildings within a 56,500 m² campus area and continues in permanent structures completed as of 2016. Additionally, there are 22 studio flats to meet the accommodation needs of the school teachers.

Beyond the school buildings, the campus provides an extensive living space for both staff and students, featuring an indoor swimming pool, sports hall, tennis courts, lodgings, social facility, computer and science labs, three libraries housing a total of 62,012 books, a dining hall and an auditorium.

ENKA Adapazarı Schools, committed to providing equal opportunities in education, aim to nurture creative individuals proficient in critical thinking and communication skills across all disciplines. The goal is to encourage questioning, self-expression in multiple languages, fostering a deep respect for diversity and instilling international awareness.

Technology education in ENKA Adapazarı Schools spans from kindergarten to high school. Students are enabled to practice during education given in smart classrooms and laboratories. Utilizing various educational technology tools such as Microsoft SharePoint, Apple School, Seesaw, Google School, Britannica School Edition, Toddle and Turnitin, both students and teachers actively participate in interactive learning experiences.

Since 2014, students have been utilizing their iPads as educational tools in all classes, beginning from the 4th grade.

The school teachers have attended training sessions facilitated by the authorized Apple educators. Students undergo training in basic computer skills, operating systems, computer-based graphic web design, programming, coding, and technical drawing courses before graduating from high school. The school personnel take professional development sessions in line with developing training technologies. Notably, 11 teachers completed the required procedures and were qualified as Apple Teachers. The teaching staff of the school includes 2 Apple



Distinguished Educators (ADE), 3 Apple Professional Learning Specialists (APLS), 16 Apple Teachers and 1 Microsoft certified teacher.

The PYP Coordinator of the school has started to take part in the roles of 'PYP Evaluation Leader' and 'IBEC Faculty Member' as an IBEN member.

Within the PYP studies the vice principal of the school attended "Head of School" workshop and 29 of the teachers attended in-school workshop and the school principal attended IB Global Conference.

Our MYP Coordinator successfully completed the training organized by the IB Educator Network and was entitled to become an "IB MYP Program Leader".

MYP Evaluation Visit was successfully completed.

Project-based learning is implemented at the school to enhance students' skills in creative and scientific thinking, research, teamwork, technology use, self-regulation and self-management as well as their worldview to enable them to generate solutions to future challenges.

Aligned with this objective, 33 Middle School students, presenting 14 projects and 39 students from High School, showcasing 22 projects, applied to TÜBİTAK and TEKNOFEST.



Notably, 3 students in Technological Design, 3 in History, 1 in Biology and 2 in Educational Technologies have successfully participated in the regional finals. Currently, 45 students are actively involved in the development of 18 projects.

ENKA Adapazarı Schools aim to cultivate confidence in students when communicating in a foreign language, ensuring their ability to effectively apply language skills in the learning process and seamlessly integrate acquired knowledge into their daily lives.

In addition to these activities, students are provided with opportunities to participate in overseas exchange student programs, which can serve as significant milestones in their future education and careers. As evidence, 5 students extended their high school education by residing with volunteer families in a different country through the AFS exchange program, becoming integral participants in an extraordinary intercultural learning and exchange experience.

The academic staff of the school consists of highly qualified teachers in their respective fields who actively pursue professional development and embrace innovation. With the goal of fostering students who are inquisitive, critical thinkers, respectful of differences, internationally minded and creative, the school teachers remain abreast of technological developments in education and adopt a student-centered approach.

The average age of the school's staff is 39, with the age range distributed as follows:

- › Age 20-30: 14.18%
- › Age 31-40: 45.39%
- › Age 41-50: 35.46%
- › Age above 51: 4.96%

Teaching staff and staff retention are important at ENKA Schools. More than 60% of the staff have been working for Adapazarı ENKA Schools for more than 5 years. The working year range is as follows:

- › 0-1 year 18.44%
- › 1-3 years 9.22%
- › 3-5 years 14.18%
- › 5-10 years 21.28%
- › 10+ years 36.88%

ENKA Adapazarı Schools provide education to a total of 647 students with a full-time teaching staff of 96, which includes 4 international appointees and 10 part-time teachers. The overall student-to-teacher ratio is 6 to 1. Notably, 28% of ENKA Adapazarı Schools teachers hold master's or PhD degrees. In a commitment to professional development, 63 different Professional Development programs were offered during the 2022-2023 Academic Year, encouraging teachers to engage in opportunities aligned with their professional goals and the school's development plan.

Recognizing the significance of extracurricular activities in developing students' lifelong skills and fostering creativity, the school places importance on providing diverse hobbies.

Planned arts, sports and cultural activities contribute to students' self-realization by instilling positive psychological effects such as self-esteem and self-control. Additionally, these activities enable the development of skills and competencies crucial for social life.

The extracurricular activities chosen by students aid in the development of responsibility, entrepreneurship, leadership and time management skills. Engaging in these activities not only transforms students into active individuals both within and outside the school but also offers them an environment to cultivate essential social skills.

In this context, the school hosts 76 students clubs, including Model United Nations (MUN), European Youth Parliament (EYP), Debate, Dance, Chess, Yoga, Swimming, Darts, Tennis, Basketball, Organic Living, International Schools Theatre Association (ISTA), Future Problem Solving International (FPSPI), Drama, Short Film, Linguistics, Coding, School Magazine (Yazadurmak), English Debate, STEM Workshop and the TÜBİTAK Project Club.

At ENKA Adapazarı Schools, the primary objective in preparing for the Higher Education Institutions Examination (YKS) is to assist students in pursuing education at institutions that align with their aspirations. Throughout their high school journey, studies are conducted to provide opportunities for students to explore their interests and talents at each grade level, ensuring they are positioned in the most suitable higher education programs.



As part of the school's academic program, students aspiring to pursue university education in Türkiye are offered university courses designed to prepare them for the university entrance exams. The program is specifically tailored for 11th and 12th grade students and is led by experienced teachers in their respective fields.

The school counseling department organizes promotional activities featuring experts in various professions and alumni. These initiatives are designed to mitigate the impact of exam-related stress on students, encompassing their learning and exam performance.

The department aids students in selecting the most suitable school and department based on their interests and abilities after the examination process.

Moreover, for students aspiring to pursue education abroad, support is provided during university research, application and exam preparation stages.

Additional programs are organized to prepare students for international exams such as TOEFL, SAT and IELTS. These efforts, conducted in collaboration

with the Mathematics Department and the native teachers of the Foreign Languages Department, persist throughout the academic year.

ENKA Adapazarı Schools celebrated its inaugural graduating class in 2004, and since then, our graduates have consistently pursued higher education at prestigious universities in Türkiye including Boğaziçi (Bosporus) University, Middle East Technical University, İstanbul Technical University, Koç University, Sabancı University, Bilkent University and Bilgi University.

In the academic year 2022-2023, 8 students have been accepted by international universities, where they will pursue their education abroad.

Among the 731 students who continue to receive support from the ENKA Foundation throughout their university education, 80 are also employed by ENKA companies.

ENKA Adapazarı Schools also strive to foster a school community dedicated to life-long learning, social awareness and actively generating solutions for societal challenges.

The school implements “Eco-Schools Programme”, delivering environmental awareness, environmental management and sustainable development education to its students. The school’s commitment to health and quality of life is reflected in the receipt of the “TSE White Flag” and “My School is Clean” certificates. These certifications aim to enhance school health, improve the quality of life, and contribute to the upbringing of healthy generations through comprehensive education.

This year, we have taken important steps to express sensitivity to the difficult moments experienced in many parts of our country and extend a helping hand. Particularly, following the earthquake in Kahramanmaraş on February 6, a series of aid activities were organized in the school to stand by and support the victims of the earthquake.

The efforts have been focused on providing optimal support to students who have lost their families, relocated from the earthquake-affected regions, aiming to alleviate their pain and help them make a new start.

Five students who experienced family loss have become part of the school community, with three of them being accommodated by volunteer teachers on the school campus. Various programs and sup-

port groups were implemented to integrate these students into the school, creating a suitable environment for them to continue their education. The activities conducted in this context included:

Aid Campaigns: Organizing aid campaigns with the participation of students, parents and staff, including donations of food, clothing and essential items for earthquake victims.

Psychosocial Support Programs: Conducting psychosocial support programs for students who have experienced family loss. These programs, led by experts, aim to support the emotional well-being of student.

Education Support: Organizing various courses and summer camps to support the education of students.

These initiatives not only strengthen the sense of solidarity but also play a crucial role in providing a sense of hope and unity to students who are enduring their pain.

THE MAIN ACCOMPLISHMENTS OF ENKA ADAPAZARI SCHOOLS IN 2023 ARE LISTED BELOW:

The 12th grade student, İbrahim Emre Erden, had his research project titled “The Effect of Smartphone Ad-



diction on Vessel Wall Thickness, Which Is A Predictor of Atherosclerosis” was published in Cambridge University Press, the world’s oldest publishing house and one of the most respected academic publishers.

Two projects were qualified for the Regional Final of the High School Students Research Projects Competition organized by TÜBİTAK.

In the regional final of “Turkish Inter-School Intelligence Games Championship” organized by the Türkiye Intelligence Foundation with the approval of the Ministry of National Education and the support of TÜBİTAK, the school’s team secured the 3rd place.

The “2023 Green Difference” competition, an initiative of “Project Green Schools,” showcased exceptional projects worldwide. In this competition, the project “ALGAE” by the 10th-grade student Eylül İlhan was recognized as one of the top two projects in the “Land, Air, Natural World” category among hundreds of entries.

Two students from the school took part in the “Pascal, Cayley and Fermat International Mathematics Competition”, organized by the University of Waterloo every year to foster global interest in mathematics.

Three of middle school students were accepted to the YGA Global Impact Middle School program in Türkiye and were entitled to participate education among 25 other students.

Notably, the 8th grade student Elif İzmirilgil took 2nd place in “Fakir Baykurt Story Contest” annually organized by Sarıyer Municipality with her story “A Deal with the Devil”.

The High School Debate Team became the Champion in the 4th debate tournament organized by Emine Örnek Educational Institutions and the student Elif Çalgın came 3rd in the best speaker ranking.

The Middle School Debate team became the Champion in the Sakarya Inter-Secondary School Debate Tournament and the student Ali Şamil Gelleci became the 1st in the best speaker ranking.

According to the final results of the 5th ADAMAT Mathematics Olympics organized this year, the 7th grade student Kaan Işık and 11th grade student Kubilay Erol received honorable mention awards as 6th in their categories across the province.

One of the school’s students received an exhibition award in the TMMOB Şener Özler Children and Architecture Painting Competition.

Interschool Swimming Competitions

- › 1st place in Sakarya - Little Girls Team
- › 1st place in Sakarya - Little Boys Team
- › 1st place in Sakarya - Junior Boys Team
- › 4th place in the region - Junior Boys Team
- › 1st place in Sakarya - Stars Girls Team
- › 2nd place in the region - Stars Girls Team
- › 1st place in Sakarya - Young Girls Team



School Sports - Sakarya Chess Championship

- › 1st place in Sakarya – in the category of Little Participants
- › 2nd place in Sakarya – in the category of Junior Participants
- › 2nd place in Sakarya – in the category of Stars Participants
- › Stars Category Kocaeli Chess Provincial Championship

School Sports - Athletics

- › 1st place in Sakarya – in the category of Little Boy participants
- › 3rd place in Sakarya – in the category of Little Girl Participants

School Sports - Basketball

- › 1st place in Sakarya – in the category of Little Boys Basketball Team
- › 2nd place in Sakarya – in the category of Junior Boys Basketball Team
- › 3rd place in Sakarya – in the category of Star Boys Basketball Team
- › 2nd place in Sakarya – in the category of Junior Girls Basketball Team
- › 2nd place in Sakarya – in the category of Young Boys Basketball Team

SUSTAINABILITY

Symposium on Spatial Perception in Texts

The Yazadurmak Club organized a symposium titled “Spatial Perception in Texts” emphasizing the literary

and cultural values of students. The goal was to encourage their exploration and comprehension of key aspects of Turkish and world literature. Focused on “Sait Faik Abasıyanık,” the symposium gathered 86 participants and featured three speakers to facilitate discussions and insights into the topic.

Human Rights Symposium

In this symposium organized for high school students throughout the Sakarya province, 120 high school students discussed various aspects of human rights violations, issues and solutions within the scope of Human Rights Week activities. The symposium aimed to address the impact of global events and current issues on people, fostering interaction and awareness among the masses. Participants worked collaboratively to formulate solutions for the identified problems.

Free and Independent Turkish Women Workshop

The workshop was conducted with the participation of 6 lawyers, 1 doctor, 1 psychologist, 13 parents, 5 teachers and 61 students, aiming to foster collaboration among women, empowering them to address negative or unfair situations they may encounter solely based on their gender and to advance their common interests.

Tree Planting Event

As part of the school’s anniversary celebration, a tree planting activity was organized with the participation of 10 parents and 16 students.

TÜBİTAK 2204-D Climate Change Project Competition

The project, titled “A Climate Classroom in Every School” aims to increase environmental awareness by enabling students in every school to make direct observations. It involves designing a sustainable Ecology Classroom consisting of low-cost yet comprehensive stations that are self-sufficient.

Wind catchers, traditional architectural elements historically used for natural ventilation and cooling purposes across various cultures, play a key role in this project. By combining these ancient techniques with modern needs, it is possible to reduce the energy consumption from air conditioners and minimize our impact on the environment. Wind catchers capture natural wind currents, providing cool and clean air to indoor spaces, making them a more environmentally friendly alternative to air conditioners. In this context, the aim of the project “Climate Control with Wind Catchers” is to develop solutions that can replace air conditioners.

Debate Academy

An event was organized with the aim of offering fundamental debate training for students who lack the opportunity to receive debate education in the province, attracting the participation of 20 individuals.



Yazadurmak Magazine Printing

The school magazine, Yazadurmak, has been printed using recycled paper.

Sustainable Learning Centre

As part of an effort to raise awareness about the effects of microplastics in the water ecosystem, an activity was organized in the corridor where hand-made fish and octopus from waste materials were displayed. A game was designed to create awareness and along with this game, all students were encouraged to play TEMA Foundation’s sustainability game ‘A to Z’ as part of the event.

Climate Action by 8th Grade Students

In this community service project, 8th grade students prepared banners to draw attention to the climate crisis and raised awareness within the school community.

Herkese Kitap Foundation Project Manager

Our high school library coordinator serves as a volunteer project planner and executor for Herkese Kitap (Books for Everyone) Foundation, a non-profit civil organization engaged in nationwide activities. The foundation has been working since 2014 to increase awareness of books in the society we live in by creating book-focused projects for disadvantaged social groups.





Artificial Intelligence Education

Training sessions, organized by the information technologies department every year, help the school's teachers keep up with the times and maintain qualified education. In this year's two different sessions, discussions centered on the concepts of artificial intelligence, its practical applications and the integration of various tools into lessons. Teachers were empowered with the skills to incorporate technology, and a platform was established for sharing ideas on personalizing educational materials and creating artificial intelligence-supported learning resources.

Translation of the Guide for the Inclusion of the HPV Vaccine in the National Immunization Program (WHO)

The aim of the project is to expedite the inclusion of the HPV vaccine in the national immunization program, raise awareness and educate the public about cervical cancer. Through this project, the students of the school have emphasized the Sustainable Development Goals of promoting a healthy and quality life.

Art and Sports Workshop

The project aims to inform and raise awareness among high school students about sports and art. In line with the project, 80 high school students from the entire province participated in the workshop, where the requirements of a healthy and quality life were dis-

cussed through the lens of the role of sports and art in our lives.

Sustainability Community Service

The project aims to provide information about sustainability to 2nd grade students within the scope of the WWF Türkiye Nature Pioneers program and raise awareness by creating an interactive discussion environment. The target audience of the project is 48 primary school students. In terms of its objectives and process, the project emphasizes sustainable cities and communities from the Sustainable Development Goals.

Green Crescent Project

The aim of the project is to increase social awareness about addiction in collaboration with the Green Crescent and to disseminate methods of combating addiction. The students, through awareness activities organized in collaboration with the Green Crescent, have conveyed the obstacles to maintaining a healthy and quality life posed by addiction. They have ensured the awareness of both their peers and their surroundings.

Transform, Don't Dispose

The aim of the project is to inform authorities about the environmental damage caused by the burning of

surplus materials used in tractor manufacturing at a tractor factory in the city after their use and to create awareness about recycling methods that reduce the resulting harm. Through this project, students have advocated for the prevention, reduction and awareness of the harm caused by factory waste, promoting the reuse of materials through recycling and contributing to the reduction of environmental pollution.

Clean Parks for the Children of Adapazarı

The aim of the project is to ensure that children, especially in the city, have safe, inclusive and accessible green spaces. In pursuit of this goal, students, through collaboration with local institutions, regularly cleaned children's playgrounds in their surroundings. Throughout this process, they raised awareness among both children and the local community about the importance of preserving parks.

Gender Equality

In order to develop students' information literacy skills in the Youth unit, a discussion and questioning study was first conducted on SDG 5 Gender Equality through the life of Malala Yusufzay. Then, creative posters were created by the 7th grade students as a result of research on gender equality.

ENKA Promises

In November 2023, the video "ENKA Promises" was prepared by 7 students from different age groups in the Sustainable Impact Club with the data collected from the whole school community to raise awareness about the Sustainable Development Goals. This video was shared with the whole school community both via email and on the screen at the entrance of the school.

World Water Day

As part of the March 22nd World Water Day activities, the clean drinking water collected by Adapazarı ENKA Schools as part of the "Sen de Can Suyu Ol" campaign was delivered to Hatay province. The departure of the collected water once again emphasizes the importance that the school community attaches to social responsibility projects for regions in need of water. The campaign, which was realized with the active participation and support of the ENKA family, aims to raise awareness of social responsibility as well as emphasizing the vital importance of water.





PRIVATE ENKA SCIENCE AND TECHNOLOGY HIGH SCHOOL - KOCAELİ

In the school, established in 2014 with a modern education campus, qualified teaching staff, and equipped with laboratories, 119 students are currently being educated. The most important goal in founding the school is to nurture individuals of high quality who can lead Türkiye to its rightful place in the future.



The school's educational program spans five years, commencing with a one-year English language preparatory class. Additionally, German is taught as a second foreign language.

The main objectives of ENKA Science and Technology High School are:

- › To provide project-based education,
- › To provide students an academic education for further study in leading departments of top universities,
- › To provide advanced foreign language education,
- › To provide up-to-date technological education,
- › To provide the intellectual level of students by means of education and activities organized in the fields of culture, arts and social.

The school is located in the same building with Private ENKA Vocational and Technical High School that has a total covered area of 15,000 m² and is situated in a green field on a 30,750 m² plot in the Kocaeli Machinery Specialized Organized Industrial Zone. Students share various amenities, including the dining hall, sports hall, tennis court, football pitch and other campus areas, with students of Private ENKA Vocational and Technical Anatolian High School.

All of the students get full scholarships and all services including education, transport and meals, and preparation courses for the university entrance examination are all provided free of charge.

In addition to the science high school curriculum, elective courses are given in line with the goals and tendencies of the students from 10th grade onwards. Students who are inclined to study medicine are taught genetics in the genetics laboratory, and students who are thinking of studying engineering are taught mechatronics and computer programming languages in workshops.

A number of students are sent to a language school in the city of Canterbury in the United Kingdom during the summer vacation to enhance their foreign language skills with the sponsorship of the Directorate of the Machinery Specialized Organized Industrial Zone.

Students are able to follow 12 periodicals in the school library with 16,000 books, including digital sources such as Encyclopedia and Britannica ImageQuest.

In addition to applied sciences laboratories equipped with the latest technology for physics, chemistry and biology, our school has a LEGO robotics studio, a model aircraft/drone workshop, a science center, a visual arts studio, and a music studio where our school orchestra and bands rehearse.

Having achieved great success, a total of 22 students from ENKA Science and Technology High School and ENKA Vocational and Technical Anatolian High School received medals at the 30th National Science Olympiads award ceremony. The students won 3 medals in mathematics; 7 in physics; 6 in astrophysics; 2 in chemistry; 3 in biology and 1 in the field of computer science.

They kept on succeeding in the first stage exams of the 31st TÜBİTAK Science Olympiads. Among a total of 44 students; 8 from physics, 5 from astrophysics, 14 from biology, 7 from chemistry, 7 from mathematics and 3 from computer science, were successfully qualified to participate in the 2nd stage. In 2023, the school achieved the top position in Türkiye for having the highest number of students who successfully passed the 1st stage in the Science Olympiads.

The students of the school, who have proudly represented our country in various competitions, demonstrated exceptional performance after being selected for the Turkish National Team in international science Olympiads.

116 students from 21 countries participated in the 57th Mendeleev Chemistry Olympiad, between April 30th and May 6th, 2023, was organized in Astana, the capital of Kazakhstan. The students of the school, Azra Şekercioğlu and Kadir Kaan Erbaş, who represented our country in the National Team, were awarded bronze medals.

In the 40th Balkan Mathematics Olympiad, two students from the school represented the Turkish National Team among 131 students from 22 countries, Mehmet Can Baştemir won the gold medal and Serdar Bozdağ received the silver medal.

In the 64th International Mathematics Olympiad held in Chiba, Japan, with the participation of 612 students from 112 countries, the students from the school, Mehmet Can Baştemir received a gold medal and Serdar Bozdağ a silver medal.

Among 300 students from 80 countries, the students from the school, Kerem Aydın, received a bronze medal at the 34th International Biology Olympiad held in Al Ain, United Arab Emirates, and Azra

Şekercioğlu, who is in the Turkish National Team, received a silver medal in the 55th International Chemistry Olympiad (ICHO) held in Zurich, Switzerland.

In the 16th International Astronomy and Astrophysics Olympiad, held in Katowice, Poland, the students from the school Tuna Tülümen, received a silver medal and Mehmet Öztürk a bronze medal among 236 students from 50 countries.

Among 35 students who took part in the International Mathematics Competition organized by the University of Waterloo-Canada Anıl Çelen, Ada Mirza Ergene, Uğur Emre Uzun and Harun Vicdan shared the 30th place in the world with 142 points in the 10th grade category. Mehmet Can Baştemir received 142 points in the 11th grade category and was ranked 18th in the world.

In 2023, the graduates of Science and Technology High School attained remarkable success in the university entrance exams. In the Higher Education Institutions Examination (YKS), 10 students from the school featured among the top 1,000 students according to their placement score types. According to the placement results, 13 students were admitted to the faculty of engineering, 4 to the faculty of medicine, 2 to universities abroad and 4 to other types of undergraduate education.

In order to support the students in making their career choices, the school arranges a careers introduction event featuring the participation of professional associations, universities and representatives from organized industrial zones. This event provides students with the opportunity to gain detailed information about a wide range of occupations.



PRIVATE ENKA VOCATIONAL AND TECHNICAL ANATOLIAN HIGH SCHOOL - KOCAELİ

ENKA Vocational and Technical Anatolian High School (ENKA Technical Schools) is the first private vocational school founded in Türkiye, where all students study on full scholarship.



Founded in 2008, the school initially operated from a temporary building and later re-located to its main campus in 2010. Currently, our school provides education to 377 students across three major disciplines: industrial automation, machinery technologies and chemical technologies.

The school was founded with the primary goal of providing comprehensive training in professional fields essential to meet market demands. Utilizing state-of-the-art technological equipment and contemporary methodologies, the mission of the school is to cater to the social and cultural needs of students while instilling a strong sense of responsibility, work ethic, moral values and sensitivity. The school is dedicated to fulfilling the objectives of industrial sectors by nurturing individuals with top-tier knowledge and experience, and aims to prepare students to make substantial contributions to future research and development units. The school's ultimate objective is to empower graduates, enabling them to contribute substantial value to production processes and adeptly meet the demands of vocational and technical education institutions.

The school envisions being a pioneer in Turkish education, setting the highest standards in a manner befitting the esteemed name "ENKA." By delivering education responsibly, the school aspires to become a trailblazer, serving as a positive example for other institutions. Additionally, it aims to actively contribute to the advancement of vocational technical education, establishing a notable presence both nationally and internationally.

All students in the school benefit from full scholarships, encompassing services such as education, transportation, meals and the university preparatory course, all of which are provided free of charge.

Our school, which implements its own original training program, serves with technical facilities and qualified teaching staff. Spanning a covered area of 15,000 m², the campus is situated amidst greenery on a 30,750 m² plot donated by the Kocaeli Machinery Specialized Organized Industrial Zone Directorate.

The school building comprises 27 classrooms, 5 laboratories, 13 workshops, machinery technologies, industrial automation and chemical technologies, a dining hall and a gym. In line with international collaboration, the school has developed its premises, equipment and educational program in partnership with similar institutions abroad, particularly in Germany.

To enhance practical training, the school features cutting-edge physics, chemistry and biology laboratories. Moreover, it boasts specialized spaces such as a LEGO robot studio, model aircraft-drone workshop, science center, visual arts studio, and a dedicated rehearsal studio for the school orchestra and music bands.

Students receive an exceptional level of technical education with a project-based educational philosophy in state-of-the-art CNC machines, high-level chemistry laboratory devices and mechatronics workshops in accordance with industry 4.0. Students can easily implement the projects they designed with the wide workshop machinery park and 3D printer facilities offered in the computer laboratory.

Students produce 3D printers, 3-axis and 5-axis CNC machines and mechatronics test sets which they use in their own workshops. Technical trips to the factories are organized for students to integrate with the industry, to gain production culture, and to see the production on the site.

The mutual relations with the vocational schools abroad are strengthened by the sister school project. Annually, a designated group of students embarks on vocational internships in Germany, fostering international collaboration. Guest students from the sister schools are hosted at ENKA Technical School in Türkiye.

To enhance students' foreign language proficiency, a selected number of students participate in language programs at Canterbury, England, sponsored by the Regional Directorate of Machinery Specialized Organized Industry.

The school holds the ISO 9001:2015 Quality Management Certificate and the "Clean School Healthy School" Certificate given by Turkish Standards Institution.

The school has successfully completed two European Union Erasmus Projects in the past, and its commitment to international collaboration continues with the third project.

Initiated in 2021 the ongoing robotics project titled "Europe Drives Together Programmed to the Target – Development and Production of a Programmable Vehicle in the Context of Robotics," spans three years and involves partnerships with schools in Poland, Belgium, Germany, Italy and Hungary.

In November 2023, the school hosted a project meeting, extending a warm welcome to teachers and students from its partner schools.

During their visit, the guests conducted workshops on Arduino and control cards in the school workshops. Additionally, technical visits were organized to FARBA and SEW-Eurodrive Factories, enriching the experience within the framework of the project.

In June 2023, 89 students graduated from the school and 5 graduates of the school managed to rank among the first 1,000 students in Türkiye in the Higher Education Institutions Exam (YKS).

The school's student Efe Bekteş achieved great success by placing 7th in Türkiye in the YKS rankings. All of our 76 graduates, who made their selection based on their university placement scores, were placed in high-profile undergraduate programs at top universities. 44 students were placed in engineering and architecture faculties, 11 students in medical faculties, 3 students in dentistry and 18 students in various faculties.

Graduates, under the umbrella of the graduates' association they established, continue to embody the

"ENKA Culture" and collaborate in various areas including internship opportunities, the circulation of job opportunities and the implementation of social responsibility projects.

Students participate in many national and international competitions every academic year and achieve great successes.

The 27th National Mediterranean Mathematics Competition by Akdeniz University was held in two stages. The first stage was held online on 15th April 2023 and the final stage was held face-to-face at Yeditepe University on 6th May 2023. In the first stage, among 2,000 students, 29 students from the school passed. In the final stage, among 421 students, the students of the school received a total of 14 medals, including 3 gold, 7 silver and 4 bronze.

The school constantly receives more achievements in vocational fields every year.

In previous academic years, the school used to purchase electronic cards for controlling robots in robotics competitions, and now electronic cards designed by the teachers and students of the school are actively utilized.

A multifunctional electronic educational board "The #ENKatron Modular Robotics Board" was designed and produced by Industrial Automation Department teachers and students at the school. The board, which can be programmed with Arduino IDE, is a professional microcontroller development board that can be used easily in middle and high-level projects. The students, who have achieved great successes in assertive areas such as university entrance exams, Science Olympiads and TÜBİTAK projects, continue to work at the same pace in R&D studies, too.

In one of the FRC Off-Season competitions held at the Kurtköy Sports Hall, the school team with the robot - 6985 ENKATECH - built in the school workshops won the "Winner" award in the Robocube Off-Season. Having been ranked as the first, the school also received the "Excellence in Engineering Award", a recognition we had previously earned.

In the 2023 TEKNOFEST finals, where we presented 5 projects, two of our projects received 1st prizes in their respective categories:

Zeynep Bakırkaya and İpek Kahraman, along with their advisor teacher Mevlüt Erdoğan, with their project of production of shape memory plastic material/cable/plastic with sustainable bioplastic from rice straw in the Environment and Energy Technologies category;



Necla Naz Bahar and Naz Duru Ardoğlu, and guided by their advisor teacher Fatih Yıldırım, with their Multifunctional Disabled Vehicle project in the Technology for the Benefit of Humanity Category.

The 15th robot competition, organized every year by the Ministry of National Education, was held in Bursa this year. Having participated in the competition in different categories with the high participation of especially vocational high schools from different parts of Türkiye, the students of the school with 7 works won the 1st place in the free category and the 2nd place in the themed category.

The "International Butterfly Robotics Olympiads", conducted for the 4th consecutive year by Gebze Technical University, was held among 310 competitors in 4 different categories. In the category of barrier-free living technologies, the students of the school came 2nd with the smart glove project called "Translator", which enables hearing-impaired individuals to communicate with healthy individuals through voice or text, and it also provides an accessible learning experience through a designed game for those newly acquainted with sign language.

Gebze Güzeller OIZ hosted the "I Have a Patent Idea" project competition award, organized by Marmara Teknokent, Turkish Patent Movement, Adres Patent, and Adem Ceylan Final Technical College. The event witnessed the presence of esteemed officials, including the Kocaeli Deputy Governor, Gebze District Governor, Provincial Director of National Education, Provincial Industry and Technology Director, Marmara Teknokent Representatives, Gebze Güzeller OIZ and other protocol members.

In this competition, featuring participation from vocational schools across Kocaeli, the students of the school excelled by securing the 1st, 3rd and 5th places.

Last year, the students of the school again won the first 3 places in the same competition.

The Enkatech Seniors 25255E team of the school received the Design Award at the Vex Robotic Competition (VRC) Türkiye finals, where teams from various schools participated. The event took place at Istanbul Caferağa Sports Hall. The exceptional skills demonstrated by the students of the school in both robot construction stages and software aspects received high praise from visitors who explored the school stand.

Cooperation protocols covering education, science, arts, sports and cultural fields were signed between the school and Sabancı University and Gebze Technical University in order for students to conduct scientific studies, research and projects in cooperation with universities, and to benefit from social facilities such as laboratories, libraries, conference halls and sports halls.

The student of the school Tuna Kayra Döndü became the 1st in the Yıldırım Chess Tournament held by the Turkish Chess Federation, Kocaeli.

In the “Young Girls B Category” in the school sports orienteering competitions organized by the Provincial Directorate of Youth and Sports at the campus of Gebze Technical University, the student of the school Bilge Şahin came 1st and the boys’ team got the 4th place in the high school category in the tennis competitions and the girls’ team won the 2nd place.

In the quiz competition organized by the Ministry of Youth and Sports in Kocaeli, in which 49 teams participated, the students of the school Ada Mirza Ergene, Kerem Aydın and Yiğit Koca won the 1st place.

Having participated in the International Music and Folk Dance Festival held in Ohrid, Macedonia, the school’s folk dance team of 24 people represented the school and our country in the best way with their performances.

The school magazine named “ENKA’nın Sesi”, which is completely prepared by the students of the school, continues its publication life by being published twice a year. All issues of the magazine are published on the school’s website and can be read at the <https://www.enka.k12.tr/kocaeli/okulda-yasam/okul-dergileri/>.

The school students visit various schools across European countries and Türkiye, actively participating in Model United Nations (MUN) simulation organizations.

In 2023, the school attended foreign MUNs including CALSMUN organized by Cals College in Nieuwegein, the Netherlands; MUNSCE organized by Stedelijk College in Eindhoven, the Netherlands; FAMUN organized by Farel College in Amersfoort, Netherlands; BERMUN organized by John F. Kennedy School in Berlin, Germany; and OLMUN organized by Weser Ems School in Oldenburg, Germany. Additionally, the school students participated in national MUN programs such as ENIMUN organized by ENKA

Schools on İstinye Campus, TÜBİTAKMUN organized by TÜBİTAK High School and EDMUN organized by TED College.

As part of the Youth and Sports Day celebration during the week of May 19th, the students organized the 5th ENKA FEST youth festival on the school campus.

The school submitted 24 projects for the 54th TÜBİTAK High School Students Research Project Competition. Among the projects, 12 from our school in the İstanbul Asian Region were chosen for the regional exhibition.

Following the regional presentations on 3-4 April, a chemistry project from the school secured the 1st position in the region and a biology project was ranked 3rd.

The school’s students, Berrak Demir and Miray Özcan, along with their advisor teacher Elif Yılmaz, secured the 1st position in the regional exhibition and advanced to the Türkiye finals. In recognition of their achievement, they were honored with an incentive award for ranking among the top four in the field of chemistry nationwide. In the project on the investigation of the biodiesel production capacity of Halotolerant *Bacillus Australimaris* at different salt concentrations, biodiesel production was carried out by breaking down lipids in waste vegetable oils by means of lipase enzyme obtained from halotolerant bacteria developed at different salt concentrations.

The school represented Türkiye in the article titled “International Mapping Study on Good Practices of Applied Research in Vocational Education and Training” prepared by the European Training Foundation (ETF), which was established to assist the EU’s neighboring countries in reforming their education and training systems as part of the EU foreign relations policies.

Before the report, the educational activities conducted at the school underwent examination by the Netherlands CINOP Research Center on behalf of ETF, and various interviews were held with the school administration, teachers, and students. Particular emphasis was placed on TÜBİTAK research projects and Erasmus studies prepared by the students of the school. You can access the report on the school website at <https://www.enka.k12.tr/kocaeli/akademik-faaliyetler/mun-model-birlesmis-milletler-2/avrupa-birligi-iyi-ornekler-raporu/>.





ENKA SANAT

ENKA Sanat celebrated its 40th anniversary with a variety of culture and arts events and special projects and programmes that continued throughout the year. In its events season, ENKA Sanat offered a wide selection for different age groups and interests, including innovative examples and masterful renditions in the many branches of the arts.



The programme this year included plays that appeal to all age groups and best loved works of classical, jazz and popular music. ENKA Sanat hosted Türkiye's acclaimed artists as well as promising young talent. The programme of films selected in cooperation with Başka Sinema offered a unique viewing experience in the open air, under the stars. Moreover, ENKA Sanat celebrated the 100th anniversary of the Republic with artists and arts lovers through a series of events held from September to the end of the year.

Among the theatrical plays and performances staged this year were: "Toz" (by ID İletişim), "Yaşamaya Dair" (Dostlar Tiyatrosu), "Nuh'un Gemisini Aramak" (produced by ENKA Sanat), "Güzel Son" (Semaver Kumpanya), "Acındırma Propaganda Birimi" (Oyun Atölyesi), "Bir Terennüm" (Orchestra Theatre), "İmparator" (Dostlar Tiyatrosu), "Aşkın En Kısa Gecesi" (Nilüfer Kent Tiyatrosu), "Ayağa Kalk Dans Et" (MSGSÜ İDK Modern Dance Department and "Taşdıklarımız" (Eira & Çıplak Ayaklar Kumpanyası).

Among the classical and jazz music concerts held at the Auditorium and the Open Air Theatre this year were: Fazıl Say & Genco Erkal, Borusan Quartet (New Year's Concert with Republican Period Turkish Composers and Piazzolla), Burçin Büke & Güvenç Dağüstün (world premiere of the 100th Anniversary Waltz composed by Burçin Büke, with lyrics by Güvenç Dağüstün), Cihat Aşkın & Jerfi Aji (Hatlar), Semplice Quartet (Guest soloists: Gökhan Aybulus, Esen Kıvrak), Kerem Görsev Quartet, Boğaziçi Youth Choir (Conductor: Masis Aram Gözbek), Jamal Aliyev & Ece Dağıstan (Songs of the World), AyşeDeniz Gökçin Piano Recital (world premiere of the 100th Anniversary March composed by AyşeDeniz Gökçin).

Among the popular music concerts held at the Open Air Theatre, one of the best-loved summertime venues were: Teoman, Birsen Tezer (featuring Sabri Tuluğ Tırpan), Kardeş Türküler (featuring Jülide Özçelik), Sertab Erener & Emre Kula, Barabar, Büyük Ev Ablukada and the Yekpâre Trio (Ceylan Ertem, Coşkun Kandemir and Cenk Erdoğan).

The Turkish and foreign award-winning films shown in the open air this year were: Karanlık Gece, Elvis, The Whale, Daliland, Frankenstein, Masquerade, Ela ile Hilmi ve Ali, Carmen and The Crime is Mine.

ENKA Sanat undertook the marketing, publicity and PR activities for these events. The number of news items about the events published via traditional and digital media was 1,450, with 32,897,106 views.

Embracing all arts lovers with its special promotions, advertising and PR activities this year, ENKA Sanat offered tickets for TRY 40, aiming to contribute to the access of young people to the arts. In film viewings, all arts lovers were able to benefit from the "buy a ticket, get one free" offer. The shuttle bus to the metro station was well utilised by audiences. A total of 17,124 people attended the events held throughout the year.

ENKA SANAT INCREASES ITS SUPPORT FOR YOUNG ARTISTS

Lale Tara Arts Scholarship Launched

ENKA Sanat, which has run numerous support programmes for young artists in various fields in the past, launched a new support programme in its 40th year: the Lale Tara Arts Scholarship. The scholarship aims to support the undergraduate and post-graduate study of talented young artists abroad. This year it focused on the field of classical music. The selection committee for the scholarship included cellist and MSGSÜ İstanbul State Conservatory faculty member Dilbağ Tokay, world famous pianist and composer Fazıl Say, pianist and Ankara University of Music and Arts faculty member Prof. Dr. Gökhan Aybulus, ENKA Sanat director Gül Mimaroğlu – representing ENKA Foundation – and İstanbul State Symphony Orchestra flutes section leader and Borusan İstanbul Philharmonic Orchestra solo flautist Bülent Evcil. Among the students awarded the scholarship following the preliminary selection round and interviews with the selection committee were Efe Şen

(piano), who was accepted into Prof. Alfredo Perl's class at the Hochschule für Musik Detmold in Germany for undergraduate studies, and Yağmur Tuna (violin), who is studying at the Moscow Tchaikovsky State Conservatory.

Pre-applications for the scholarship were completed over the "online application system" on ENKA Sanat's website. 28 applications were received and 10 candidates were assessed in the second stage which included the interview. The number of news items produced about the scholarship via traditional and digital media was 371, with 2,489,212 views

ENKA Sahne's young talents achieve great success

This year's group of young talents included in the ENKA Sahne (ENKA Stage) project, which ENKA Sanat has been running for three years now to support promising young classical musicians, were selected by Advisory Board members viola player Efdal Altun, violin virtuoso, composer and academic Cihat Aşkın, pianist and academic Gökhan Aybulus, pianist and composer AyşeDeniz Gökçin, pianist and composer



Fazıl Say and cellist and academic Dilbağ Tokay. As part of the project, for which Cihat Aşkın acted as the artistic director, the young artists Derya Köftecioglu (harp), Atahan Dinç (violin), Ela Talay (harp), Can Saraç (piano), Taylan Süha Yeşil (violin), Adil Kerem Ünal (piano) and Ali İlhan Çeliksü (cello) played at the ENKA Sahne Gala Concert held as part of the events commemorating Şarık Tara. Academic and pianist Çağdaş Özkan accompanied the young musicians playing at the ENKA Auditorium as répétiteur. Under the project, the ENKA Sahne Gala Concert was filmed by famous documentary filmmaker Selçuk Metin and sound was recorded by Can Aykal. The professional sound and image recordings were presented to the artists to contribute to their portfolios and were aired on ENKA Sanat's YouTube channel on April 22nd, the birthday of Şarık Tara. The ENKA Sahne New Year's Concert was broadcast on Borusan Klasik radio on January 1st 2024, as has been done every year.

2023 was a year in which ENKA Sahne's young talents achieved success. 13-year old Arya Su Gülenç

became the youngest pianist ever to win first place in the International Pianele Piano Competition, the 16th of which was held in Germany this year with 26 pianists between the ages of 13-29 taking part. 16-year old pianist Can Saraç was awarded the Arturo Benedetti Michelangeli grand prize at the Piano Academy Eppan, held in Italy.

ENKA Sanat undertook the marketing, publicity and PR activities for these events. The ENKA Sahne Gala Concert 2023 received 1.200 views on the YouTube channel. In all, 21 young artists from nine provinces in Türkiye have been hosted by this project over the past three years, during which the concerts, digital and radio broadcasts reached audiences in seven countries. Over the last three years, the concerts held under the project have received approximately 13,200 views and reached 4,300 physical viewers and radio listeners (excluding previews and social media). Traditional and digital media have carried items a total of 2015 news items about ENKA Sahne and 64,602,127 views.

ENKA SANAT BRINGS CHILDREN AND ARTISTS TOGETHER!

The Fun World of Classical Music with Efdal Altun

ENKA Sanat continues to welcome all children, especially ENKA Schools students, at plays and classical music concerts suitable for their age, and to introduce them to artists and engage them in workshops and open practice activities. In its 40th year, ENKA Sanat continued its longstanding mission of creating the artists and audiences of the future by bringing children and musicians together in the “Fun World of Classical Music with Efdal Altun” event as part of the “Happy Sundays” concept it has been running for years. The event is free for children and aims to introduce them to the various entertaining aspects of classical music. By means of various effects, dialogues and imitations, it provided an enjoyable adventure in the world of music and instruments in the company of musicians. It was well attended by children and adults.

Pianist AyşeDeniz Gökçin practices the 100th Year March with ENKA Schools Students

In the second event of the year, pianist AyşeDeniz Gökçin, who has gained international renown with her novel approach to classical music, practiced the 100th Anniversary March she composed and wrote the lyrics to on the 100th anniversary of the Republic of Türkiye with ENKA İstanbul Schools Students. The school choir and orchestra performed the march to a crowded audience consisting of students and parents during celebrations on April 23rd National Sovereignty and Children's Day.

INTERNATIONAL PRODUCTIONS IN TÜRKİYE SUPPORTED BY ENKA SANAT!

İstanbul Music Festival & İstanbul Theatre Festival

For many years now, ENKA Sanat has managed ENKA Foundation's sponsorship activities. This co-operation, which goes back almost 40 years, dates to the first concert held by the İstanbul Culture and Arts Foundation (İKSV) with ENKA support in 1984. Since then, we have regularly supported the İstanbul Music Festival and the İstanbul Theatre Festival organised by the İKSV. In addition to this support, we make the ENKA Open Air Theatre and ENKA Auditorium available for events to support the festivals with their venue needs. At the 51st İstanbul Music Festival held between 1-17 June 2023, one of the greatest baritones of our times, Matthias Goerne, was accompanied by the Camerata RCO, established by Amsterdam's famous Royal Concertgebouw Orchestra, one of the most venerated symphony orchestras in the world, at the CRR concert hall.

This year, as the “Major Events Sponsor”, we also supported two international productions included in the 27th İstanbul Theatre Festival organised by the İKSV and curated by Işıl Kasapoğlu, one of the top names in Turkish theatre over the last 40 years. Thanks to our support, audiences got to watch the play “Feste” by the Berlin-based Familie Flöz, which is considered the forerunner of the Mask Theatre, and the play and mockumentary “The Republic of Baklava”, written and directed by Anestis Azas, which critics have hailed as the avantgarde of the new generation of Greek theatre.

The two organising institutions undertook the marketing, publicity and PR activities for these events. The number of news items produced about the İstanbul Music Festival in traditional and digital media was 2,015, with 64,602,127 views. The number of news items appearing in traditional and digital media channels about the İstanbul Theatre Festival was 1,275, with 62,396,019 views and an advertising value equivalent of TRY 20,065,807.

İstanbul Fringe Festival

ENKA Sanat hosted two successive international performances under its venue sponsorship of the İstanbul Fringe Festival, which celebrated its fifth year as one of the most important festivals in the field of performing arts. The first performance was “Bunker + Vault” by Canadian choreographer and dancer Rebecca Margolick, who Dance Magazine featured in its list of “25 best artists to watch”. The second was “Re-price” by dancer Becca Hoback, whose choreographies question “what it means to be a human forming a relationship with their body”.

The two organising institutions undertook the marketing, publicity and PR activities for these events. The number of news items about the İstanbul Fringe Festival appearing in the traditional and digital media was 129, with 458,246 views.



DOCUMENTARIES ON THE MASTERS OF TURKISH THEATRE AVAILABLE ON NETFLIX!

Documentaries on Yıldız Kenter and Genco Erkal

Two great productions which ENKA Sanat has sponsored to record and convey to younger generations the inspiring stories of cherished artists who form the cornerstones of Turkish theatre history are now available on Netflix. Both were produced by Porte Film and directed by Selçuk Metin, one of these productions is the autobiographic work “Genco”, on the life of Genco Erkal. This work not only recounts the

career of the artist but also sheds light on a great and significant period of Turkish theatre through memoirs and anecdotes. The second production, “Caniko”, focuses on the personality and life of Yıldız Kenter and the mark she has left on the theatre.

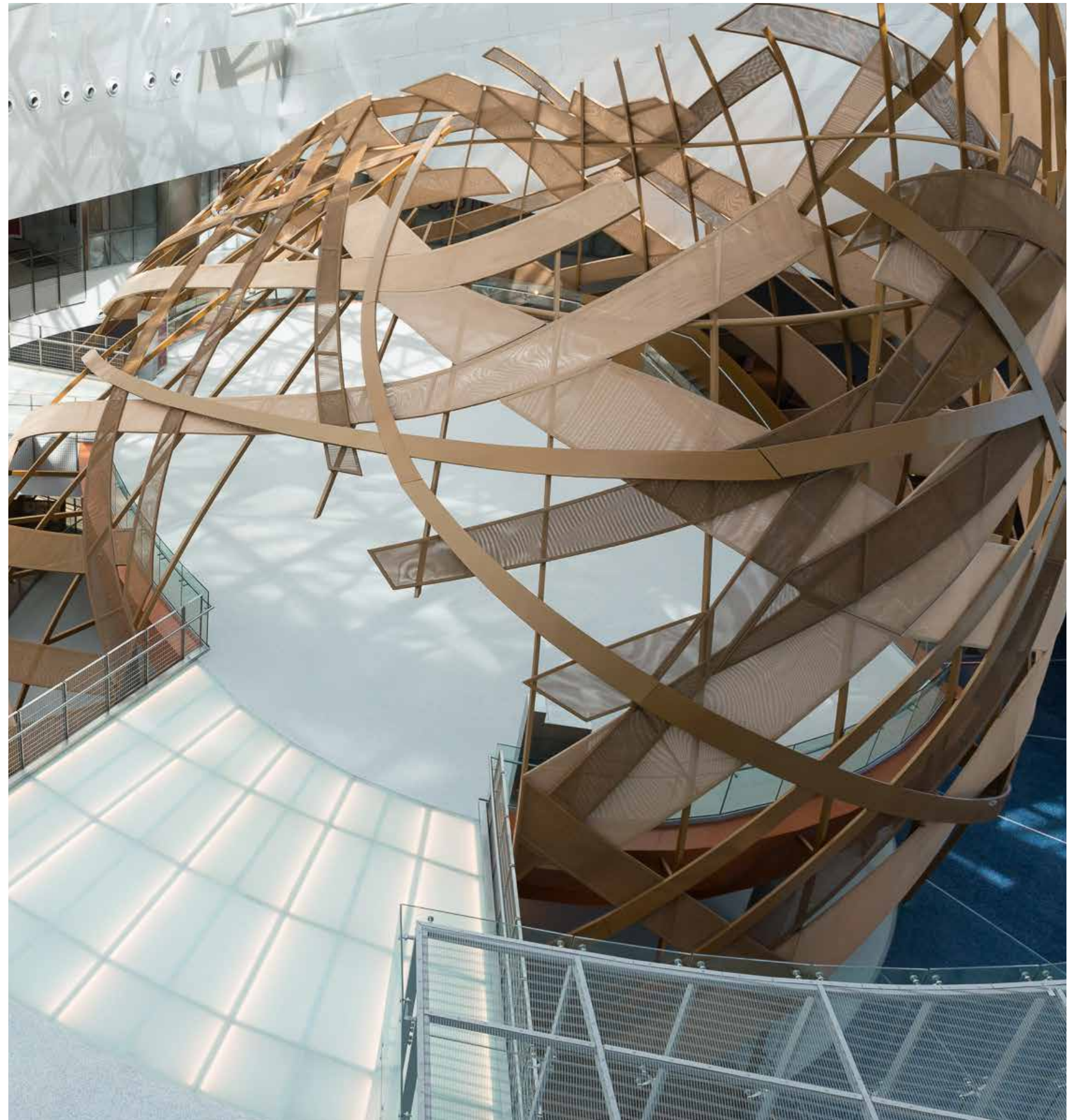
With the broadcasting of the productions on a digital platform, ENKA Sanat has reached its target of reaching a much wider audience following the premieres and previews. “Caniko”, about Yıldız Kenter, was watched 400,000 times in six months. “Genco”, about Genco Erkal was watched 100,000 times.

REPORTS

[Corporate Governance Principles Compliance Report](#)

[Sustainability Principles Compliance Report](#)

[Independent Auditor's Report](#)



CORPORATE GOVERNANCE

SECTION I - STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

The Corporate Governance Committee of the company is elected by the resolution of the Board of Directors dated 28.03.2023 and Board Members Fatih Osman Tar (Chairman) and Erdoğan Turgut (Member) as well as Gizem Özsoy (Member) which has the Capital Market Activities Advanced Level License and the Corporate Governance Rating Specialists License are selected. According to the same resolution it is decided that scope of activities of Nominating and Compensation Committee will be carried out by the Corporate Governance Committee. Principles and responsibilities of the committees are approved by the Board of Directors on 28.05.2012 and have been announced to the public.

On 11.06.2014, the duties and working principles of the committees were revised to ensure compliance with the legislation and were declared on company's official website. There are no compulsory principals, which are stated on the annex to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1 and which are not applied. For the non-compulsory ones, principles 1.5.2, 3.3.8, 4.2.5, 4.2.8, 4.4.7, 4.5.5, 4.6.1 and 4.6.5 are not being applied by our company and the reasons for not applying them are explained in the relevant sections of the Corporate Governance Compliance Report. There is no conflict of interest in our Company due to not fully complying with these non-compulsory principles.

Corporate Governance Committee's main objectives are; to present the proposals for the corporate governance policies of the company, enhance the quality of the corporate governance applications and inform the Board of Directors about the effective pursuit of the legislation of the Capital Markets Board related to the corporate governance principles and the generally accepted corporate governance principles of the international capital markets, and about implementing those principles which it deems applicable. The Corporate Governance Principles Compliance Report and Corporate Governance Information Form of the Corporate Governance Committee has been presented to the review of our stakeholders in the Annual Report and website as well as at the company information page of the Public Disclosure Platform (PDP).

SECTION II - SHAREHOLDERS

2.1. INVESTOR RELATIONS UNIT

The Investor Relations Management was established in 2002 within the structure of ENKA İnşaat ve Sanayi A.Ş., for the purpose of arranging the relations with the shareholders.

The Investor Relations Department reports to İlhan Gücüyener, the Member of the Executive Committee of the company and reports on activities.

The main activities conducted by the unit can be summarized as answering the questions on financial statements, activities of the company, conditions to participate in the company's General Assemblies, announcements to public, capital increases, information on issuance of new share certificates and preparation of the company's annual reports. The numerous applications to the unit and the responses to the investors are generally made through telephone. The members are; Sinan Yavuz Aktürk, Leyla Yüksel, Ali Aslan and the manager Gizem Özsoy of the Investor Relations Unit. Gizem Özsoy holds Advanced Level License (205945) and the Corporate Governance License (700865). The Investor Relations Unit can easily be accessed through the general telephone numbers of our company, which is +90 212 376 10 00.

2.2. AMENDMENTS TO THE ARTICLES OF ASSOCIATION, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

Amendments to the Articles of Association

No amendments were made to the Articles of Association in 2023.

Share Capital

The Ceiling of the Registered Share Capital of the Company is TL 10,000,000,000 (Say: Ten Billion Turkish Liras) which is divided into total 10,000,000,000 Shares, each having a nominal value of TL1 (Say: One Turkish Lira). The total emitted Share Capital of the Company amounts to TL 6,000,000,000 (Say: Six Billion Turkish Liras) and is fully paid up. The emitted Share Capital of the Company is divided into total 6,000,000,000 Shares, each having a nominal value of TL1 (Say: One Turkish Lira).

Shareholding Structure

The list of the shareholders of ENKA İnşaat ve Sanayi A.Ş. having 5% and above shareholding as of December 31, 2023 is as follows:

SHAREHOLDER	%
TARA Holding A.Ş.	49.80
Vildan Gülçelik	7.99
Sevda Gülçelik	6.43
ENKA Spor Eğitim ve Sosyal Yardım Vakfı	5.87
Free Float and Others	29.91
Total	100.00

The details of the changes in the Capital and the Shareholding Structure within the year has been given under the Capital section of the Independent Audit Report.

2.3. DIVIDEND RIGHT

The Profit Distribution Policy of ENKA İnşaat ve Sanayi A.Ş. which has been approved at the General Assembly held on March 27, 2014 is as follows:

The Board of Directors of ENKA İnşaat ve Sanayi A.Ş. ("the Company") takes into account the performance of the Company of that year, economic conditions, the finalized projects, investments and the cash flow of the Company as well as Turkish

Commercial Code, the relevant articles of Capital Markets Law, regulations and the practices of the Capital Market Board when presenting the profit distribution proposal to the General Assembly.

The principal policy adopted and applied by the company in aspect of profit distribution is to act always in compliance with the applicable criteria as provided in the Capital Markets Legislation while considering a fair balance between the interests of the Company and that of the shareholders thereof. In this manner, at least 20% of the distributable profit which is calculated in accordance with the Capital Markets Board regulations and other relevant legislation is distributed as cash and/or bonus shares.

Under the framework determined by profit distribution policy and the Capital Markets Board, after reserving the 1st dividend pursuant to the provisions of Article 36 of the Articles of Association, dividends are distributed to the Bonus Certificate holders as per the rate stated in the Articles of Association (total 7.5%).

Dividends are distributed equally at once to all existing shares as per their rates regardless of date of issuance and acquisition dates. Distribution of cash dividends is planned to be paid no later than one month after the General Assembly where the date of dividend distribution is resolved by the General Assembly.

The place and date of the profit distribution, agreed upon during the General Assembly in accordance with the relevant legislation provisions, is announced to the shareholders through the Public Disclosure Platform and by the announcement on the website of the Company.

The Board of Directors may distribute dividend advance if it is authorized by the General Assembly as well as in compliance with the regulations of the Capital Market. The authorization given to the Board of Directors by the General Assembly is limited with that year in which the authorization is given.

The distribution of profit, which takes place in the Annual Report, is made within the period required by the provisions of the Capital Market Law, as set forth in the Profit Distribution Policy. Until this day, profit distributions have been done without any delays.

The Board of Directors of our Company resolved, as a result of the resolutions of the Ordinary General Assembly for the year 2020 of our Company as held on 30.03.2021 regarding the distribution of the year 2020 profit, it has been resolved to distribute TL 1,120,000,000 dividend starting from April 13, 2021, by taking into account the legal status of the shareholders representing the TL 5,600,000,000 equity, as being 35.714286% gross and 30.357143% net dividend and was distributed thereof

Basing on the power vested in the Board of Directors by the Ordinary General Assembly for year 2022 held on March 28, 2023, the Board of Directors resolved to distribute, a total of TL 1,680,000,000 from the net profit of 2022, a total of TL 500,000,000 from the returned earnings; totaling TL 2,180,000,000 and TL 35,614,745 as cash dividend to founder shares. The Dividend decided to be distributed was distributed on 12 April 2023.

Additionally, based on the power vested in the Board of Directors by the Ordinary General Assembly for year 2022 held on March 28, 2023, the Board of Directors resolved to distribute, a total of full TL 3,000,000,000 from the net profit of the current period as indicated on the financial statements comprising the interim period from 01 January 2023 – 30 September 2023 to the holders of share certificates representing the share capital amounting to full TL 6,000,000,000.

DONATION AND AIDS

In 2023, within the framework of the existing Donation and Aids Policy; ENKA İnşaat ve Sanayi A.Ş. on its own has donated TL 122.216.785 while its subsidiaries have donated TL 26.204.640.

SECTION III - STAKEHOLDERS

Employee Training

Within the scope of ENKA Academy, a total of 6,882 person-hours of training was carried out in 2023 with approximately 488 hours of training.

Personnel Training Hours by Category of Gender at ENKA Headquarters:

	WOMAN	MAN
Total Hours of Training	17,674	177,783
Training Hours Per Employee	45.8	54.8
	BLUE COLLAR	WHITE COLLAR
Total Hours of Training	133,258	62,199
Training Hours Per Employee	69.6	36.3

Employee Rights and Employee Satisfaction

- › All ENKA employees have the pension rights and rights to maternity/paternity leave specified in the laws.
- › All ENKA employees have the right to a 50% discount at ENKA Sports, which is one of Türkiye's leading sports clubs.
- › All ENKA employees have the right to a 20% discount for events organised by ENKA Culture & Arts, which hosts a variety of well-respected artistic performances.
- › One day of volunteer leave right in a month is provided to employees who want to take part in volunteering projects.
- › Every year, sailing programmes are organised especially for employees with and without sailing experience, at basic and advanced levels.
- › Health services in clinics established at the head office and projects are offered free of charge.
- › Suitable menus are being prepared for vegetarians and for employees needing special diets.

SECTION IV - THE BOARD OF DIRECTORS

4.1. STRUCTURE AND FORMATION OF THE BOARD OF DIRECTORS

The target in determining the company's board members is to create a structure which will enable the members to make productive and constructive activities, to take decisions quickly and rationally, and to form committees in order to organize their activities in an effective way. Although the aim is to have one female member at the Board of Directors, the proposal of the Board Members submitted to the General Assembly has been formed in line with the above-mentioned targets. The Board of Directors which is approved by General Assembly consists of 5 members; as two executive members, one non-executive member and two independent non-executive members.

Regarding the independent members, 2 nominees were submitted to Corporate Governance Committee, which undertook authority of Nominating Committee on January 04, 2023 and were approved on the same day by the Board of Directors.

Declaration of Independent Members of the Board of Directors about their independency is as follows:

In the context of my nomination being "Independent Member of the Board of Directors" at ENKA İnşaat ve Sanayi A.Ş.'s ("ENKA") Ordinary General Assembly Meeting of 2022 which will be held in 2023;

- › No relationship was formed in employment, in capital or in important trading activities, neither by me nor by my spouse, nor by my blood or affinity relatives up to the 3rd degree within last five years did not have any direct or indirect relationship with ENKA, 3rd parties in relation with ENKA or legal entities who have relation with shareholders of ENKA having a share of 5% or more,
- › Within the last five years, I have not been a partner (5% or above), employed as an executive having a significant duty and responsibility, or as a member of the board of directors in a company, which is primarily serving as auditing (tax audit, legal audit and including any internal audit), consulting and rating of ENKA, which undertakes material business activities under an agreement, in the period where the services or goods have been purchased or sold,
- › As being an independent member of the board of directors, I have the required professional training, knowledge and experience for undertaking the duties of the position,
- › I will not to be a full-time employee of public authorities and institutions after being elected, except being an academic member at university provided that is in compliance with the relevant legislation.
- › I am a resident in Türkiye in accordance with the Income Tax Law no 193 dated 31.12.1960,
- › I have strong standards of ethics, professional reputation and experience for adding positive contribution in activities of ENKA, for securing my independency about subjects in relation with the conflicts of shareholders and for making independent decisions with taking into account of stakeholders' rights,
- › I will be able to spend necessary time for fulfilling the requirements of the position and monitoring processes of the activities of the company,
- › I have not been on the board of ENKA for more than six years within the last ten years,
- › I am not an independent board member in more than three of the companies which are controlled by ENKA or its controlling shareholders and in more than five companies listed on the stock exchange,
- › I am not registered as a board member elected for the legal entity,

I hereby declare my independency within the framework of relevant legislation in force, articles of association of ENKA and criteria mentioned above.

In accordance with the Articles of Association of the company, the Board of Directors is responsible for the management of ENKA İnşaat ve Sanayi A.Ş. and its representation. Validity of all documents to be given by ENKA İnşaat ve Sanayi A.Ş. and all the agreements to be concluded require the names of two persons authorized to represent the company under the official heading and per the signature circular of ENKA İnşaat ve Sanayi A.Ş.. The Board of Directors assembles at the beginning of each fiscal year and divides up the tasks as well as the management and representation authorizations between the board members. With Ordinary General Assembly resolution dated March 28, 2023, the Board of Directors has been resolved to a tenure of one year with a task division as below:

BOARD OF DIRECTORS

NAME, SURNAME	PROFESSION	POSITION
A. Mehmet Tara	Civil Engineer	Chairman of the Board
Cem Çeliker	Lawyer	Vice Chairman of the Board
Erdoğan Turgut	Civil Engineer M.Sc.	Member of the Board (Non-Executive Member)
Mehmet Mete Başol	Economist	Member of the Board (Non-Executive & Independent Member)
Fatih Osman Tar	Business and administration professionals	Member of the Board (Non-Executive & Independent Member)

Executive Committee has been formed as follows:

MEMBERS OF THE EXECUTIVE COMMITTEE

NAME, SURNAME	PROFESSION	POSITION
A. Mehmet Tara	Civil Engineer	President and Chairman of the Executive Committee
Zafer Gür	Civil Engineer	Vice Chairman of the Executive Committee
Cem Çeliker	Lawyer	Member of the Executive Committee
Özger İnal	Civil Engineer	Member of the Executive Committee
Bekir Burak Özdoğan	Civil Engineer	Member of the Executive Committee
Salim Oğuz Kirkgöz	Civil Engineer	Member of the Executive Committee
Hasan Fehmi Bayramoğlu	Mechanical Engineer	Member of the Executive Committee
İlhan Gücüyener	Certified Public Accountant	Member of the Executive Committee
Hakan Kozan	Civil Engineer	Member of the Executive Committee
Mehmet Ertem	Electrical Engineer	Member of the Executive Committee

Curricula Vitae of Board of Directors, which were also announced at the official internet site prior to the General Assembly, are as follows:

A. MEHMET TARA Chairman of the Board (Executive Member)

Mehmet Tara, born in 1983 in İstanbul, graduated in 2006 from the Wentworth Institute of Technology Civil Engineering Department in the USA. He is fluent in English. Having joined ENKA in 2006 when he was assigned to ENKA's jobsite in Russia as field engineer, Mehmet Tara worked as Deputy Project Manager of ENKA Russia WSOC Project between 2007-2008, as Vice President of ENKA Moscow Projects between 2008-2009, as Board Member of ENKA Russian Projects & Real Estate Developments between 2010- 2012. Since 2012, he acts as General Manager and Chairman of the Executive Committee of Enka İnşaat ve Sanayi A.Ş. and started to act as the Chairman of the Board of ENKA İnşaat ve Sanayi in 2022 in addition to these duties. In addition, he is a TÜSİAD Board Member and Vice President, TEV Board of Trustees Member and GIF Member.

Mehmet Tara, being an Executive Board Member within the scope of the Corporate Governance Principles as applied by the Capital Markets Board, is not an Independent Member of the Board of Directors. He was within the last eight years and currently is in charge in the Board of Directors of ENKA İnşaat ve Sanayi A.Ş. and of the affiliated group companies thereof.

CEM ÇELİKER Vice Chairman of the Board (Executive Member)

Cem Çeliker graduated in 2001 from the Nottingham University BSc. in Law, and in 2003 with honors from the Columbia Law School LL.M. He is fluent in English. He started his legal career in the London office of Shearman & Sterling LLP in 2004. His practice focused on the international project development and financings, including those in the infrastructure, power and oil and gas sectors. He started working as a Lawyer at ENKA in 2010, and since 2010 he has acted as Chief Legal Counsel, Deputy General Manager, and Member of the Executive Board of ENKA İnşaat ve Sanayi A.Ş. Starting to act as a Member of the Board of ENKA İnşaat ve Sanayi A.Ş. in 2022, Cem Çeliker is a member of the New York and England Bar, the Vice Chairman of the Turkish Construction Industry Association (İNTES) and a member of TÜSİAD.

Cem Çeliker, being an Executive Board Member within the scope of the Corporate Governance Principles of the Capital Markets Board, is not an Independent Member of the Board of Directors.

ERDOĞAN TURGUT (Non-Executive Member)

Erdoğan Turgut, born in 1953, graduated in 1977 from the Aegean University, Department of Civil Engineering, and completed thereafter in 1979 his Master of Science (M.Sc.) Degree Program in Soil Mechanics at the London University Kings College, so that he is fluent in English. After having worked as Deputy Project Manager in the company Koray Al Mutamidoon İnşaat A.Ş. in Saudi Arabia between 1981 and 1986 during the construction of the Intercontinental Hotel, Erdoğan Turgut acted between 1986 and 1991 as General Manager in the company Koray – Turser A.Ş. when the latter constructed the 5 Stars Sheraton Hotel & Karum Shopping Center in Ankara, and between 1991 and 1993 as Board Member of the Kavala Group of Companies, and as the partner in the company PMS A.Ş. between 1993 and 1995. Between 1995 and 2010 he acted as Foreign Relations Manager, Deputy Chairman of the Executive Board and Group Coordinator in and of the company Koray Yapı Endüstrisi ve Ticaret A.Ş. Erdoğan Turgut, being a Non-Executive Board Member within the scope of the Corporate Governance Principles of the Capital Markets Board, is not an Independent Member of the Board of ENKA İnşaat ve Sanayi A.Ş. and acted between 2012 - 2022 as a Non-Executive Board Member.

MEHMET METE BAŞOL (Non-Executive Independent Member)

M. Mete Başol, born in 1957, graduated from Arizona State University, Department of Economics and started his banking career in 1984 at Inter- bank at the Mid-term Loans department by making economic evaluation of various investment projects as well as preparing sector reports. He has moved to Turkish Merchant Bank which was established as an investment bank jointly by Bankers Trust Co. New York and T. Is Bankası, as the Treasury, Fund Management and Foreign Relations Manager. In 1992 he has also assumed the responsibility of the group of capital markets as Assistant General Manager. In 1995, he was elected as a Member of the Board of Directors and the Credit Committee following the purchase of the entire bank by the Bankers Trust. The name of the bank was changed to Bankers Trust A.Ş. and between 1997 - 2001 he has undertaken the Chairman of the Board of Directors and General Manager task of the bank. Between 2001 and 2003, he became the Managing Director of the joint Board of Directors of the public banks (TC Ziraat Bankası, T. Halk Bankası, T. Emlak Bankası) which was established by the law. After this assignment he established Tridea Consulting with two partners and gave financial and administrative consultancy services to SME's. He continued his consultancy services under his own company after 2009. He was a Member of the Board of Directors at Galatasaray Sportif A.Ş. (2011-2012), at T. İş Bankası A.Ş. (2011-2014), at Dedeman Holding A.Ş. (2008-2014), at Dedeman Turizm Otelcilik Yatırım A.Ş. (2012-2014), at Enerji Yatırım Holding A.Ş. (2015-2021), at Enerya Gaz Dağıtım A.Ş. (2015-2021) and at Enerya Gaz Ticaret A.Ş. (2015-2021). Currently, he is a Member of the Board of Directors at, and Nurol Investment Bank Inc. (2014).

He was an Independent Board Member at Coca-Cola İçecek A.Ş. (2012-2018), Anadolu Efes Brewery and Malt Sanayii A.Ş (2012-2018) and at Hacı Ömer Sabancı Holding A.Ş (2018-2021). Currently, he is an Independent Board Member at Kimteks Poliüretan Sanayi ve Ticaret A.Ş (2021-) and Dardanel Önentaş Gıda Sanayi A.Ş. (2022-). M. Mete Başol meets the criteria applicable to Independent Board Members within the scope of the Corporate Governance Principles of the Capital Markets Board.

FATİH OSMAN TAR (Non-Executive Independent Member)

Born in 1953, Fatih O. Tar graduated from Robert College and then Boğaziçi University, Department of Business Administration in 1975. His professional life started in 1975 at Enka Pazarlama İhracat İthalat A.Ş., Foreign Trade Co. and then he worked as Sales Manager at Binex JV Construction Materials Company between 1977 and 1980, Procurement Manager at Enka Holding between 1979 and 1981, Assistant General Manager for Marketing and Sales at Güney Sanayi Tekstil İşletmeleri between 1981 and 1983, as General Manager at Enka Dış Ticaret between 1983 and 2003, as Board Member at Pimaş between 1985 and 1987, as Board Member at Enka Teknik between 2002 and 2010, as Chairman of Azen Oil Company (Netherlands) between 2003 and 2008, as Chairman and CEO of Binagadi Oil Company (Azerbaijan) between 2003 - 2008, as Deputy General Manager of Oyak Holding between 2010 and 2013, as Group Chairman and Managing Director of Eregli Demir Çelik, Iskenderun Demir Çelik & Group of Companies between 2010 and 2013, as Board Member at Yücel Boru Group between 2013 - 2015 and the President and CEO of Yücel Boru Group since 2015. Fatih Osman Tar meets the criteria applicable to Independent Board Members within the scope of the Corporate Governance Principles of the Capital Markets.

4.2. OPERATIONAL PRINCIPLES OF THE BOARD OF DIRECTORS

The Board of Directors which was approved at the Ordinary General Assembly dated March 28, 2023 made 9 meetings until the end of report period and the average of attendance rate is 97%. Prior to each meeting, the secretariat of Board Directors personally informs board members about the meeting agenda. Since the IPO of ENKA İnşaat ve Sanayi A.Ş., no divergent views have been suggested by board members. There are no privileged voting rights for any member of the Board of Directors.

The Board of Directors were authorized at the Ordinary General Assembly for execution of written transactions listed in articles No. 395 and 396 of the Turkish Commercial Code and to transactions were done with this authority.

In 2022, there were no administrative and judicial sanctions imposed on the Company's governing body and members due to practices contrary to the provisions of the legislation.

The Board of Directors of the Company had discussed about the Affiliated Company Report and the declaration is as follows: "On such date on which the relevant legal steps as mentioned in the report have been taken, always a proper counteract has been undertaken for/towards each of such legal steps in accordance with such terms and conditions and circumstances as being to our knowledge. In this aspect, there is neither any measure to be taken or to be avoided to be taken nor any loss to be suffered by the company."

4.3. NUMBER, STRUCTURE AND INDEPENDENCE OF THE COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS

Three committees officiate in affiliation with the Board of Directors of ENKA İnşaat ve Sanayi A.Ş.. The committees assemble as often as it is necessary. Board of Directors' resolution dated 28.03.2023 about these committees is as follows:

For the Audit Committee to elect for a tenure of one year:

Fatih Osman Tar (Chairman) and Mehmet Mete Başol (Member)

For the Corporate Governance Committee to elect for a tenure of one year:

Fatih Osman Tar (Chairman), Erdoğan Turgut (Member) and Gizem Özsoy (Member)

For the Early Identification of Risks Committee and to elect for a tenure of one year:

Mehmet Mete Başol (Chairman) and Erdoğan Turgut (Member)

Also, it has been resolved that according to the structure of the Board, the issues falling within the scope of activities of the Nominating Committee and the Remuneration Committee to be carried out by the Corporate Governance Committee and for the working principles of the committees and task fields to be identified by the committee members and to be submitted to the Board of Directors. Purposes of committees as established thereof, have been stated below:

Purpose of the Audit Committee:

It is to ensure the duly supervision of the independent audit of the accounting system and financial data of the company as well as of the functioning and efficiency of the internal control system.

Activities of the Audit Committee:

The Audit Committee convened 5 times during the year. Committee:

- Review options for the independent auditor for the fiscal year 2023 and submitted KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to the Board of Directors' for approval.
- Reviewed the interim and annual financial reports of the Company and submitted the reports to the Board of Directors for the approval of the Board of Directors after detecting that they reflect the truth.
- It examined the reports submitted to them as a result of the audits conducted by the Internal Control Unit with the Corporate Quality, Finance, Sustainability & Compliance, Human Resources and HSE departments within the scope of internal audit.

Purpose of the Corporate Governance Committee:

It is to propose suggestions regarding the corporate governance of the Company; to ensure the increase in quality of the corporate governance applications; to pursue efficiently the legislation of the Capital Markets Board regarding the corporate governance principles and any other corporate governance principles generally accepted on the international capital markets as well as to advise the Board of Directors on the implementation of any applicable ones thereof; to make the necessary workings for the nomination, assessment and training of the proper candidates for the Board of Directors of the Company, and for the determination of the principles of remuneration of the Members of the Board of Directors and top managers of the Company and to propose suggestions to the Board in this aspect.

Purpose of the Early Identification of Risks Committee:

It is to early identify any potential risks that might jeopardize the existence, development and continuation of the Company, and to take and implement the necessary measures and preventive actions for the elimination of such detected potential risks as well as to perform any workings related to risk management and to review at least once a year any applied risks management systems.

Due to the formation of the Board of Directors as being in total 5 people, some of the members of the Board of Directors are assigned in more than one committee.

In 2023 Audit Committee made 5 meetings, Corporate Governance Committee made 2 and the Early Identification of Risks Committee made 6 meetings within the months stated below.

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
Audit Committee			✓✓		✓			✓			✓	
Corporate Governance Committee	✓						✓					
Early Identification of Risks Committee	✓		✓		✓		✓		✓		✓	

Moreover, in addition to these committees, Executive Ethics and Compliance Committee, Sustainability Committee, OHS (Occupational Health and Safety) Board, Information Security Committee, Risk Management Working Group under the Board of Directors continue their activities. These committees also report annually to the Board of Directors regarding their activities.

Purposes of the Executive Ethics and Compliance Committee:

The Executive Ethics and Compliance Committee reporting to the Board of Directors is formed to ensure the Corporate Values to be supported by the Ethics and Compliance Program. This Committee, furthermore, provides support to the Company in the application of an effective Ethics and Compliance Program, in the determination of the basic principles of such Program as well as in the continuously promotion of creation of a Corporate Culture that attaches importance to ethical business conduct and compliance with laws.

Purpose of the Sustainability Committee:

The Sustainability Committee (the Committee) was formed to assess economic, social and environmental risks and opportunities that may have an impact on ENKA's assets and trading activities, to monitor and analyse relevant sustainability issues, to identify the sustainability strategy and to undertake projects to realise goals. The Committee is led by the ENKA's Chairman of the Board of Directors and reports results obtained from all sustainability efforts to ENKA's senior management.

The Sustainability Committee which consists of managers of different units and departments at the Company and subsidiaries representing all main functions, continued its activities in 2023 by reviewing the sustainability strategy, ensuring ownership of sustainability goals and activities at every level and monitoring the sustainability performance.

Purpose of the Information Security Committee:

The Information Security Committee was established to support the execution of the necessary works within the framework of the operation, maintenance and efficiency of the company's information security management system and to report the performance of these efforts to the Board of Directors.

In this context, the Information Security Committee is primarily responsible for; ensuring the confidentiality, integrity and accessibility of information belonging to ENKA and its stakeholders, protecting information assets, satisfying information security requirements within the scope of applicable terms and conditions and international standards, determining and systematically managing information security risks, performing monitoring and measurement activities, improving information security management system performance, and implementing and promoting information security policies and procedures within the company.

The Information Security Committee, which consists of asset and risk owners that may affect the information security, meets once a year.

Purposes of the OHS (Occupational Health and Safety) Board:

The OHS Board, consisting of the Employer Representative, OHS Specialists, Workplace Physician/Nurse, Human Resources Specialist, Administrative Affairs Officer, Employee Representatives and any related experts as to be assigned pursuant to the relevant agenda items, and holding its meetings in 3 months intervals, is formed for the purpose of properly identification and assessment of any potential risks related to occupational health and safety at Head Office and accurately determination and assessment of any measures to be taken there against, and reporting the same to the Board of Directors.

Besides the OHS Board, in all our projects, also HSE Boards are formed under the guidance of the relevant Project Managements and the Project Health, Safety and Environment (HSE) Departments. These Boards hold regularly on weekly and monthly basis the so-called "Zero Accident Team Meetings" and review the HSE performance of the project and decide on any main actions required to be taken.

4.4 RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM

The Internal Control Unit within the structure of the company, which periodically inspects the projects and the group companies in advance and proposes the necessary solutions for any deviations from the objectives, as well as all of the potential risk factors to the management. The internal control systems and its structure is organized in a way that can eliminate all risks to be encountered by the company, especially the ones which could adversely affect the activities and proactively works for the solution without encountering any problems even in the crisis period. Increasing strength of the company's financial position is an indication of this system working effectively.

Purposes of the Risk Management Working Group:

The Risk Management Working Group is formed in accordance with the Resolution of the Company's Executive Ethics and Compliance Committee dated 28.11.2017 in order to ensure the proper identification of any corporate risks of ENKA, the accurate determination of the applicable risk mitigation methods and the precise assessment and review of such risks as identified.

Amongst the basic tasks of the Risk Management Working Group is the application of an effective Risk Management Program throughout the Company, the identification of the principles and methods underlying such Risk Management Program, and the assurance of continuous development of Risk Management as a Corporate Culture extending to and through the projects, units and individuals.

The main risks faced by the Company and the policies related to the management of these risks are given in detail under 34th note of the Independent Audit Report in the following headings.

- › Capital risk management
- › Interest risk
- › Foreign currency risk
- › Credit risk
- › Liquidity risk

4.5. MISSION, VISION AND OBJECTIVES OF THE COMPANY**Our Mission:**

To design, build and deliver safe, high-quality and cost-effective construction projects on schedule for our customers while providing quality employment and career growth opportunities for ENKA Employees.

Our Vision:

To be one of the best and innovative engineering & construction companies serving globally.

Our Performance Objectives:

- › To be open to innovations, using advanced technologies and always seeking the better,
- › To be prudent and sensitive about work security and environment protection,
- › To train our young employees in accordance with our culture as creative, hardworking and honest employees and to ensure that our employees work as individuals who have self-confidence, are able to communicate and use discretionary power and take responsibility, and
- › To seek our competitive power and profit in perfecting our management and technical skills.

Pursuit of the Objectives and Achievement of Goals:

The objectives that reflect of our sensitivity about completing the works before the end of the planned time frame and delivering to the client are pursued very diligently at the highest and most detailed level. The members of the Executive Board pursue the objectives and the degree of their achievement in relation to the projects carried out in those countries where they are responsible and periodically resolve in the Executive Board to find out the leading motives of the deviations, whether the deviations affect the result of the project and if it is necessary to create new targets and to take the necessary measures about the personnel who have responsibility in such delay.

4.6. FINANCIAL BENEFITS

For stand-alone ENKA İnşaat ve Sanayi A.Ş.; total wages paid for the members of the Board of Directors is TL 44,968,307 the social security payments is TL 283,965 and the accrued retirement pay provisions as of December 31, 2023 are TL 371,268. The total amount of the fees and similar benefits provided to the top managers such as the general manager, general coordinator and vice general managers is TL 251,502,221 the social security payments is TL 7,592,021 and the accrued retirement pay provisions as of period end are TL 6,843,006. There are no payments made to the members of the Board of Directors and top managers in the way of shares, derivative products originating from shares, share buying options or payments not made in cash such as house or car whose proprietorship bestowed and/or allocated for their use. ENKA İnşaat ve Sanayi A.Ş. is not in any sort of debt relation whatsoever with any of the members of the board or any top managers. The Remuneration Policy Applicable to the Board Members and Administratively Responsible Managers was submitted to the shareholders at the General Assembly dated March 27, 2014 which was published on our internet site is as follows:

1. Objective and Scope

The purpose of the policy described hereunder is to determine, in compliance with and under consideration of such regulations, obligations and principles as specified in the Capital Markets Legislation and the Capital Markets Board's corporate governance principles, any rules, requirements, principles and modus of implementation applicable to the remuneration of the Board Members and Administratively Responsible Managers of ENKA İnşaat ve Sanayi A.Ş. as approved by the Board of Directors thereof. Any rights, benefits and remunerations to which the Board Members of the Company are entitled to, and any modus of and requirements applicable to the payment thereof are defined in the Articles of Association of the Company, and such rights, benefits and remunerations are concluded and fixed each year by the General Assembly thereof in its annual meeting under a separate item of agenda and the same are published thereafter in the website of the company. The remuneration policy hereunder aims the sustainability and enhancement of the performances of the Board Members and Administratively Responsible Managers of the Company.

2. Principles Applicable to Remuneration

Remunerations Payable to the Members of the Board of Directors

Independent Members and Non-executive Board Members: The Independent Members and Non-executive Board Members of the Board of Directors are entitled to a monthly attendance fee as honorarium in such amount as to be determined each year by the General Assembly. The amount of such monthly attendance fee is not fixed on the basis of the performance of the Company so that the independency thereof is not impacted of the Independent Members thereby.

Executive Board Members: The Executive Board Members are paid a monthly attendance fee in the same amount as payable to the Independent Members as aforesaid, besides such below mentioned bonuses as payable to the same on the basis of their performances and contributions to the company as well as their level of reaching the targets as set.

Remunerations Payable to Administratively Responsible Managers

Remunerations payable to Administratively Responsible Managers include performance determined bonuses besides the fixed pays to be determined and calculated in accordance with the scope of duties and responsibilities thereof under consideration of the requirements and the experiences designated for each position. Executive Committee Members are entitled to a monthly attendance fee as honorarium as well as bonuses and fixed pays.

3. Performance and Remuneration Methods

Fixed Pays:

In the determination of the attendance fees payable to the Members of the Board of Directors as well as of the fixed pays to the Administratively Responsible Managers as aforesaid, the preservation of the company's internal balances and the compliance thereof with strategic targets and the ethical values of the company are always considered. The amount of the fixed pays is determined and calculated for each position in accordance with the scope of duties and responsibilities of the relevant payee under consideration of various factors such as economic conditions in the market, the size of the company, any long-term targets and the level of realization thereof as well as the position and the level of experience of the relevant payee. In the determination and calculation of the remunerations payable to the Board Members and Administratively Responsible Managers of the Company, no short-term performance-based payment plans such as Company's profit or income shall be applicable.

Performance Pays (Bonus Payments):

Also, in the determination and calculation of the performance-based bonus payments, various factors such as bonus policies applicable in the market to any staff in similar or equivalent position, the level of reaching and realization of the company targets and the individual performances are taken into account, and they are determined and calculated so that the equity of the company is not impacted thereby. Within the scope of this policy, no Board Member or Administratively Responsible Managers of the Company is lent any money or granted any loan or any personal credit by virtue of any third parties or provided any securities or guarantees. Any remunerations and benefits paid to Board Members and Administratively Responsible Managers of our company are disclosed to public in the Annual Report thereof.

SECTION V – FINANCIAL POSITION

As of 31.12.2023, it is concluded that the Company's debt structure is suitable for the continuation of activities in a healthy manner with a debt-to-equity ratio of 0.27.

As of 31.12.2023, the backlog amount and basic ratios are given below and detailed financial information is given in the Independent Auditor's Report.

Backlog as of 31.12.2023 (Million US Dollars)

BACKLOG ((MILLION US DOLLARS)		
COUNTRY	AMOUNT	%
Special Projects	1,053	21.2%
North Macedonia	771	15.5%
Serbia	644	13.0%
United Kingdom	571	11.5%
Saudi Arabia	237	4.8%
Kazakhstan	192	3.9%
USA	178	3.6%
Germany	171	3.4%
Mongolia	98	2.0%
Türkiye	69	1.4%
Libya	52	1.0%
Others*	932	18.8%
Total	4,968	100%

*The group «Others» consists of the following countries: Bahamas, Bangladesh, Belgium, Brazil, China, Finland, France, Greece, Holland, Hungary, India, Iraq, Italy, Japan, Kenya, Mexico, Paraguay, Philippines, Poland, Romania, Singapore, Spain, Sri Lanka, Sweeden, Taiwan, Turkmenistan, Uzbekistan and Vietnam.



BASIC RATIOS (THOUSAND US DOLLARS)

	31.12.2023		31.12.2022	
<u>Current Ratio:</u>				
Current Assets	4,047,643	=	3,536,158	= 285.0%
Current Liabilities	1,420,060		1,481,853	= 238.6%
<u>Cash Ratio:</u>				
Cash & Cash Equivalents + Financial Investments	5,194,655	=	4,597,104	= 310.2%
Current Liabilities	1,420,060		1,481,853	
<u>Leverage Ratio:</u>				
Total Liabilities	1,984,053	=	2,034,099	= 23.7%
Total Assets	9,407,528		8,580,537	
<u>Total Equity to Total Assets Ratio:</u>				
Total Equity	7,423,475	=	6,546,438	= 76.3%
Total Assets	9,407,528		8,580,537	
<u>Current Assets to Total Assets Ratio</u>				
Current Assets	4,047,643	=	3,536,158	= 41.2%
Total Assets	9,407,528		8,580,537	
<u>Non-current Assets to Total Assets Ratio:</u>				
Non-current Assets	5,359,885	=	5,044,379	= 58.8%
Total Assets	9,407,528		8,580,537	
<u>Return on Assets (ROA) Ratio:</u>				
Net Income	713,662	=	118,394	= 1.4%
Total Assets	9,407,528		8,580,537	
<u>Net Income to Revenue Ratio:</u>				
Net Income	713,662	=	118,394	= 3.2%
Revenue	3,225,929		3,730,788	
<u>Total Liabilities to Total Equity:</u>				
Total Liabilities	1,984,053	=	2,034,099	= 31.1%
Total Equity	7,423,475		6,546,438	

	CORPORATE GOVERNANCE COMPLIANCE REPORT	COMPANY COMPLIANCE STATUS					EXPLANATION
		Yes	Partial	No	Exempted	N/A	
1.1	FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2	Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	x					
1.2	RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1	Management did not enter into any transaction that would complicate the conduct of special audit.	x					
1.3	GENERAL ASSEMBLY						
1.3.2	The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	x					
1.3.7	Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					x	
1.3.8	Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	x					
1.3.10	The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	x					
1.3.11	The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.		x				Although there is no restriction on the participation of stakeholders and media in the General Assembly meetings, stakeholders participated in the meeting held in 2023 but the media did not have any request for participation.
1.4	VOTING RIGHTS						
1.4.1	There is no restriction preventing shareholders from exercising their shareholder rights.	x					
1.4.2	The company does not have shares that carry privileged voting rights.	x					
1.4.3	The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	x					
1.5	MINORITY RIGHTS						
1.5.1	The company pays maximum diligence to the exercise of minority rights.	x					
1.5.2	The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			x			In our company, minority rights are defined in regulated rates in the Turkish Commercial Code (TTK) and there are no plans to change this.
1.6	DIVIDEND RIGHT						
1.6.1	The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	x					
1.6.2	The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	x					
1.6.3	The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					x	Our company regularly distributes profit.
1.6.4	The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	x					
1.7	TRANSFER OF SHARES						
1.7.1	There are no restrictions preventing shares from being transferred.	x					
2.1	CORPORATE WEBSITE						
2.1.1	The company website includes all elements listed in Corporate Governance Principle 2.1.1.	x					
2.1.2	The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	x					
2.1.4	The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	x					

	CORPORATE GOVERNANCE COMPLIANCE REPORT	COMPANY COMPLIANCE STATUS					EXPLANATION
		Yes	Partial	No	Exempted	N/A	
2.2	ANNUAL REPORT						
2.2.1	The board of directors ensures that the annual report represents a true and complete view of the company's activities.	x					
2.2.2	The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	x					
3.1	CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1	The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	x					
3.1.3	Policies or procedures addressing stakeholders' rights are published on the company's website.	x					
3.1.4	A whistleblowing programme is in place for reporting legal and ethical issues.	x					
3.1.5	The company addresses conflicts of interest among stakeholders in a balanced manner.	x					
3.2	SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1	The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.	x					
3.2.2	Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.	x					
3.3	HUMAN RESOURCES POLICY						
3.3.1	The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	x					
3.3.2	Recruitment criteria are documented.	x					
3.3.3	The company has a policy on human resources development, and organises trainings for employees.	x					
3.3.4	Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	x					
3.3.5	Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.		x				The Human Resources have been working as a representative of ENKA, for coordination and relation between the employer and employees of the company. However, there is no trade union in our company.
3.3.6	Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	x					
3.3.7	Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	x					
3.3.8	The company ensures freedom of association and supports the right for collective bargaining.			x			Although there is no association or trade union in the company, there is no restrictive practice.
3.3.9	A safe working environment for employees is maintained.	x					
3.4	RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1	The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	x					
3.4.2	Customers are notified of any delays in handling their requests.	x					
3.4.3	The company complied with the quality standards with respect to its products and services.	x					
3.4.4	The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	x					
3.5	ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1	The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	x					
3.5.2	The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	x					

	CORPORATE GOVERNANCE COMPLIANCE REPORT	COMPANY COMPLIANCE STATUS					EXPLANATION
		Yes	Partial	No	Exempted	N/A	
4.1	ROLE OF THE BOARD OF DIRECTORS						
4.1.1	The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	x					
4.1.2	The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	x					
4.2	ACTIVITIES OF THE BOARD OF DIRECTOR						
4.2.1	The board of directors documented its meetings and reported its activities to the shareholders.	x					
4.2.2	Duties and authorities of the members of the board of directors are disclosed in the annual report.	x					
4.2.3	The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	x					
4.2.4	Information on the functioning and effectiveness of the internal control system is provided in the annual report.	x					
4.2.5	The roles of the Chairman and Chief Executive Officer are separated and defined.			x			Elected as the Chairman of the Board of Directors at the Company's Ordinary General Assembly dated 28.03.2023, Mr. Agah Mehmet Tara will continue to carry out his current CEO position in line with the targets of the company.
4.2.7	The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	x					
4.2.8	The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.			x			Damages caused by the faults of the members of the Board of Directors during their duties in the company are not insured.
4.3	STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9	The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.		x				Although the aim is to have one female member at the Board of Directors, the proposal of the Board Members submitted to the General Assembly has been formed in line with the above-mentioned targets.
4.3.10	At least one member of the audit committee has 5 years of experience in audit/ accounting and finance.	x					
4.4	BOARD MEETING PROCEDURES						
4.4.1	Each board member attended the majority of the board meetings in person.	x					
4.4.2	The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	x					
4.4.3	The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					x	In 2023 meetings, The board members that could not attend the meeting, did not submit their opinion in written format.
4.4.4	Each member of the board has one vote.	x					
4.4.5	The board has a charter/written internal rules defining the meeting procedures of the board.	x					
4.4.6	Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	x					
4.4.7	There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			x			The Board Members are able to spend necessary time for fulfilling the requirements of the position and monitoring processes of the activities of the company.

	CORPORATE GOVERNANCE COMPLIANCE REPORT	COMPANY COMPLIANCE STATUS					EXPLANATION
		Yes	Partial	No	Exempted	N/A	
4.5	BOARD COMMITTEES						
4.5.5	Board members serve in only one of the Board's committees.			x			Due to the formation of the Board of Directors as being in total 5 people, some of the members of the Board of Directors are assigned in more than one committee. All committee members ensure adequate participation in the activities of the committee in which they are members.
4.5.6	Committees have invited persons to the meetings as deemed necessary to obtain their views.	x					
4.5.7	If external consultancy services are used, the independence of the provider is stated in the annual report.					x	
4.5.8	Minutes of all committee meetings are kept and reported to board members.	x					
4.6	FINANCIAL RIGHTS						
4.6.1	The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			x			Performance evaluation is made within the Board of Directors but not in written format.
4.6.4	The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	x					
4.6.5	The individual remuneration of board members and executives is disclosed in the annual report.			x			The disclosure is not done individually, but the total amount and the remuneration policy has been provided under the financial benefits section of the Annual Report.

CORPORATE GOVERNANCE INFORMATION FORM		
RELATED COMPANIES		
RELATED FUNDS		
1	SHAREHOLDERS	
1.1	Facilitating the Exercise of Shareholders Rights	
	The number of investor meetings (conference, seminar/etc.) organised by the company during the year	24
1.2	Right to Obtain and Examine Information	
	The number of special audit request(s)	0
	The number of special audit requests that were accepted at the General Shareholders’ Meeting	0
1.3	General Assembly	
	Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/en/Bildirim/915484
	Whether the company provides materials for the General Shareholders’ Meeting in English and Turkish at the same time	General Assembly Notices and related materials are disclosed at the same time.
	The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There is no transaction in the context.
	The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	There is no transaction in the context.
	The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	There is no common and continuous transactions in the context.
	The name of the section on the corporate website that demonstrates the donation policy of the company	https://www.enka.com/investor-relations/company-policies/
	The relevant link to the PDP with minute of the General Shareholders’ Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/198439
	The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders’ Meeting	Article 24
	Identified stakeholder groups that participated in the General Shareholders’ Meeting, if any	Company employees
1.4	Voting Rights	
	Whether the shares of the company have differential voting rights	Hayır (No)
	In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares	-
	The percentage of ownership of the largest shareholder	49.8%
1.5	Minority Rights	
	Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
	If yes, specify the relevant provision of the articles of association.	-
1.6	Dividend Right	
	The name of the section on the corporate website that describes the dividend distribution policy	https://www.enka.com/investor-relations/company-policies/
	Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend	Dividend distribution was made
	PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	Dividend distribution was made

GENERAL ASSEMBLY MEETINGS									
General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
28/03/2023	0	72%	0%	72%	Investor Relations / General Assembly / General Assembly Meetings	-	14	0	https://www.kap.org.tr/en/Bildirim/1120617 https://www.kap.org.tr/en/Bildirim/1128637

CORPORATE GOVERNANCE INFORMATION FORM		
2	DISCLOSURE AND TRANSPARENCY	
2.1	Corporate Website	
	Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	About Us / Company Profile, Investor Relations, Sustainability
	If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares	Investor Relations / Corporate Articles and Documents / Shareholding Structure
	List of languages for which the website is available	Turkish - English - Russian
2.2	ANNUAL REPORT	
2.2.2	The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members	Corporate Governance / 4.1 Structure and Formation of The Board of Directors
b	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
c	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance / 4.2 Operational Principles of The Board of Directors
ç	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Independent Auditors' Report / Basis of Presentation of The Consolidated Financial Statements
d	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Independent Auditors' Report / Commitments
e	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	-
f	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no cross ownership subsidiary
g	The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Corporate Governance / Section 3 Stakeholders
3	STAKEHOLDERS	
3.1	Corporation's Policy on Stakeholders	
	The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Sürdürülebilirlik / Etik ve Uyum / Rüşvet ve Yolsuzlukla Mücadele
	The number of definitive convictions the company was subject to in relation to breach of employee rights	326
	The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Vice President (Quality, HSE, Communications, Sustainability & Compliance, IT)
	The contact detail of the company alert mechanism	+90 (212) 376 10 10
3.2	Supporting the Participation of the Stakeholders in the Corporation's Management	
	Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	-
	Corporate bodies where employees are actually represented	-

CORPORATE GOVERNANCE INFORMATION FORM		
3.3	Human Resources Policy	
	The role of the board on developing and ensuring that the company has a succession plan for the key management positions	-
	The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	Corporate Groups / Human resources
	Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)
	The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Corporate Groups / Human resources
	The number of definitive convictions the company is subject to in relation to health and safety measures	4
3.5	Ethical Rules and Social Responsibility	
	The name of the section on the corporate website that demonstrates the code of ethics	Sustainability / Ethics & Compliance
	The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues	Sustainability / Publications / Developing Communities
	Any measures combating any kind of corruption including embezzlement and bribery	Sustainability / Ethics & Compliance / Fighting bribery and corruption
4	BOARD OF DIRECTORS-I	
4.2	Activity of the Board of Directors	
	Date of the last board evaluation conducted	It is held once a year before the General Assembly.
	Whether the board evaluation was externally facilitated	Hayır (No)
	Whether all board members released from their duties at the GSM	Evet (Yes)
	Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Agah Mehmet TARA -Chairman of the Board, Cem ÇELİKER- Vice Chairman of the Board, Erdoğan TURGUT - Member of the Board, Mehmet Mete BAŞOL - Member of the Board, Fatih Osman TAR - Member of the Board
	Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	32
	Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Corporate Governance / Risk Management and Internal Control Mechanism
	Name of the Chairman	Agah Mehmet Tara
	Name of the CEO	Agah Mehmet Tara
	If the CEO and Chair functions are combined: provide the link to the relevant PDP annoucement providing the rationale for such combined roles	https://www.kap.org.tr/en/Bildirim/1013366
	Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	-
	The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	-
	The number and ratio of female directors within the Board of Directors	0

Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independ-ence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
AGAH MEHMET TARA	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	25/03/2022	-	Değerlendirilmedi (Not considered)	İlgisiz (Not applicable)	-
CEM ÇELİKER	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	25/03/2022	-	Değerlendirilmedi (Not considered)	İlgisiz (Not applicable)	-
ERDOĞAN TURGUT	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	11/04/2013	-	Değerlendirilmedi (Not considered)	İlgisiz (Not applicable)	-
FATİH OSMAN TAR	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
MEHMET METE BAŞOL	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)

CORPORATE GOVERNANCE INFORMATION FORM		
4	BOARD OF DIRECTORS-II	
4.4	Meeting Procedures of the Board of Directors	
	Number of physical or electronic board meetings in the reporting period	9
	Director average attendance rate at board meetings	97%
	Whether the board uses an electronic portal to support its work or not	Evet (Yes)
	Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Depending on the agenda
	The name of the section on the corporate website that demonstrates information about the board charter	Investor relations / Corporate articles and documents/ Articles of Association - Article 17
	Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no upper limit.
4.5	Board Committees	
	Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/en/Bildirim/366204

COMPOSITION OF BOARD COMMITTEES-I				
Names Of The Board Committees	Name Of Committees Defined As "Other" In The First Column	Name-Surname of Committee Members	Whether Committee Chair Or Not	Whether Board Member Or Not
Denetim Komitesi (Audit Committee)		Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)		Mehmet Mete Başol	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Mehmet Mete Başol	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		Gizem Özsoy Bayramoğlu	Hayır (No)	Yönetim kurulu üyesi değil (Not board member)

CORPORATE GOVERNANCE INFORMATION FORM		
4	BOARD OF DIRECTORS-III	
4.5	Board Committees-II	
	Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
4.6	Financial Rights	
	Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Corporate Governance / Mission, Vision and Objectives Of The Company
	Specify the section of website where remuneration policy for executive and non-executive directors are presented	Investment Relations / Company Policies
	Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	-

COMPOSITION OF BOARD COMMITTEES-II					
Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Denetim Komitesi (Audit Committee)		100%	100%	5	5
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		100%	50%	6	6
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		66.6%	33.3%	2	2

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

The Company's Environmental, Social and Governance (ESG) systems, efforts, performance, and goals are presented to all stakeholders under the heading "Sustainability Principles Compliance Report" of the Annual Report. Information on the Company's ESG practices provided in this report and all other statements on sustainability are presented in detail in ENKA Sustainability Report published in May of every year, at the latest.

The scope of the Sustainability Principles Compliance Report is parallel with the Company's annual Sustainability Report. The list of the companies included in the scope is listed below. Environmental data of the companies marked with (*) in the following list were not included in the calculations of quantitative values shared in respect to the Environmental Principles in the report. Policies shared within the ESG system are applicable to all companies covered by the Annual Report. This report covers the period between January 1st, 2023 and December 31st, 2023.

- › ENKA İnşaat ve Sanayi A.Ş.
- › ENKA UK Construction Ltd.
- › ENKA Kırklareli Elektrik Üretim A.Ş.
- › Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş.
- › Çimtaş Gemi İnşaat Sanayi ve Ticaret A.Ş.
- › Cimtas Boru İmalatları ve Ticaret Ltd. Şti.
- › Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti.
- › Cimtas Ningbo Steel Processing Co. Ltd.
- › Adapazarı Elektrik Üretim Ltd. Şti.
- › Gebze Elektrik Üretim Ltd. Şti.
- › İzmir Elektrik Üretim Ltd. Şti.
- › LLC MosENKA
- › Moskva Krasnye Holmy
- › ENKA Holding Investment S.A.
- › City Center Investment B.V.
- › ENKA TC
- › ENKA Pazarlama İhracat İthalat A.Ş.
- › LLC ENKA Flex Offices*
- › ENKAMOS Region B.V.



ENKA, with its sustainability management approach, manages its social, environmental and economic impacts resulting from its operations in different sectors, including engineering, construction, energy, real estate and trade in different parts of the world in a responsible, effective and transparent manner. For this purpose, it identifies environmental, social and governance risks and opportunities; determines material sustainability issues with the participation of different stakeholder groups every two years and updates its policies, strategies and procedures established in this regard. ENKA's ESG policies can be found on ENKA's corporate website (www.enka.com).

ENKA updated its Sustainability Strategy in line with these policies and strengthened its sustainability targets. ENKA's Sustainability Strategy and the Sustainability Targets set for 2030 and 2050 can be accessed via the links below. The Company's 2023 performance against these targets are summarized in ENKA Sustainability Targets table at the end of the Sustainability Principles Compliance Report.

Sustainability Strategy:

<https://www.enka.com/sustainability/strategy/>

ENKA Sustainability Targets:

<https://www.enka.com/sustainability/sustainability-targets/>

ENKA Sustainability Committee, which was established in 2017 in order to integrate sustainability into the company's business strategies and lead the actions towards this regard with the participation of managers of different units and departments in ENKA Headquarters and subsidiaries representing ENKA's all main functions. The Committee leads the Company's strategies and efforts in the fields of environment, climate change, human rights, social responsibility and ethics and ENKA's Chairman of the Board, who leads the committee, has the primary responsibility for the issues referred above.

ENKA, which has been a signatory of the United Nations Global Compact since 2017, publicly publishes

its sustainability performance, goals and activities every year through its Sustainability Report. In addition to this sustainability report prepared in accordance with the Global Reporting Initiative (GRI) Standards; guided by the Industry Standards of the Sustainability Accounting Standards Board (SASB) and by the United Nations (UN) Global Compact and UN Sustainable Development Goals (SDGs) and by taking account of the International Financial Reporting Standards (IFRS) and Türkiye Sustainability Reporting Standards (TSRS) "S₁ - General Requirements for Disclosure of Sustainability-Related Financial Information" and "S₂ - Climate-related Disclosures" together with the "Governance, Strategy, Risk Management, Metrics and Targets" approaches referred to in the standards, ENKA also reports annually to the public within the scope of Climate Change and Water Security programs of the Carbon Disclosure Project (CDP). Material sustainability issues that define the framework of ENKA's Sustainability Report are linked to the following goals of the United Nations 2030 Sustainable Development Goals (SDGs).



ENKA, with its sustainability performance in 2023, continues to be included in Dow Jones Sustainability Index and FTSE4Good Index as well as Borsa İstanbul Sustainability Index.

As part of the verification of sustainability statements, greenhouse gas emissions arising from the operation of ENKA Energy companies are audited by accredited organizations every year in accordance with applicable legislation. In addition, ENKA's sustainability report receives limited external assurance for selected energy, greenhouse gas emissions, water and occupational health and safety indicators. The audit process regarding 2023 energy, water, greenhouse gas emissions and occupational health and safety is in progress and audit reports are included in ENKA's Sustainability Report and CDP report every year.

ENVIRONMENTAL PRINCIPLES

ENKA establishes and conducts its environmental management and its commitments in this direction in accordance with the laws of the countries where it operates and in line with international environmental management standards. The Company's environmental management complies with ISO 14001:2015 Environmental Management System Standard.

ENKA recognizes the importance of identifying and effectively managing the risks and opportunities related to climate change. Risks related to climate change are assessed by the Early Identification of Risks Committee and the Risk Management Working Group, with the support of the Sustainability Committee and the Corporate Sustainability and Compliance Department. ENKA closely monitors legal and technological developments within the scope of transition risks related to climate change and carries out various practices at the points where there is a risk. Thus, ENKA realizes the importance of good management of all Environmental, Social, Governance (ESG) risks, including climate change, in terms of reputation, foreign investment and financing and it implements appropriate policies and strategies.

ENKA believes that not only transitional risks, but also physical risks pertaining to climate change are of critical importance. As both acute and chronic physical impacts of climate change are increasing worldwide day by the day, especially in -Türkiye and in all regions ENKA operates, the intensity of acute effects such as extreme climate events, heatwaves and heavy rains have increased in recent years.

Scenario analyses are conducted in ENKA İnşaat operations against these risks and climate events are closely monitored. In all ENKA İnşaat projects, assessments are carried out for the environmental and social impacts of the project. Specifically, in the projects where work activities are conducted in close proximity to water bodies, watershed regulations are considered and additional emergency procedures are intently applied against incidents such as flooding. ENKA regularly keeps records of the energy and fuel consumptions of its subsidiaries and it has been regularly calculating its carbon footprint and the amount of reduction achieved as a result of improvement efforts and measures undertaken since 2016.

The greenhouse gas emissions resulting from ENKA's operations and energy consumption in 2023 as compared with previous years are presented in the table below. Direct (Scope-1), indirect (Scope-2) and other indirect (Scope-3) greenhouse gas emissions from 2023 activities of ENKA were included in the calculations. Greenhouse gas emissions resulting directly from ENKA's activities are categorised as "Scope-1 – direct greenhouse gas emissions", while greenhouse emissions due to energy consumption from externally sourced electricity, heat and steam are categorised as "Scope-2 – indirect greenhouse gas emissions due to energy consumption". The methodologies used for calculating were the ISO 14064-1 and the GHG Protocol Corporate Accounting and Reporting Standards. For conversion factors IPCC, DEFRA, US EPA, T.C. ETKB, Climate Transparency Report, IEA and IRENA data were used.

ENERGY CONSUMPTION BY YEARS*

ENERGY CONSUMPTION (TJ)	2021	2022	2023
Fuel Consumption	68,779	49,143	39,616
Electricity Consumption	1,093	1,177	1,147
Consumption for Heating Purposes and Steam Consumption	621	541	506
TOTAL	70,493	50,861	41,269

*Provided values for 2023 are the values prior to external assurance. The assured values will be published in the 2023 Sustainability Report.

ENKA SCOPE-1, SCOPE-2 AND SCOPE-3 EMISSIONS BY YEARS*

GREENHOUSE GAS EMISSIONS (tCO ₂ e)	2021	2022	2023
Scope-1	4,025,525	2,888,653	1,926,467
Scope-2	173,813	144,809	135,094
Scope-3	1,567,009	2,377,015	1,162,228
TOTAL	5,766,347	5,410,477	3,223,789

ENKA transparently publishes all environmental impacts stemming from its operations on public platforms through its Sustainability Report and CDP reports. Within the scope of ENKA's environmental reporting, all environmental issues (greenhouse gas emissions, energy management, water and wastewater management, air quality, waste management, and biodiversity activities) are included and reported for three years comparatively. ENKA, which realizes high investments and carries out various projects every year to reduce its environmental impacts, transparently discloses the amount of reduction and savings in greenhouse gas emissions, energy consumption, water consumption and waste generation in its Sustainability Report.

Aside from the environmental impacts arising from its own operations, ENKA considers the minimization of effects resulting from the products and services it provides as an important part of its sustainability strategy. ENKA, which works to completely prevent the damage that may be caused to people and nature in all investments, has carried out 14 of its projects in accordance with LEED or equivalent green building certification programs. The ongoing Yandex Headquarters Project is being carried out in accordance with the BREEAM standard. Two multi-functional shopping centers operated by ENKA Real Estate in Russia have Russian Green Building certificate and have set precedents in this sense. Within the scope of power plant projects with the high expertise of ENKA, the highest level of efficiency is achieved in constructed power plants and during construction activities.

It is ensured that all suppliers and subcontractors working with ENKA are expected to act just as sensitively, training opportunities are provided and audits are carried out within this scope. The environmental approach and performance that ENKA expects from its suppliers are clearly stated in ENKA Supplier Code of Conduct and in the supplier selection, evaluation and auditing procedures.

SOCIAL PRINCIPLES

ENKA is committed to comply with the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and the legal frameworks and legislation regulating the employment and human rights in Türkiye through ENKA Code of Business Conduct. The Code of Conduct, which is the ethics policy of the company, includes issues on compliance with human rights, non-discrimination, prevention of forced labour and child labour and combating bribery and corruption and details regarding the implementation of the relevant policy. Code of Business Conduct has been translated into 7 languages and published on the corporate website. The Supplier Code of Conduct has been published and communicated in order to encourage these practices in the Company's value chain.

The results of the "ENKA Employee Loyalty Survey" which was conducted by an independent research company in 2021 indicated that the level of employee loyalty was 90% across all ENKA group companies and 91% at ENKA İnşaat.

*Provided values for 2023 are the values prior to external assurance. The assured values will be published in the 2023 Sustainability Report.

In ENKA Academy, which was established to improve the professional competences, process awareness, technical knowledge, and leadership and management skills of employees, trainings are organized in 3 main categories; namely management training, technical training and social skills training. Approximately 488 hours of training were given and a total of 6,882 person-hours of training in engineering development and social skills was provided during the reporting period. In addition to ENKA Academy, Project Training Departments, which are established separately at each project and are in constant communication with the Istanbul Headquarters, have provided approximately 12.395 million person-hours of training to date. These training programs also include informative trainings on the Company's ESG policies and practices.

ENKA maintains an Ethics Hotline and an email to ensure open and transparent communication and make it possible for employees, local communities, and all parties engaged in a business relationship (suppliers, subcontractors, employees of subcontractors, customers, business partners etc.) to be able to report behaviour that violates the Code of Business Conduct or company policies and to receive advice for matters that are unclear to them. Reports made to the Ethics Hotline and email are categorised and reported to the Executive Ethics and Compliance Committee. All reports within the execution area of the Ethics Hotline are assessed, investigated and concluded and the complainant is informed accordingly.

The Occupational Health and Safety (OHS) structure at ENKA begins with the strong commitment by the senior management. This strong commitment forms the basis of all activities and the management system and it is shared with all stakeholders through the Health, Safety, Social and Environment Policy (HSSE Policy). The commitment clearly described in the HSSE policy is effectively implemented through internal procedures and training courses, workshops, plans, instructions, checklists, forms and other instruments that are developed in line with these procedures. Areas that are open to improvement are identified through audits, management system is reviewed based on the results of the audits and necessary actions are taken in line with the principle of continuous improvement.

More than 1,090,148 person-hours of HSE training was provided to ENKA employees in 2023. A total of 143 recordable incidents occurred among all ENKA employees and its subcontractors. 30 of these incidents were recorded as lost time incidents. The total number of lost days due to occupational incidents were 516, Lost Time Incident Frequency Rate and Lost Time Incident Severity Rate were 0.09 and 1.50 respectively.

ENKA GROUP'S OHS STATISTICS*

TOTAL (COMPANY AND SUBCONTRACTOR)	2021	2022	2023
Number of Lost Time Incidents	39	34	30
Lost Time Incident Frequency Rate	0.12	0.10	0.09
Lost Time Incident Severity Rate	2.57	1.54	1.50
Number of Fatalities	1	1	4

ENKA Social Responsibility and Social Investment:

The total social investment made by ENKA Foundation and ENKA İnşaat as well as its subsidiaries in 2023 in the fields of education, health, sports, social and environment in line with the material sustainability issues of ENKA has approximately 323 million TL. Social responsibility efforts in 2023 are included in the ENKA corporate website and in Sustainability Report published every year.

*Provided values for 2023 are the values prior to external assurance. The assured values will be published in the 2023 Sustainability Report.

ENKA SUSTAINABILITY TARGETS

ENKA shares its performance against the Sustainability Targets and the change in this performance over the years in its annual Sustainability Report and CDP responses. The company's performance against some of these targets are summarized below.

2030 GLOBAL TARGETS

OUR BUSINESS AND PRINCIPLES	2023 PERFORMANCE
We will conduct at least 1 audit to prevent corruption and bribery per year, in all projects and subsidiaries.	1 audit took place at each project. 100% of subsidiaries were audited.
We will conduct Sustainability Audits (covering environment, ethics and compliance, human rights, social compliance and occupational health & safety) on 10% of "high risk" suppliers and subcontractors.	32% of suppliers were evaluated in terms of sustainability. Sustainability audits took place at 1% of suppliers.
We are committed to have at least 25% women members in our Board.	The rate of female employees working in the senior management positions is 14%. Efforts continue for the target of the board of directors.
We have set our sights on organizing and assembling "ENKA Sustainability Congress" in 2027 with participants from various sectors and societies.	2027 Sustainability Target.
ENKA Schools will continue their support of education by conducting partnerships and collaboration at least once a year with a public school in close proximity regarding sustainability activities and training.	Target has been met.
We aim to provide ENKA Code of Business Conduct training to 100% of our employees in the primary risk group.	76% of the relevant employees completed the training.
Our aim is to have our customer satisfaction rate at 95% in all group companies.	91%

OUR PEOPLE AND COMMUNITY	2023 PERFORMANCE
We aim to have women employees comprise 35% of all ENKA Group white collar employees by 2030.	28.4%
All ENKA İnşaat projects are expected to complete at least 2 social responsibility projects in their lifetime.	Target has been met.
We intend to conduct an employee loyalty survey once every two years and to increase satisfaction ratio to 90% by 2030.	Employee loyalty survey was not conducted in 2023.
Being the most important of our stakeholders, we genuinely care about our employees and intend to increase our training investment per year by 5% every year until 2030.	20.9% increase was achieved.
Health & safety of our employees is a core value in every work activity we conduct. We will continue to work in accordance with our Zero Incident Policy with no compromises at all.	Target has been met.
We encourage our employees to take part in corporate volunteering and aim to have 5% of our white collar employees participate in corporate voluntary projects.	2.5%
In order to spread sustainability studies, we will continue supporting development of youth by sponsoring student assemblies at least 2 times every year.	There has been an achievement above this target through the 6 events attended & sponsored by ENKA İnşaat and other collaborations of ENKA subsidiaries.

Intending to generalize corporate volunteering and voluntary approach in our community, we aim to conduct at least 5 voluntary work projects every year.	15 projects were conducted.
We will ensure that each and every student in ENKA Schools to participate in at least 1 social responsibility project every year.	Target has been met.
ENKA Foundation intends to increase voluntary community investment amount by 20% by 2030.	Compared to 2022, 78.7% increase were achieved.
As ENKA Group we aim to collaborate at least 5 times every year with NGOs and other organizations that conduct sustainability studies.	There has been an achievement above this target through 18 collaborations by ENKA Group.
OUR PLANET	2023 PERFORMANCE
To decrease our blue water footprint, we plan on realizing at least 2 projects that aim water reuse within ENKA Group.	4 projects were conducted.
Working with diligence, we are committed to never encountering a Tier III (>20m3) environmental incident in any ENKA subsidiary.	Target has been met.
Addressing the needs of our planet, we intend to conduct at least 2 projects within ENKA Group to increase renewable energy use.	8 projects were conducted.
We strive to decrease our carbon footprint and commit to contributing to carbon offsetting by supporting at least 1 forestation project ever year.	2 projects were conducted.
As ENKA Group, we intend to never compromise from our policy that banned PET bottle usage.	The policy is being reintroduced throughout ENKA Group.

The Sustainability Principles Compliance Report, which was prepared following the formats determined by the CBM's Decision dated 23.06.2022 and numbered 34/977 and approved by the Company's Board of Directors, is attached to the ENKA 2023 Annual Report (pages 209-220). The relevant document is also accessible from the Company page on the Public Disclosure Platform.

		COMPLIANCE STATUS				EXPLANATION	REPORT/LINK WHERE RELATED INFORMATION IS DISCLOSED PUBLICLY
		Yes	No	Partial	N/A		
A	GENERAL PRINCIPLES						
A1	STRATEGY, POLICY AND GOALS						
A1.1	The Board of Directors determines material environmental, social and governance (ESG) issues, risks and opportunities.	x					Company's material ESG issues, risks and opportunities are disclosed in its Sustainability Report. https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
	ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy etc.) have been created and disclosed to the public by the Board of Directors of the company.	x				Policies have been released upon their approval by the Chairman of the Board and President. In addition to its corporate website, policies have been disclosed via the Sustainability Report which is open to public and published on PDP.	Sustainability Policy: https://www.enka.com/sustainability/home/strategy/sustainability-policy/ Environmental Management Approach and Policy: https://www.enka.com/sustainability/home/health-safety-environment/environment-management-approach-policy/ Health and Safety Management Approach and Policy: https://www.enka.com/sustainability/home/health-safety-environment/health-safety-management-approach-policy/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf ENKA Supplier Code of Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Supplier_Code_of_Conduct_en.pdf Information Security Principles and Policy: https://www.enka.com/allfiles/media/posters/Information_Principles_Eng.pdf https://www.enka.com/allfiles/media/posters/Information_Policy_ENG_Signed.pdf Quality Policy: https://www.enka.com/allfiles/media/posters/QUALITY_POLICY_ENG.pdf
A1.2	Short and long term goals set within the scope of ESG policies have been disclosed to the public.	x					Company's ESG goals are published on its official website, Sustainability Report and "Sustainability Principles Compliance Report" section of this report. https://www.enka.com/sustainability/sustainability-targets/
A2	IMPLEMENTATION/ MONITORING						
A2.1	The committees and/or units responsible for the implementation of ESG policies and the highest level officials in the company related to ESG issues and their duties have been identified and publicly.	x					Available in the "Corporate Governance" section of the Annual Report.
	Activities carried out within the scope of policies by the responsible committee and/or unit were reported to the Board of Directors at least once a year	x					Available in the "Corporate Governance" section of the Annual Report.
A2.2	In line with the ESG targets, implementation and action plans have been created and publicly disclosed.	x					"All actions taken in line with the goals are available in the Sustainability Report and CDP responses. ENKA's Sustainability Targets and Net Zero Roadmap: https://www.enka.com/sustainability/sustainability-targets/
A2.3	ESG Key Performance Indicators (KPIs) and level of achieving them yearly basis have ben publicly disclosed.	x					The achievement level of identified ESG KPIs are available in the Sustainability Report and CDP responses. https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
A2.4	Activities to improve the sustainability performance of business processes or products and services have been publicly disclosed.	x					"Data pertaining to all R&D and Design Center activities are outlined in the annual Sustainability Report. ENKA's 2022 Sustainability Report: (pages 81-82) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf

		COMPLIANCE STATUS				EXPLANATION	REPORT/LINK WHERE RELATED INFORMATION IS DISCLOSED PUBLICLY
		Yes	No	Partial	N/A		
A3	REPORTING						
A3.1	In the annual reports, information regarding the sustainability performance, targets and actions of the company have been provided in a clear, accurate and sufficient manner.	x					Available in "Sustainability Principles compliance Report" section of ENKA's 2023 Annual Report.
A3.2	Information on which of its activities are related to the United Nations (UN) 2030 Sustainable Development Goals has been disclosed publicly by the company	x					Available in "Sustainability Principles Compliance Report" section of ENKA's 2023 Annual Report.
A3.3	Lawsuits filed against and/or concluded related to ESG issues, which are important in terms of ESG policies and/or will significantly affect activities, have been disclosed to the public.	x					Available in annual Sustainability Report. (pages 67, 119) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
A4	VERIFICATION						
A4.1	Company's ESG Key Performance metrics have been verified by an independent third party and publicly disclosed.			x		Greenhouse gas emissions arising from the operations of ENKA's power plants are inspected by accredited organizations every year in accordance within the framework of the relevant regulations. In addition, ENKA receives limited external assurance for its selected energy, greenhouse gas emissions, water withdrawal and occupational health and safety indicators included in its Sustainability Report. Verification process for 2023 is currently ongoing and the audit reports will be included in the Sustainability Report and CDP responses.	The external assurance report for 2022 can be found in the 2022 Sustainability Report. (page 150) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B	ENVIRONMENTAL PRINCIPLES						
B1	Company has made its policies and practices, action plans, environmental management systems (known by the ISO 14001 standard) and programs publicly disclosed.	x					ISO 14001 Certificate: https://www.enka.com/sustainability/home/health-safety-environment/environment-management-approach-policy/
B2	The scope of the report, reporting period, reporting date, and limitations regarding the reporting conditions have been disclosed to the public regarding the environmental reports prepared to provide information on environmental management.	x					ENKA Sustainability Report: (page 9) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B4	Environmental targets included in the rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (such as members of the Board of Directors, managers and employees) have been disclosed to the public.	x					Disclosures are available in Company's CDP answers. (pages 12-14) https://www.enka.com/sustainability/enka-cdp-climate-change-water-security-2023-answers/
B5	Company discloses how environmental issues are integrated into business objectives and strategies.	x					Available in annual Sustainability Report. (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B7	It has been publicly disclosed how environmental issues are managed and integrated into business objectives and strategies including the operational process throughout the company's value chain, including suppliers and customers.	x					Available in annual Sustainability Report. (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B8	For the environmental issue, whether relevant organizations and non-governmental organizations are involved in the policy-making processes and the collaborations with these institutions and organizations have been disclosed to the public.	x					Available in annual Sustainability Report. (pages 42-43, 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B9	Company periodically reports, in a comparable manner, information about environmental effects in the light of environmental indicators (Greenhouse gas emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect)), air quality, energy management, water and waste water management, waste management, biodiversity effects).	x					Available in detail in ENKA's Sustainability Report and CDP answers. ENKA 2021 Sustainability Report: (pages 118-147, 160-164) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf ENKA CDP Answers 2023: https://www.enka.com/sustainability/enka-cdp-climate-change-water-security-2023-answers/

		COMPLIANCE STATUS				EXPLANATION	REPORT/LINK WHERE RELATED INFORMATION IS DISCLOSED PUBLICLY
		Yes	No	Partial	N/A		
B10	Details of the standard, protocol, methodology, and base year used to collect and calculate data have been publicly disclosed.	x					ENKA 2022 Sustainability Report: (pages 9, 123) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B11	Compared to previous years, the increase or decrease of environmental indicators for the report year has been disclosed to the public.	x					ENKA 2022 Sustainability Report: (pages 118-147, 160-164) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B12	Short and long-term targets have been determined to reduce its environmental impacts, and the progress against these targets and the targets set in previous years has been disclosed to the public.	x					ENKA's Sustainability Targets: https://www.enka.com/sustainability/sustainability-targets/ ENKA 2022 Sustainability Report: (pages 52-54) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B13	Strategy to combat the climate crisis has been created and the planned actions have been publicly disclosed.	x					Management, strategy, risk and opportunity assessments and metrics related to climate change are publicly disclosed in the annual Sustainability Reports and CDP responses. ENKA 2022 Sustainability Report: (pages 36-39, 68-71, 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B14	Programs or procedures have been established in order to prevent or minimize the potential negative impact of products and/or services on the environment and disclosed to the public.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
	Actions have been taken to reduce greenhouse gas emissions of third parties (e.g. suppliers, subcontractors, dealers, etc.) and these actions have been disclosed to the public.			x		Third parties have been enabled to determine more sustainable management approaches, thus enabling third parties to reduce greenhouse gas emissions. However, the greenhouse gas emission reduction impact of these practices is not yet reported.	Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B15	The environmental benefits and cost savings of initiatives and projects aimed at reducing environmental impacts have been disclosed to the public.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B16	Energy consumption (natural gas, diesel, gasoline, LPG, coal, electricity, heating, cooling, etc.) data are publicly disclosed as Scope-1 and Scope-2.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B17	Public disclosure has been made about the electricity, heat, steam and cooling produced in the reporting year.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B18	Studies on increasing the use of renewable energy and the transition to zero or low carbon electricity have been made and publicly disclosed.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B19	Renewable energy production and usage data have been publicly disclosed.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf

		COMPLIANCE STATUS				EXPLANATION	REPORT/LINK WHERE RELATED INFORMATION IS DISCLOSED PUBLICLY
		Yes	No	Partial	N/A		
B20	Energy efficiency projects have been carried out and the amount of energy consumption and emission reduction achieved through energy efficiency projects has been publicly disclosed.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B21	Water consumption, if any, amounts of water withdrawn, recycled and discharged from/to underground or above ground, its sources and procedures have been disclosed to the public.	x					Available in Company's Sustainability Report and CDP responses. ENKA 2022 Sustainability Report: (pages 118-147) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
B22	Company publicly discloses whether its operations or activities are included in any carbon pricing system (Emissions Trading System, Cap & Trade or Carbon Tax).	x				ENKA operations are not included in any carbon pricing system.	
B23	Company publicly discloses information on carbon credit accumulated or purchased in the reporting period.				x	No carbon credit transaction was conducted within the reporting period.	
B24	If carbon pricing is applied within the partnership, the details are disclosed to the public.				x	Carbon pricing is not applied within the partnership.	
B25	The platforms where the company discloses its environmental information are publicly disclosed.	x				ENKA Sustainability Report and Carbon Disclosure Project (CDP) responses.	
C	SOCIAL PRINCIPLES						
C1	HUMAN RIGHTS AND EMPLOYEE RIGHTS						
C1.1	The Corporate Human Rights and Employee Rights Policy has been established in a manner to cover the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other relevant legislation, those responsible for the implementation of the policy have been determined and the policy and those responsible have been disclosed to the public.	x					ENKA Code of Business Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf
C1.2	Considering the effects of supply and value chain, fair workforce, improvement of labor standards, women's employment and inclusion issues (such as non-discrimination based on gender, race, religion, language, marital status, ethnic identity, sexual orientation, gender identity, family responsibilities, union activities, political opinion, disability, social and cultural differences, etc.) are included in its policy on employee rights.	x					ENKA Code of Business Conduct, Supplier Code of Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf Supplier Code of Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Supplier_Code_of_Conduct_en.pdf
C1.3	Measures taken along the value chain regarding the protection of groups (low income groups, women, etc.) sensitive to certain economic, environmental, social factors or minority rights/ equality of opportunity have been publicly disclosed.	x					ENKA Code of Business Conduct, Supplier Code of Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf ENKA 2022 Sustainability Report: (pages 86-101) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C1.4	Developments regarding preventive and corrective practices against discrimination, inequality, human rights violations, forced and child labor have been disclosed to the public.	x					ENKA Code of Business Conduct, Supplier Code of Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf

		COMPLIANCE STATUS				EXPLANATION	REPORT/LINK WHERE RELATED INFORMATION IS DISCLOSED PUBLICLY
		Yes	No	Partial	N/A		
C1.5	Investment in employees (education, development policies), compensation, fringe benefits, right to establish unions, work/life balance solutions and talent management have been covered in the employee rights policy.	x					ENKA Code of Business Conduct, Supplier Code of Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf
	Dispute resolution processes have been determined by establishing mechanisms for employee complaints and resolution of disputes.	x					For detailed information on Ethics Hotline: https://www.enka.com/sustainability/home/ethics-compliance/enka-ethics-hotline/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf
	Activities carried out within the reporting period to ensure employee satisfaction have been disclosed to the public.	x					ENKA 2022 Sustainability Report: (pages 102-114) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C1.6	Occupational health and safety policies have been established and publicly disclosed.	x					Occupational Health and Safety Management Approach and Policy: https://www.enka.com/sustainability/home/health-safety-environment/health-safety-management-approach-policy/
	Measures taken to prevent occupational accidents and protect health and accident statistics have been disclosed to the public.	x					ENKA 2022 Sustainability Report: (pages 109-114) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C1.7	Personal data protection and data security policies have been established and disclosed to the public.	x					Information and Clarification Notice Regarding Protection of Personal Data: https://www.enka.com/sustainability/home/ethics-compliance/#1512028525874-3ab96480-QdOf https://www.enka.com/privacy-policy/
C1.8	Ethics policy has been established and disclosed to the public.	x					ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf
C1.9	Studies within the scope of social investment, social responsibility, financial inclusion and access to finance are explained.	x					ENKA 2022 Sustainability Report: https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C1.10	Meetings and training programs have been organized for employees on ESG policies and practices.	x					ENKA 2022 Sustainability Report: https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C2	STAKEHOLDERS, INTERNATIONAL STANDARDS AND INITIATIVES						
C2.1	Customer satisfaction policy regarding the management and resolution of customer complaints has been prepared and disclosed to the public.	x					Quality Policy: https://www.enka.com/allfiles/media/posters/QUALITY_POLICY_ENG.pdf
C2.2	Information about the communication with stakeholders (which stakeholder, subject and frequency) has been publicly disclosed.	x					ENKA 2022 Sustainability Report: (pages 40-47, 152-153) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C2.3	International reporting standards adopted in reporting have been explained.	x					ENKA 2022 Sustainability Report: (page 9) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C2.4	Principles adopted and international organizations, committees and principles of which the company is a signatory or a member regarding sustainability have been disclosed to the public.	x					ENKA 2022 Sustainability Report: (pages 42-43, 153-154) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
C2.5	Improvements have been made and studies have been carried out in order to be included in the sustainability indices of BIST and/or international index providers.	x					ENKA 2022 Sustainability Report: https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
D	CORPORATE GOVERNANCE PRINCIPLES						
D1	Opinions of stakeholders were sought in the determination of measures and strategies in the field of sustainability.	x					ENKA 2022 Sustainability Report: (pages 28-29, 40-47) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf
D2	Social responsibility projects, awareness activities and trainings have been carried out to raise awareness about sustainability and its importance.	x					ENKA 2022 Sustainability Report: (pages 86-114) https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2022.pdf

**ENKA İNŞAAT VE SANAYİ
ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES**

**CONSOLIDATED FINANCIAL
STATEMENTS AS AT AND FOR THE
YEAR ENDED
31 DECEMBER 2023 WITH
INDEPENDENT AUDITOR'S REPORT**

22 March 2024

This report includes 5 pages of independent auditor's report and 84 pages of consolidated financial statements together with their explanatory notes.



KPMG Bağımsız Denetim ve
Serbest Muhasebeci Mali Müşavirlik A.Ş.
İş Kuleleri Kule 3 Kat:2-9
Levent 34330 İstanbul
Tel +90 212 316 6000
Fax +90 212 316 6060
www.kpmg.com.tr

Independent Auditors' Report

To the Shareholder's of Enka İnşaat ve Sanayi Anonim Şirketi,

Opinion

We have audited the consolidated financial statements of Enka İnşaat ve Sanayi Anonim Şirketi ("the Company") and its subsidiaries and joint operations (collectively referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of profit or loss, the consolidated statements of other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Turkey and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

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

Revenue recognition generated from construction contracts

Refer to Note 2.4 and 2.5 to the consolidated financial statements for summary of significant accounting policies and significant accounting assessments, estimates and assumptions for revenue recognition generated from construction contracts.

Key Audit Matter	How the matter was addressed in our audit
<p>Revenue from construction contracts constitutes 60% of the Group's total revenue.</p> <p>The subsidiaries of the Group operate in the construction sector have revenues that is obtained amounting to USD 1,955,824 thousand against costs of USD 1,557,049 thousand as at 31 December 2023.</p> <p>The recognition of the amount and timing of the revenue generated from construction contracts in the period in which they are incurred calculated and accounted for by using the input method under IFRS 15 Revenue from Contracts with Customer. By using the input method revenue is recognized by comparing the costs incurred by the Group for the fulfillment of performance obligations in a construction project to the expected total costs for the fulfillment of the performance obligation in the consolidated financial statements.</p> <p>The measurement of contract revenue and estimation of the contract costs are based on a variety of uncertainties that depend on the outcome of future events and demand of revision to the projects which requires significant management's estimates and judgements.</p> <p>Revenue recognition from construction contracts was determined as key audit matter, due to the significant management estimates and the level of judgement applied by management.</p>	<p>Our audit procedures for testing revenue recognition included below:</p> <ul style="list-style-type: none"> - We evaluated and tested the design and implementation of controls over the relevant processes regarding the accuracy and timing of revenue recognized in the financial statements. - We assessed the terms and conditions of the significant contracts in order to evaluate the management's estimate whether revenue is recognized within the appropriate financial period. - We evaluated the variation orders are included in the contract revenues in accordance with the relevant accounting policies and the effects of these variations on project costs. - The costs incurred by the Group in ongoing construction projects have been tested by using sampling method. - The mathematical accuracy of the contract revenue calculated by the stage of completion method associated with the construction contract have been tested by using recalculation method. - We assessed the management's ability to deliver contracts within budgeted margins by analysing the historical accuracy of forecasting margins and the relationship of cost versus billing status on contracts. - We assessed the adequacy of the disclosures of revenue in the notes to consolidated financial statements.



Fair value measurement of investment property

Refer to Note 2.4 and 2.5 to the consolidated financial statements for summary of significant accounting policies and significant accounting assessments, estimates and assumptions for fair value measurement of investment properties.

Key Audit Matter	How the matter was addressed in our audit
<p>As of 31 December 2023, the investment properties represent 19% of the Group's total assets.</p> <p>The Group recognizes the investment properties at fair value. The Group uses independent valuation firms to determine the fair values of investment properties.</p> <p>Valuation of investment property is determined as key audit matter, due to significant management estimates and judgement used in valuation methods to determine fair value of investment properties.</p>	<p>Our audit procedures for testing fair value measurement of investment property included below:</p> <ul style="list-style-type: none"> - We evaluated the capabilities and competence of the external valuers appointed by the Group for valuation of investment property. - We involved valuation specialist to assist in examining the appropriateness of the key assumptions such as long term growth rates used in the calculations, discount rates used to determine present value of future cash flows. - We examined the appropriateness of key inputs used in valuation reports such as rental income, duration, management fee, yields and occupancy rate. - We assessed the adequacy of the disclosures of investment properties in the notes to consolidated financial statements.

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

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

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

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



Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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



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

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

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.



Gökhan Atılğan, SMMM
Partner

22 March 2024
Istanbul, Turkey

TABLE OF CONTENTS

PAGE

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET).....	1-2
CONSOLIDATED STATEMENT OF PROFIT OR LOSS	3
CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME.....	4
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	5
CONSOLIDATED STATEMENT OF CASH FLOWS.....	6
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS.....	7-84
NOTE 1 ORGANIZATIONS AND OPERATIONS OF THE GROUP.....	7-10
NOTE 2 BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS.....	10-37
NOTE 3 DIVIDENDS.....	38
NOTE 4 INTEREST IN JOINT OPERATIONS.....	39
NOTE 5 SEGMENTAL INFORMATION.....	40-42
NOTE 6 CASH AND CASH EQUIVALENTS.....	43
NOTE 7 FINANCIAL INVESTMENTS.....	43-44
NOTE 8 FINANCIAL LIABILITIES.....	45-47
NOTE 9 TRADE RECEIVABLES AND PAYABLES.....	48-49
NOTE 10 OTHER RECEIVABLES AND PAYABLES.....	49
NOTE 11 INVENTORIES.....	50
NOTE 12 CONSTRUCTION CONTRACTS.....	50
NOTE 13 INVESTMENT PROPERTIES.....	51-52
NOTE 14 PROPERTY, PLANT AND EQUIPMENT.....	53-55
NOTE 15 OTHER INTANGIBLE ASSETS.....	56
NOTE 16 PREPAID EXPENSES AND DEFERRED INCOME.....	57
NOTE 17 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES.....	57
NOTE 18 COMMITMENTS.....	58
NOTE 19 PROVISIONS FOR EMPLOYEE BENEFITS.....	59
NOTE 20 OTHER ASSETS AND LIABILITIES.....	60
NOTE 21 SHARE CAPITAL AND RESERVES.....	60-62
NOTE 22 REVENUE AND COST OF REVENUE.....	62
NOTE 23 MARKETING, SALES, DISTRIBUTION AND ADMINISTRATIVE EXPENSES.....	63
NOTE 24 EXPENSES BY NATURE.....	64
NOTE 25 OTHER OPERATING INCOME / EXPENSES.....	64-65
NOTE 26 INVESTMENT INCOME / EXPENSES.....	65-66
NOTE 27 FINANCIAL INCOME.....	66
NOTE 28 FINANCIAL EXPENSES.....	66
NOTE 29 ASSETS HELD FOR SALE.....	66
NOTE 30 TAXATION ON INCOME.....	67-71
NOTE 31 EARNINGS PER SHARE	72
NOTE 32 RELATED PARTY BALANCES AND TRANSACTIONS	72-73
NOTE 33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES	73-81
NOTE 34 FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR HEDGING FINANCIAL RISK	82-84
NOTE 35 EVENTS AFTER THE REPORTING PERIOD	84

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS AT 31 DECEMBER 2023

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

ASSETS	Notes	31 December 2023	31 December 2022
Current Assets		4,047,643	3,587,871
Cash and cash equivalents	6	1,230,086	1,026,291
Financial investments	7	1,804,916	1,478,120
Trade receivables	9	363,282	312,974
Other receivables			
Other receivables from related parties	10,32	22	-
Other receivables from third parties	10	13,413	7,146
Costs and estimated earnings in excess of billings on uncompleted contracts	12	62,525	28,255
Prepaid expenses	16	234,633	232,424
Inventories	11	285,882	423,752
Other current assets	20	38,709	62,376
		<u>4,033,468</u>	<u>3,571,338</u>
Assets held for sale	29	14,175	16,533
Non-Current Assets		5,359,885	5,435,750
Financial investments	7	2,159,653	2,092,693
Investment properties	13	1,821,962	2,028,224
Property, plant and equipment	14	1,289,641	1,210,959
Right of use assets	15	59,763	59,524
Intangible assets			
Other intangible assets	15	15,011	16,674
Prepaid expenses	16	10,507	6,045
Deferred tax assets	30	3,226	21,563
Other non-current assets		122	68
TOTAL ASSETS		<u>9,407,528</u>	<u>9,023,621</u>

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS AT 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated.)

LIABILITIES	Notes	31 December 2023	31 December 2022
Current Liabilities		1,420,060	1,481,853
Short-term borrowings	8	119	56,347
Current portion of long-term borrowings	8	4,359	4,908
Trade payables	9	290,822	451,180
Payables to employees	19	24,679	17,427
Other payables			
Payables to related parties	10,32	1	7
Payables to third parties	10	17,444	18,546
Billings in excess of costs and estimated earnings on uncompleted contracts	12	547,339	423,591
Deferred income	16	387,356	358,784
Taxation on income	30	34,950	59,001
Provisions			
Provisions for employee benefits	19	13,273	9,621
Other provisions	17	43,612	42,676
Other current liabilities	20	56,106	39,765
Non-Current Liabilities		563,993	637,872
Long-term borrowings	8	117,362	127,189
Other payables	10	22,682	24,674
Deferred income	16	1,078	4,528
Provisions for employee benefits	19	19,033	19,218
Deferred tax liabilities	30	403,838	462,263
EQUITY		7,423,475	6,903,896
Equity Attributable to Equity Holders of the Parent		7,325,457	6,828,511
Share capital	21	2,751,959	2,751,959
Treasury shares	21	(126,701)	(127,194)
Revaluation surplus	21	190,622	188,672
Currency translation difference		(1,487,368)	(1,348,825)
Other reserves		(10,496)	(5,933)
Legal reserves and accumulated profit		6,007,441	5,369,832
Non-Controlling Interests		98,018	75,385
TOTAL LIABILITIES AND EQUITY		9,407,528	9,023,621

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated.)

	Notes	1 January - 31 December 2023	1 January - 31 December 2022
CONTINUING OPERATIONS			
Revenue	5,22	3,225,929	3,769,514
Cost of revenues (-)	5,22	(2,558,219)	(2,924,417)
GROSS PROFIT		667,710	845,097
Administrative expenses (-)	5,23	(136,550)	(87,955)
Marketing, selling and distribution expenses (-)	5,23	(24,406)	(22,292)
Other operating income	5,25	100,620	34,827
Other operating expenses (-)	5,25	(62,275)	(48,389)
PROFIT FROM OPERATIONS		545,099	721,288
Income from investing activities	5,26	572,419	303,738
Expenses from investing activities (-)	5,26	(206,869)	(880,071)
OPERATING PROFIT			
BEFORE FINANCE EXPENSES		910,649	144,955
Financial income	5,27	79,209	134,888
Financial expenses (-)	5,28	(63,227)	(65,483)
Net monetary loss (-)		(30,880)	(103,254)
PROFIT BEFORE TAX			
FROM CONTINUING OPERATIONS		895,751	111,106
Current tax expense (-)	5,30	(168,438)	(187,710)
Deferred tax expense (-)	5,30	16,518	92,744
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		743,831	16,140
NET PROFIT FOR THE YEAR		743,831	16,140
Attributable to:			
Non-controlling interests		30,169	9,253
Equity holders of the parent		713,662	6,887
		743,831	16,140
Earning per share from continuing operations			
- ordinary share certificate (full USD)	31	0.120	0.001
Weighted average number of shares			
(Weighted average number of shares of 1 Full TL each)		5,862,743,582	5,862,743,582

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated.)

	Notes	1 January - 31 December 2023	1 January - 31 December 2022
NET PROFIT FOR THE YEAR		743,831	16,140
Other Comprehensive Income:			
<i>Items that will not be reclassified subsequently to profit or loss</i>		<i>(884)</i>	<i>72,575</i>
Gains / (losses) on revaluation of property, plant and equipment	21	2,019	77,327
Remeasurement of defined benefit plans	19	(5,726)	(3,262)
Changes in currency translation difference	21	2,041	3,188
Income tax relating items that will not be reclassified subsequently to profit or loss	30	782	(4,678)
Income tax relating to gains / (losses) on revaluation of property, plant and equipment	21,30	(363)	(5,330)
Income tax relating to remeasurement of defined benefit plans	30	1,145	652
<i>Items that may be reclassified subsequently to profit or loss</i>		<i>(191,382)</i>	<i>87,744</i>
Changes in currency translation difference		(191,354)	87,476
Gains (Losses) on financial assets measured at fair value through other comprehensive income		(28)	268
OTHER COMPREHENSIVE INCOME / (LOSS)		(192,266)	160,319
TOTAL COMPREHENSIVE INCOME		551,565	176,459
Attributable to:			
Non-controlling interests		31,760	8,793
Equity holders of the parent		519,805	167,666
		551,565	176,459

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated.)

	Notes	Share capital	Treasury shares	Revaluation surplus	Currency translation difference	Other reserves	Legal reserves and accumulated profit	Total	Non-controlling interests	Total equity
Balance at 1 January 2022		2,727,682	(129,468)	110,445	(1,429,824)	(700)	5,396,559	6,674,694	66,890	6,741,584
Hyperinflationary restatement to 1 January 2022	2	-	-	3,416	48,677	-	205,002	257,095	-	257,095
Restated opening at 1 January 2022		2,727,682	(129,468)	113,861	(1,381,147)	(700)	5,601,561	6,931,789	66,890	6,998,679
Total other comprehensive income		-	-	75,185	32,322	(5,233)	58,505	160,779	(460)	160,319
Profit for the year		-	-	-	-	-	6,887	6,887	9,253	16,140
Total comprehensive income		-	-	75,185	32,322	(5,233)	65,392	167,666	8,793	176,459
Increase (Decrease) through Treasury Share Transaction		-	2,274	-	-	-	-	2,274	-	2,274
Transfer of depreciation difference		-	-	(374)	-	-	374	-	-	-
(net of deferred tax) of revaluation effect		-	-	-	-	-	(24,277)	-	-	-
Share capital increase	21	24,277	-	-	-	-	(273,218)	(273,218)	(298)	(273,516)
Dividends paid		-	-	-	-	-	-	-	-	-
Balance at 31 December 2022		2,751,959	(127,194)	188,672	(1,348,825)	(5,933)	5,369,832	6,828,511	75,385	6,903,896
Balance at 1 January 2023		2,751,959	(127,194)	188,672	(1,348,825)	(5,933)	5,369,832	6,828,511	75,385	6,903,896
Adjustments Related to Required Changes in Accounting Policies	2	-	-	-	(16,524)	-	105,620	89,096	-	89,096
Restated opening at 1 January 2023		2,751,959	(127,194)	188,672	(1,365,349)	(5,933)	5,475,452	6,917,607	75,385	6,992,992
Total other comprehensive income		-	-	2,152	(122,019)	(4,563)	(69,427)	(193,857)	1,591	(192,266)
Profit for the year		-	-	-	-	-	713,662	713,662	30,169	743,831
Total comprehensive income		-	-	2,152	(122,019)	(4,563)	644,235	519,805	31,760	551,565
Increase (Decrease) through Treasury Share Transaction		-	493	-	-	-	-	493	-	493
Transfer of depreciation difference		-	-	(202)	-	-	202	-	-	-
(net of deferred tax) of revaluation effect		-	-	-	-	-	-	-	-	-
Share capital increase	21	-	-	-	-	-	-	-	-	-
Dividends paid		-	-	-	-	-	(112,448)	(112,448)	(9,127)	(121,575)
Balance at 31 December 2023		2,751,959	(126,701)	190,622	(1,487,368)	(10,496)	6,007,441	7,325,457	98,018	7,423,475

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

	Notes	1 January - 31 December 2023	1 January - 31 December 2022
Cash flows from operating activities			
Profit for the year		743,831	16,140
Adjustments to reconcile net income to net cash used in operating activities:			
- Adjustments related to depreciation and amortisation	24	102,297	107,491
- Adjustments related to provision for employment		3,262	5,196
- Adjustments related to allowance for doubtful receivables		127	48
- Adjustments related to provision for litigations		1,957	3,723
- Income / (loss) from fair value of forward transactions		(1,897)	(4,215)
- Adjustments to related to interest expense	28	3,630	7,154
- Adjustments to related to interest income	26,27	(84,367)	(112,852)
- Adjustments to related to dividend income	26	(19,893)	(23,809)
- Adjustments to related to provision for inventory impairment, net		2,971	1,895
- Adjustments to related to gain on sale or disposal of property, plant and equipment, net	26	(3,835)	(5,480)
- Adjustments to related to fair value increase in investment properties	26	(6,826)	83,274
- Adjustments to related to valuation of investment securities		(294,152)	623,113
- Interest accrual		108	223
- Tax expense	30	151,920	94,966
		599,133	796,867
Movements in working capital			
Change in trade and other receivables		(50,578)	(28,239)
Change cost and estimated earnings in excess of billings on uncompleted contracts		(34,270)	(5,884)
Change in inventory		83,473	(169,909)
Change in other current assets and other non current assets		12,721	(39,897)
Change in trade and other payables		(160,358)	102,871
Change in billings in excess of cost and estimated earnings on uncompleted contracts		123,748	(123,805)
Change provision for liabilities and other liabilities		45,580	(288,728)
		20,316	(553,591)
Income taxes paid	30	(192,489)	(156,077)
Employee termination benefits paid	19	(4,759)	(826)
Net cash generated from operating activities		422,201	86,373
Cash flows from investing activities			
Cash receipts from sales of equity or debt instruments of other entities		(99,604)	(990,202)
Proceeds on sale of property, plant and equipment		10,734	23,358
Purchases of property, plant and equipment, intangible assets and investment properties	5,13,14,15	(114,971)	(76,903)
Interest received		49,830	63,175
Dividend received	26	19,893	23,809
Net cash used in investing activities		(134,118)	(956,763)
Cash flows from financing activities			
Addition to borrowings	8	-	114,333
Addition to long-term borrowings	8	53,068	(1,718)
Repayments of borrowings	8	(113,818)	(116,044)
Purchase of treasury shares		493	2,274
Interest paid		(3,282)	(5,855)
Interest received		34,429	49,454
Dividend paid to non-controlling interests		(9,127)	(298)
Dividend paid		(112,448)	(273,218)
Net cash from (used in) financing activities		(150,685)	(231,072)
Translation reserve		66,397	66,046
Net increase / (decrease) in cash and cash equivalents		203,795	(1,035,416)
Cash and cash equivalents at beginning of the year	6	1,026,291	2,061,707
Cash and cash equivalents at end of the year	6	1,230,086	1,026,291

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP

Enka İnşaat ve Sanayi Anonim Şirketi (“Enka İnşaat”) was established on 4 December 1967 and registered in İstanbul, Turkey, under the Turkish Commercial Code. The address of the head quarter and registered office of Enka İnşaat is Balmumcu, Zincirlikuyu Yolu No: 10, 34349 Enka Binası Beşiktaş, İstanbul, Turkey.

As of 28 June 2002, Enka İnşaat merged legally with its publicly traded shareholder company, Enka Holding Yatırım Anonim Şirketi (Enka Holding), which were under the common control of Tara Holding Anonim Şirketi and Tara and Gülçelik families. As of 31 December 2022, 8.58% of the shares of Enka İnşaat is traded publicly in İstanbul Stock Exchange (ISE).

As of 31 December 2023, the average numbers of white and blue-collar personnel are respectively 5,036 and 17,269 (31 December 2022 – 5,131 and 16,363).

For the purpose of the consolidated financial statements, Enka İnşaat, its consolidated subsidiaries and its joint operations are hereinafter referred to as “the Group”.

The Group operates in geographical areas below:

- The Group provides services in a wide array of construction activities in Türkiye, and these construction activities include thermal power plants and industrial construction projects that produce natural gas-fired electrical energy, which it constructs and operates. Additionally, the Group is operating in trading activities.
- Georgia, Turkmenistan and Kazakhstan*: engaged in construction activities. Additionally, in investment and development of real estate properties and construction and operation of shopping malls in Moscow, Russia.
- Engaged in construction activities in Kenya and Libya in Africa; Saudi Arabia, Sri Lanka, India, Iraq and Mongolia in Asia; Mexico in North America and Paraguay, Brasil in South America and Bahamas in Carribean.
- Europe*: engaged in construction and trading activities in Romania, the Netherlands, Switzerland, Greece, Germany, Serbia, Kosovo, United Kingdom, Italy and North Macedonia.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP (cont’d)

As of 31 December 2023, Enka İnşaat has the following subsidiaries whose business and country of incorporation are provided below:

Name of Subsidiary	Nature of business activities	Country of incorporation	Year of establishment
Enka Pazarlama İhracat İthalat Anonim Şirketi (Enka Pazarlama)	Engaged in marketing and after-sales service of construction machineries, trucks, industrial products and spare parts.	Turkey	1972
Çimtaş Çelik İmalat Montaj ve Tesisat Anonim Şirketi (Çimtaş)	Engaged in manufacturing of structural steel works, installation and establishing of the technical equipment.	Turkey	1973
Titaş Toprak İnşaat ve Taahhüt Anonim Şirketi (Titaş)	Engaged in all kinds of excavation activities, excavation backfilling works and quarrying-crushing operation of highway projects.	Turkey	1974
Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit Anonim Şirketi (Kasktaş)	Engaged in pile dwelling work, any kind of base and superstructure construction, slip form and construction of drilling and ground surveys.	Turkey	1975
Entaş Nakliyat ve Turizm Anonim Şirketi (Entaş)	The firm operates in organization of domestic and international conventions and seminars and also engaged in tour reservations and ticket sales.	Turkey	1976
Enka Teknik Genel Müteahhitlik Bakım İşletme Sevk ve İdare Anonim Şirketi (Enka Teknik)	Operates in the business of material handling and storage systems, auxiliary facilities, water treatment and environmental engineering, infrastructure and construction, control systems and instrumentation engineering.	Turkey	1981
Entrade GmbH (Entrade)	Manages foreign investments of the Company.	Germany	1984
Limited Liability Company Enmar (Enmar)	Engaged in ready-mixed concrete production and various construction works.	Russia	1994
Airenka Hava Taşımacılığı A.Ş.(Air Enka)	Engaged in all kinds of air transportation.	Turkey	2001
Enka Holding B.V.	Manages foreign investments of the Company.	Netherlands	2001
Enka Müteahhitlik Hizmetleri A.Ş. (Enka Müteahhitlik)	Engaged in construction activities.	Turkey	2002
Adapazarı Elektrik Üretim Limited Şirketi (Adapazarı Elektrik) (*)	Performs production and selling of electricity.	Turkey	2004
İzmir Elektrik Üretim Limited Şirketi (İzmir Elektrik) (*)	Performs production and selling of electricity.	Turkey	2004
Gebze Elektrik Üretim Limited Şirketi (Gebze Elektrik) (*)	Performs production and selling of electricity.	Turkey	2004
Enka Limited Liability Company (Enka LLC)	Manages the Company’s construction, engineering and design jobs.	Ukraine	2006

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP (cont’d)

Name of Subsidiary	Nature of business activities	Country of incorporation	Year of establishment
OMKH	Engaged in rental activities.	Russia	2017
Enka Renewables LLC	Engaged in energy investments.	Georgia	2016
Enka & Co LLC	Engaged in construction activities.	Oman	2010
Enka Enerji Ticaret A.Ş (*)	Will perform sale of electricity	Turkey	2006
Enka Kırklareli Elektrik Üretim A.Ş. (Kırklareli Elektrik) (*)	Performs production and selling of electricity.	Turkey	2022
Ustyurt Kurylys LLC	Engaged in construction activities.	Kazakhstan	2017
Enka Flex Offices LLC	Engaged in rental activities.	Russia	2021
Enka Moskova Gayrimenkul Geliştirme A.Ş.	Engaged in rental activities.	Turkey	2021
Enkamos Center Invest LLC	Engaged in rental activities.	Russia	2022
Enka Systems Yazılım A.Ş.	Engaged in trading activities	Turkey	2017
Enka Global Construction LLC	Engaged in construction activities	Mongolia	2022

(*) Enka Enerji Ticaret A.Ş., Kırklareli Elektrik, İzmir Elektrik, Adapazarı Elektrik and Gebze Elektrik here and after are also referred to as “the Power Companies”.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP (cont’d)

The construction contracts are undertaken by Enka İnşaat alone or together with its affiliated companies or, in partnerships with other contractors through joint operations. As of 31 December 2023, Enka İnşaat has the following joint operations:

Enka-Ustay Joint Venture (Turkey)
Enka-Batys LLP Joint Venture (Kazakhstan)
Bechtel-Enka Joint Venture (Kazakhstan) – Senimdy Kurylys
Bechtel-Enka Joint Venture (Romania)
Bechtel-Enka Joint Venture (Kosovo)
Bechtel-Enka Joint Venture (Albania)
Bechtel-Enka Joint Venture (North Macedonia)
Bechtel-Enka Joint Venture (Oman)
Bechtel-Enka Joint Venture (Georgia)
Bechtel-Enka Joint Venture (Serbia)
Bechtel Enka Joint Venture (United Kingdom)
Arge Joint Venture (Germany)
Other (Europe, Africa, America, Asia)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**2.1 Basis of presentation**Basis for preparation of the financial statements and significant accounting policies

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the Uniform Chart of Accounts published by the Ministry of Treasury and Finance. The consolidated financial statements are presented in U.S. Dollars (“USD”) and all values are rounded to the nearest thousand (‘000) except when otherwise indicated.

Enka İnşaat and its subsidiaries which are incorporated in Turkey, maintain their books of accounts in accordance with the Turkish Commercial Code and Tax Law and the foreign subsidiaries maintain their books of accounts in accordance with the laws and regulations in force in the countries where they are registered. The Company prepares its statutory consolidated financial statements in Turkish Lira (“TL”) in accordance with Turkish Financial Reporting Standards (“TFRS”) issued by Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”) according to the Article 5 of the Communiqué as set out in the Communiqué serial II, No: 14.1 announcement of Capital Markets Board (“CMB”) dated 13 June 2013 related to “Capital Market Communiqué on Principles Regarding Financial Reporting”. The consolidated financial statements are based on the statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS.

The consolidated financial statements have been prepared on the historical cost convention as adjusted for the effects of inflation on Turkish Lira at the reporting date based on International Accounting Standard (“IAS”) No. 29 “Financial Reporting in Hyperinflationary Economies” except for financial assets at fair value through profit or loss, investment properties, land and buildings which are measured at fair values.

Approval of the financial statements:

The consolidated financial statements are approved by the Company’s Board of Directors on 06 March 2024. The General Assembly of the Company has the right to amend and relevant regulatory bodies have the right to request the amendment of these consolidated financial statements.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.1 Basis of presentation (cont’d)**Functional and presentation currency

As significant amount of construction operations of Enka İnşaat which form main part of the operations of the Group are carried out in U.S. Dollar or indexed to U.S. Dollar, this currency has been determined as the functional and the presentation currency of the Group in line with IAS 21. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies (i.e. any currency other than the functional currency) are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of the Power companies’ operating in Turkey, was changed from U.S. Dollar to TL due to the changes in operations or activity in the economic environment as of 31 December 2019.

The functional currencies of foreign subsidiaries operating in Russia (Moscow Krasnye Holmy (MKH), Limited Liability Company Mosenka (Mosenka) and Limited Liability Company Enka TC (Enka TC) are Ruble. The functional currency of jointly managed subsidiaries established in Romania, Kosovo and Albania and Enka Pazarlama are the Euro. The functional currency of some subsidiaries incorporated in Turkey is TL. These companies reporting to Enka İnşaat in the currency of their respective currencies.

The assets and liabilities of the subsidiaries, joint operations and branches whose functional currency is other than U.S. Dollars are translated into U.S. Dollars at the rate of exchange ruling at the balance sheet date and their consolidated statement of profit or loss are translated at the average exchange rates for each quarter. The exchange differences arising on the translation are taken directly to a separate component of equity as currency translation difference.

Within Turkey, official exchange rates of the Turkish Lira (TL) are determined by the Central Bank of Turkey (CBT) and are generally considered to be a reasonable approximation of market rates.

The year-end and average rates for 2023 for one U.S. Dollar can be summarized as below:

	2023	2022
U.S. Dollars/TL – as of balance sheet date	29.4382	18.6983
U.S. Dollars/TL – yearly average	23.7776	16.5659
EUR/U.S. Dollars – as of balance sheet date	1.1065	1.0661
EUR/U.S. Dollars – yearly average	1.0815	1.0541
U.S. Dollars/RUB – as of balance sheet date	89.6883	70.3375
U.S. Dollars/RUB – yearly average	85.2466	68.549

Inflation accounting

The cumulative inflation over the past three years has risen to just above 100% in the first quarter of 2022. Based on this information, Turkey is considered a hyperinflationary economy for reporting periods ending on or after 30 April 2022. Accordingly, entities with operations whose functional currency is the Turkish Lira should expect to apply IAS 29 Financial Reporting in Hyperinflationary Economies (“IAS 29”) for those operations in the financial statements for reporting periods ending on or after 30 April 2022. Therefore, IAS 29 has been applied in the financial statements as at and for the year ended 31 December 2023.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.1 Basis of presentation (cont’d)**Accounting in hyperinflationary economies

Consequently, the financial statements of the entities whose functional currency TL are restated for the changes in the general purchasing power of the Turkish Lira as at 31 December 2023 based on IAS 29. The restatement is calculated by means of conversion factors derived from the Turkish countrywide consumer price index published by the TSI. For the last three years, such indices and conversion factors used to restate the accompanying consolidated financial statements are as follows:

Date	Index	Conversion factor
31 December 2023	1.859,38	1,00000
31 December 2022	1.128,45	1,64773
31 December 2021	686,95	2,70672

IFRS require the financial statements of an entity with a functional currency that is hyperinflationary to be restated in accordance with IAS 29 requirements whether they are based on a historical cost or a current cost approach and to be applied retrospectively, as if the currency had always been hyperinflationary. The basic principle in IAS 29 is that the financial statements of an entity that reports in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current at the reporting date. Comparative figures for prior period are restated into the same current measuring unit.

The main procedures applied for the restatements mentioned above are as follows:

- Monetary assets and liabilities that are carried at amounts current at the reporting date are not restated because they are already expressed in terms of the monetary unit current at the reporting date.
- Non-monetary assets and liabilities that are not carried at amounts current at the balance sheet date, and components of shareholders’ equity are restated by applying the relevant conversion factors from the date of the transaction or, if applicable, from the date of their most recent revaluation to the reporting date.
- Property, plant and equipment are restated by applying the change in the index from the date of the transaction or, if applicable, from the date of their most recent revaluation to the reporting date. Depreciation is based on the restated amounts;
- All items in the income statement except for the depreciation charges explained above and deferred tax charges, are restated by applying the monthly conversion factors of the transactions to the reporting date
- The effects of inflation on the net monetary positions of the Company, is included in the profit or loss statement as “monetary gain / (loss)”.
- All items in the cash flow statement are expressed in terms of the measuring unit current at the reporting date; and all items in the statement of cash flows are, therefore, restated by applying the relevant conversion factors from the date on which the transaction originated.
- All corresponding figures as of and for the period ended 31 December 2023 are restated by applying the change in the index from 31 December 2022 to 31 December 2023.

In the reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency, not having been hyperinflationary in the prior period, the entity shall apply the requirements of IAS 29 as if the economy had always been hyperinflationary. Therefore, in relation to non-monetary items measured at historical cost, the entity's opening statement of financial position at the beginning of the earliest period presented in the financial statements shall be restated to reflect the effects of inflation from the date the assets were acquired and the liabilities were incurred or assumed until the end of the reporting period. For non-monetary items carried at the opening statement of financial position at amounts current at dates other than those of acquisition or incurrence, that restatement shall reflect instead the effect of inflation from the dates those carrying amounts were determined until the end of the reporting period.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.1 Basis of presentation (cont’d)**Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company, its joint operations and its subsidiaries as at 31 December each year. The financial statements of the joint operations and the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group’s voting rights in an investee are sufficient to give it power, including:

- the size of the Group’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. All significant intra-group transactions and balances between Enka İnşaat and its consolidated subsidiaries and joint operations are eliminated.

Subsidiaries are all entities over which the Group has power to govern the financial and operating policies so as to benefit from its activities. Subsidiaries in which the Group owns directly or indirectly more than 50% of the voting rights, or has power to govern the financial and operating policies under a statute or agreement are consolidated. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Non-controlling interests represent the portion of consolidated statement of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated balance sheet, separately from parent shareholders’ equity.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.1 Basis of presentation (cont’d)**Basis of consolidation (cont’d)

The subsidiaries included in consolidation and their shareholding percentages at 31 December 2023 and 2022 are as follows:

Company name	Segment	Functional Currency	Direct / Indirect ownership	
			31 December 2023	31 December 2022
İzmir Elektrik	Energy	TL	100.00%	100.00%
Adapazarı Elektrik	Energy	TL	100.00%	100.00%
Gebze Elektrik	Energy	TL	100.00%	100.00%
Enka TC LLC	Trade	RUB	100.00%	100.00%
Mosenka	Rental	RUB	100.00%	100.00%
MKH	Rental	RUB	100.00%	100.00%
OMKH	Rental	RUB	100.00%	100.00%
Enka Santral Hizmetleri A.Ş.	Energy	TL	100.00%	100.00%
Enka Enerji Ticaret A.Ş.	Energy	TL	100.00%	100.00%
Enka Holding B.V.	Construction	EUR	100.00%	100.00%
Enka Holding Investment S.A.	Construction	USD	100.00%	100.00%
Enka Power Systems B.V.	Construction	USD	100.00%	100.00%
Enka Construction & Development B.V.	Construction	EUR	100.00%	100.00%
Far East Development B.V.	Construction	USD	100.00%	100.00%
Enka Geothermal B.V.	Construction	EUR	100.00%	100.00%
Enmar	Construction	USD	100.00%	100.00%
Entrade	Construction	EUR	100.00%	100.00%
Capital City Investment B.V.	Construction	USD	100.00%	100.00%
City Center Investment B.V.	Rental	USD	100.00%	100.00%
Enka LLC	Construction	USD	100.00%	100.00%
Retmos Investment Ltd.	Construction	USD	100.00%	100.00%
Emos LLC	Trade	RUB	100.00%	100.00%
Enmar Construction B.V.	Trade	EUR	100.00%	100.00%
Cmos B.V.	Trade	EUR	100.00%	100.00%
OOO Victoria	Construction	USD	100.00%	100.00%
Enka & Co LLC	Construction	USD	100.00%	100.00%
Enka Müteahhitlik	Construction	TL	100.00%	100.00%
Edco Investment B.V.	Rental	USD	100.00%	100.00%
Enru Development B.V.	Rental	EUR	100.00%	100.00%
Enkamos Region B.V.	Construction	EUR	100.00%	100.00%
Airenka	Trade	USD	100.00%	100.00%
Esta Construction B.V.	Construction	USD	100.00%	100.00%
Enka UK Construction Ltd.	Construction	USD	100.00%	100.00%

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.1 Basis of presentation (cont’d)**Basis of consolidation (cont’d)

Company name (continuing)	Segment	Functional Currency	Direct / Indirect ownership	
			31 December 2023	31 December 2022
Üstyurt Kurylys	Construction	USD	100.00%	100.00%
Enka Systems Yazılım A.Ş.	Trade	USD	100.00%	100.00%
LLC Enka Flex Office	Rental	RUB	100.00%	100.00%
Enka Moskova Gayrimenkul Geliştirme A.Ş.	Rental	TL	100.00%	100.00%
Emkamos Center Invest LLC	Rental	RUB	100.00%	100.00%
Enka Sakarya Elektrik Üretim A.Ş.	Energy	TL	100.00%	100.00%
Enka Kırklareli Elektrik Üretim A.Ş.	Energy	TL	100.00%	100.00%
Enka Construction S.A.	Construction	USD	100.00%	100.00%
Enka Global Construction LLC	Construction	USD	100.00%	100.00%
Enka Construction & Development LLC	Construction	USD	100.00%	100.00%
Enka Mocambique LDA	Construction	USD	100.00%	100.00%
Enka Pazarlama İhracat İthalat A.Ş.	Trade	EUR	99.99%	99.99%
Enka Trading B.V.	Trade	EUR	99.99%	99.99%
Metra Akdeniz Dış Ticaret A.Ş.	Trade	EUR	99.99%	99.99%
Encommerce B.V.	Trade	EUR	99.99%	99.99%
Entaş Nakliyat ve Turizm A.Ş.	Trade	TL	99.98%	99.98%
Kasketaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş.	Construction	USD	99.90%	99.90%
Kasketaş Arabia Ltd.	Construction	USD	99.90%	99.90%
Titaş Toprak İnşaat ve Taahhüt A.Ş.	Construction	USD	99.50%	99.50%
Çimtaş Geni İnşa Sanayi ve Ticaret A.Ş.	Construction	USD	97.88%	97.88%
Çimtaş Hassas İşleme Sanayi ve Ltd.Şti	Construction	USD	97.35%	97.35%
Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş.	Construction	USD	97.35%	97.35%
Cimtas Offshore B.V.	Construction	USD	97.35%	97.35%
Cimtas (Ningbo) Steel Processing Company Ltd.	Construction	USD	97.35%	97.35%
Cimtas Investment B.V.	Construction	EUR	97.35%	97.35%
Cimtas Steel Metal Konstruksiya MMC	Construction	AZN	97.35%	97.35%
Gemlik Deniz Taşımacılık Ltd.Şti.	Construction	USD	97.35%	97.35%
Enka Renewables LLC	Energy	USD	90.00%	90.00%
Enka Teknik Genel Müteahhitlik Bakım İşletme Sevk ve İdare A.Ş.	Construction	USD	80.00%	80.00%
Çimtaş Boru İmalatları ve Ticaret Ltd. Şti.	Construction	EUR	50.00%	50.00%
Town Up 8 EOOD	Energy	EUR	100%	-
Cimtas Construction LLC	Construction	USD	92.50%	-

The Group has interests in joint operations which are jointly controlled entities. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Group recognizes its interest in the joint operations using proportionate consolidation. The breakdown of the controlling interests of the joint operations as of 31 December 2023 and 2022 is as follows:

	Functional Currency	31 December 2023	31 December 2022
Enka-Ustay Joint Venture (Turkey)	USD	60.00%	60.00%
Enka-Batys LLP Joint Venture (Kazakhstan)	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Kazakhstan) – Senimdy Kurylys	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Romania)	EUR	50.00%	50.00%
Bechtel-Enka Joint Venture (Albania)	EUR	50.00%	50.00%
Bechtel-Enka Joint Venture (Kosovo)	EUR	50.00%	50.00%
Bechtel-Enka Joint Venture (North Macedonia)	EUR	50.00%	-
Bechtel-Enka Joint Venture (Oman)	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Georgia)	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Serbia)	USD	50.00%	50.00%
Bechtel Enka Joint Venture (United Kingdom)	GBP	50.00%	50.00%
Arge Joint Venture (Germany)	EUR	50.00%	50.00%
Other Joint Ventures (Europe, Africa, America, Asia)	USD	50.00%	50.00%

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.2 Changes in the accounting policies**

With the exception of following the accounting policies applied in the consolidated financial statements as at and 31 December 2023 are the same as those applied in the last annual financial statements as at and for the year ended 31 December 2022.

2.3 Changes in Accounting Estimates and Errors

Changes in accounting policies or accounting errors are applied retrospectively and the consolidated financial statements of the previous periods are restated. If estimated changes in accounting policies are for only one period, changes are applied on the current year but if the estimated changes effect the following periods, changes are applied both on the current and following years prospectively. There is no material change in accounting estimates of the Group in the current year.

When a significant accounting error is identified, it is corrected retrospectively and the prior year consolidated financial statements are restated. The Group did not detect any significant accounting error in the current year.

2.4 Summary of significant accounting policies**Standards and interpretations issued but not yet effective*****Standards issued but not yet effective and not early adopted***

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

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

On 23 January 2020, (International Accounting Standard Board (IASB) issued Classification of Liabilities as Current or Non-Current which amends IAS 1 Presentation of Financial Statements to clarify its requirements for the presentation of liabilities in the statement of financial position.

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

After reconsidering certain aspects of the 2020 amendments; IASB has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. Additional disclosure is also required for non-current liabilities subject to future covenants. The amendments also clarify how an entity classifies a liability that can be settled in its own shares

The Group shall apply retrospectively these amendments for annual periods beginning on or after 1 January 2024 with earlier application permitted. . It also specifies the transition requirements for companies that may have early-adopted the previously issued but not yet effective 2020 amendments.

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Standards and interpretations issued but not yet effective(cont’d)*****Standards issued but not yet effective and not early adopted (cont’d)*****Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases**

In September 2022, IASB issued Lease Liability in a Sale and Leaseback, which amends IFRS 16 Leases. Amendments to IFRS 16 Leases impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019.

The amendments confirm the following:

On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.

After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.

A seller-lessee may adopt different approaches that satisfy the new requirements on subsequent measurement.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with earlier application permitted.

Under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, a seller-lessee will need to apply the amendments retrospectively to sale-and-leaseback transactions entered into or after the date of initial application of IFRS 16. This means that it will need to identify and re-examine sale-and-leaseback transactions entered into since implementation of IFRS 16 in 2019, and potentially restate those that included variable lease payments.

The Group does not expect that application of these amendments to IFRS 16 Leases will have significant impact on its consolidated financial statements.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements

On 25 May 2023, IASB has amended IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*. The amendments introduce additional disclosure requirements for companies that enter into supplier finance arrangements (referred to as supply chain finance, payables finance or reverse factoring arrangements). However, they do not address the classification and presentation of the related liabilities and cash flows.

The IASB’s amendments apply to supplier finance arrangements¹ that have all of the following characteristics.

- A finance provider pays amounts a company (the buyer) owes its suppliers.
- A company agrees to pay under the terms and conditions of the arrangements on the same date or at a later date than its suppliers are paid.
- The company is provided with extended payment terms or suppliers benefit from early payment terms, compared with the related invoice payment due date.

The amendments do not apply to arrangements for financing receivables or inventory.

The amendments introduce two new disclosure objectives – one in IAS 7 and another in IFRS 7 – for a company to provide information about its supplier finance arrangements that would enable users (investors) to assess the effects of these arrangements on the company’s liabilities and cash flows, and the company’s exposure to liquidity risk.

The amendments are effective for periods beginning on or after 1 January 2024, with early application permitted. However, some relief from providing certain information in the year of initial application is available.

The Group does not expect that application of these amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements will have significant impact on its consolidated financial statements

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Standards and interpretations issued but not yet effective(cont’d)*****Standards issued but not yet effective and not early adopted (cont’d)*****IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures**

On 26 June 2023, The International Sustainability Standards Board (ISSB) has issued IFRS® Sustainability Disclosure Standards (IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures to create a global baseline of investor-focused sustainability reporting that local jurisdictions can build on.

Two standards are designed to be applied together, supporting companies to identify and report information that investors need for informed decision making – in other words, information that is expected to affect the assessments that investors make about companies’ future cash flows.

To achieve this, the general standard provides a framework for companies to report on all relevant sustainability-related topics across the areas of governance, strategy, risk management, and metrics and targets.

The standards are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. But it will be for individual jurisdictions to decide whether and when to adopt. Accordingly, Public Oversight Accounting and Auditing Standards Authority (“POA”) announced in the Board Decision published in the Official Gazette dated 29 December 2023 that certain entities will be subject to mandatory sustainability reporting as of 1 January 2024.

The Company is within the scope of the application as it meets the criteria specified in the Board Decision.

Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates

In August 2023, the International Accounting Standards Board (IASB) amended IAS 21 to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate.

A company’s objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate.

Therefore, when estimating a spot rate a company can use:

- an observable exchange rate without adjustment; or
- another estimation technique.

Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the company because the currency is not exchangeable.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Standards and interpretations issued but not yet effective(cont’d)**

The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

The Group does not expect that application of these Amendments to IAS 21 will have significant impact on its consolidated financial statements.

New Accounting Policies and Amendments are effective on 1 January 2023

Changes that have become effective and have been adopted for annual periods beginning on or after 1 January 2023:

1. Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes
2. Disclosure Initiative: Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements
3. Definition of Accounting Estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
4. IFRS 17 Insurance Contracts, including amendments Initial Application of IFRS 17 and IFRS 9 – Comparative Information
5. Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules and Amendments to the IFRS for SMEs Accounting Standard – International Tax Reform – Pillar Two Model Rules

These newly adopted amendments to standards have not been a significant impact on the consolidated financial statements of the Group.

Revenue

In accordance with IFRS 15, a five-stage approach is followed in recognizing revenue for all contracts with customers.

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as the entity satisfies a performance obligation

The Group evaluates the goods or services it undertakes in each contract with the customers and determines each commitment to transfer the said goods or services as a separate performance obligation. It is determined in the beginning of the contract whether the performance obligation will be carried out over a period of time or it will be performed at a certain time for each performance obligation. Group recognizes the revenue over a period of time by measuring the progress attributed to complete fulfillment of performance obligation in question on the occasion that the Group transfers the control of a good or a service and therefore it fulfills the performance obligation related to these sales over time.

When Group fulfills the obligation to perform the obligation by transferring a promised good or service to the customer, it records the transaction value corresponding to the obligation as revenue in the consolidated financial statements. When the control of the goods or services is overtaken by the customers (or as they pass) the goods or services are transferred.

When Group evaluates the transfer of the customer for the control of the goods or services sold,

- a) Group owns the right to collect the goods or services,
 - b) Owns legal ownership of the goods or services,
 - c) The transfer of the possession of the goods or services,
 - d) Ownership of the significant risks and rewards of ownership of the property of the customer,
 - e) Takes into consideration the conditions under which the customer accepts goods or services.
- d) Ownership of the significant risks and rewards of ownership of the property of the customer,
 - e) Takes into consideration the conditions under which the customer accepts goods or services.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Revenue (cont’d)**

Group does not make any adjustments to the effect of a significant financing component at the commitment price if the contract at the outset suggests that the period between the transfer date of the goods or services undertaken by the customer and the date the customer pays the price of the goods or services is one year or less. If the other party has significant financing within the revenue, the revenue value is determined by discounting future collections with the interest rate included in the financing element. The difference is recorded in the related periods as Other income from the main operations on the accrual basis.

The accounting for the revenue of the Group's different activities is explained below:

Construction contract activities

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

Revenue arising from cost plus fee contracts is recognized on the basis of costs incurred plus a percentage of the contract fee earned during the year.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs and depreciation costs. Selling, general and administrative expenses are charged to the consolidated statement of profit or loss as incurred. Provisions for estimated losses on uncompleted contracts are made in full, in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those arising from contract penalty provisions and final contract settlements may result in revisions to costs and income and are recognized in the period in which the revisions are determined. Profit incentives are included in revenues when their realization is reasonably assured.

Contract assets arising from ongoing construction works indicates the revenue recognized on construction contracts in excess of billings, and contract liabilities arising from ongoing construction works indicate the billings in excess of the revenue recognized on construction contracts.

Group management does not recognize the additional receivables under compensation outside the scope of the contract that may be subject to litigation as income, unless negotiations have reached to an advanced stage such that it is probable that the customer will accept the claim and the amount of the additional receivable can be measured reliably.

Energy activities

In 2021, Enka Energy Companies resumed their production activities, which had been halted since 2019, once they were included in the capacity mechanism in order to create the necessary conditions in the electricity market and to ensure sufficient installed power capacity for a secure supply. Companies conduct their electricity sales in organized electricity markets (Day-Ahead Market, Intraday Market, Balancing Power Market). Day Ahead and Intraday Markets are operated by the market operator, Energy Exchange Istanbul (“EPIAŞ” or “EXIST”), within the framework of the Electricity Market Balancing and Settlement Regulation. EPIAŞ establishes reference prices for said markets, performs financial transactions such as settlement, collateral, invoicing, and provides central counterparty services in the markets it operates. In addition, the settlement activities regarding the Balancing Power Market, the operation of the Renewable Energy Resources Support Mechanism (“YEKDEM”) and free consumer transactions are also carried out by EPIAŞ. The price of electricity sold daily by the companies in the markets (excluding VAT and other costs) is collected from EPIAŞ within two business days and recognised as income. The amount, unit price, amount and other expenses calculated by EPIAŞ in accordance with the provisions of the regulation are finalised with the “Final Settlement Notice” prepared by EPIAŞ and sent to the market participants on the fifteenth (15th) day of the end of the relevant month, or the next day in case of weekends or national holidays and an invoice is issued for the accrued revenues as of this date.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Revenue (cont’d)**Commercial activities

Earnings from sales as a result of commercial activities; All significant risks related to the Group, and the transfer of gains to the buyer on an administrative involvement associated with the property and on the goods sold lack of effective control, reliable measurement of income, economic benefits associated with the transaction the flow to the business is likely and the costs arising from or will be reliably measurement conditions are recorded as income. Net sales are estimated from the sales amount of the goods and realized It is shown by deducting returns, discounts, commissions, turnover premiums and sales-related taxes.

Rental income

Rental income arising on investment properties is accounted for on a straight-line basis over the lease terms on ongoing leases. Rental income collected in advance is treated as deferred income and is amortised on a monthly basis during the lease period.

Rendering of services

Revenue is recognized by reference to the stage of completion.

Interest income

Interest income is recognized in the consolidated statement of profit or loss on an accrual basis taking into account the effective yield on the asset.

Dividends

Revenue is recognized when the Group’s right to receive the payment is established.

Segment Reporting

An operating segment is a component of the Group that engages in business activities through which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group’s management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The operating segments of the Group are construction, rental, trade and energy, and they are disclosed in Note 5.

Inventories

Inventories are valued at the lower of cost or net realizable value. Costs incurred in bringing each product to its present location and condition, are included in the cost. Raw materials, spare parts, merchandise and construction materials - purchase cost on moving weighted average basis.

The Group also provides an allowance for the slow moving and obsolete items.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Property, plant and equipment**

With the exception of land and buildings, items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment in value. Land is not depreciated. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Land and buildings are carried at revalued amounts. Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Repairs and maintenance are charged to the consolidated statements of profit or loss during the financial period in which they are incurred. The costs of major renovations are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group.

Depreciation is provided on all property, plant and equipment using the straight-line method at rates which approximate estimated useful lives of the related assets as follows:

	Useful life
Land improvements	5-50 years
Buildings	50 years
Power plant equipment	35 years
Pipelines	16 years
Electrical interconnection lines	16 years
Machinery and equipment	4-10 years
Motor vehicles	3-10 years
Furniture and fixtures	5-10 years
Barracks, scaffolding and formworks	5 years
Aircrafts	10-15 years
Others	5-10 years

Power plant equipment is recorded at its original cost of construction. Significant additions or improvements are capitalized when they extend the life, improve the efficiency or increase the earnings capacity of the asset. Expenditures for maintenance, repairs and minor renewals to maintain facilities in operating condition are expensed as incurred.

The asset’s residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Intangible assets (except goodwill)**

Intangible assets mainly includes software rights, they are initially recognized at acquisition cost that are amortized over 3 to 10 years on straight-line basis.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

Investment properties

Land and buildings that are held in the production of supply of goods or services of for administrative purposes or for long term rental yields or for capital appreciation or both rather than for the sale in the ordinary course of business are classified as “investment property”. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of profit or loss in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of profit or loss in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

Business combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Business combinations

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in the consolidated statement of profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the ‘measurement period’ (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. If the contingent consideration classified as an asset or liability is a financial instrument and is in the scope of IFRS 9 Financial Instruments standard, the contingent consideration is measured at fair value and the gain or loss arising from the change is recognized in profit or loss or other comprehensive income. Those not included in IFRS 9 are accounted for in accordance with IAS 37 Provisions or other appropriate IFRS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquire prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Business combinations that took place prior to 1 January 2010 were accounted for in accordance with the previous version of IFRS 3.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Assets held for sale

The Group measures a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell, and depreciation on such assets are ceased.

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Impairment of non-financial assets (cont’d)**

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in consolidated statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the consolidated statement of profit or loss in the period in which they are incurred.

Financial Instruments*Recognition and measurement*

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- it is its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group may irrevocably make preference about presentation of subsequent changes in its fair value in other comprehensive income on initial recognition of non-trading equity investment. This is made separately for each investment.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Financial Instruments (cont’d)***Financial Instruments: Business model assessment*

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Financial assets that are managed on the basis of fair value and whose performance is assessed accordingly are measured at fair value through profit or loss.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Financial Instruments (cont’d)**

Financial assets – subsequent measurement and gains and losses

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The Group’s cash and cash equivalents are classified under the category of ‘Loans and Receivables’.

Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

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

a) Financial liabilities at fair value through profit and loss

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Financial Instruments (cont’d)****Financial liabilities (cont’d)****b) Other financial liabilities**

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derivative financial instruments and hedging

Derivative financial instruments are initially recognized at fair value and are subsequently remeasured at their fair value. Derivative financial instruments of the Group predominantly constitute forward foreign currency purchase and sale contracts.

The fair value of forward foreign exchange contracts measured at fair value and associated with the consolidated profit or loss is calculated by reference to the market interest rates valid for the rest of the contract for the relevant currency for the relevant period, by comparison with exchange rate. Derivatives are recorded as assets or liabilities in the balance sheet, respectively, depending on whether the fair value is positive or negative differences arising from the fair value of derivative financial instruments except for the cash flow hedge explained below are reflected in the profit and loss statement in the consolidated statements of income.

Cash flow hedge

The Group performs cross currency transactions with participation option to hedge the cash flow risk of variable and fixed rate financial instruments and liabilities in different currencies. The effective portion of the fair value change of the hedging instrument in the cash flow hedge accounting is recognized in “other comprehensive income”, while the ineffective portion is recognized in the in profit or loss. In the periods in which the cash flows of the hedged item affect the profit or loss, the profit or loss of the hedging instrument is also removed from equity and reflected to the income statement. In addition, the time value change in the options included in the structured cross-currency swaps is recognized in other comprehensive income as the hedging cost.

According to IFRS 9, the hedging relationship ends when the required criteria are no longer met after rebalancing. The termination of the hedging relationship is not accepted if the required criteria are met. In the event that the hedging target changes, the hedging instrument expires or is sold, terminated or used, the hedging accounting ends when the economic relationship between the hedging instrument and the hedged item is eliminated or the credit risk affects the fair value changes arising from the economic relationship.

When the Group discontinued hedge accounting for cash flow variability, the amount accumulated in the cash flow hedge fund is recognized as follows;

- The profit or loss recognized in other comprehensive income and presented in the hedging reserve under equity remains there until the cash flows of the hedged item realised.

- When the cash flows from the hedged item is expected not to be realised, the gain or loss accumulated under equity is recognized immediately in profit or loss.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Financial Instruments (cont’d)**Accounting at the date of transaction

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Derecognition*Financial assets*

The Group derecognized a financial asset when the contractual rights to the cash flows from the asset expired, or it transferred the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Group was recognized as a separate asset or liability.

The Group continues to recognize the financial asset in the statement of financial position if it retains substantially all the risks and benefits arising from the ownership of a financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Impairment of financial assets*Financial assets and contract assets*

The Group recognizes loss allowances for the expected credit losses of the following items:

- financial assets measured at amortized cost;
- contract assets (as defined in IFRS 15).

Under IFRS 9, loss allowances are measured on either of the following bases:

Financial assets measured at amortized cost;

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument;and

Bank balances for which credit risk has not increased significantly since initial recognition;

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.

The Group has elected to measure loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Financial Instruments (cont’d)**Impairment of financial assets (cont’d)

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of “investment grade”.

The maximum time to be measured by the ECLs is the maximum contractual period that the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

For trade receivables, other receivables, other assets and contract assets the Group applies the simplified approach to providing for expected credit losses (IFRS 9 requires the use of the lifetime expected loss provision for all trade receivables). The expected credit losses were calculated based on actual credit loss experience over the past years.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset.

Trade receivables

The following analysis provides further detail about the calculation of ECLs related to trade receivables and contract assets on the adoption of IFRS 9. The Company considers the model and some of the assumptions used in calculating these ECLs as key sources of estimation uncertainty.

The Group has calculated the ECLs according to the experience of credit losses in the last three years. The Group performed the calculation of ECL for receivables at the reporting date. Exposures within each group were segmented based on common credit risk characteristics such as credit risk grade, delinquency status, geographic region, age of relationship.

Retention Receivables from Contractors

The Group’s progress billings from its employees are subject to retention deductions, which vary, based on the individual agreements. These balances are collected based on contract terms either via letter of bank guarantees or from the contractors upon successful completion of the contract at the end of the warranty period. Retention receivables are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective interest rate method.

Retention Payables to Subcontractors

The Group’s progress billings to its subcontractors are subject to retention deductions, which vary, based on the individual agreements. These payables are paid to subcontractors after they successfully complete the guarantee periods. Retention payables are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective interest rate method.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Effect of changes in foreign exchange rates**

Transactions in currencies other than functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign currency indexed monetary assets and liabilities are recorded at the rates of exchange prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in the consolidated statement of profit or loss in the period in which they arise.

Earnings per share

Basic earnings per share (EPS) disclosed in the consolidated statement of profit or loss are determined by dividing net profit by the weighted average number of shares that have been outstanding during the related year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (Bonus Shares) to existing shareholders without a consideration for amounts resolved to be transferred to share capital from retained earnings. For the purpose of the EPS calculation, such bonus share distributions are regarded as stock dividends. If the number of ordinary shares outstanding increases as a result of a capitalization, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic EPS for all periods presented is adjusted retrospectively. If these changes occur after the balance sheet date but before the financial statements are authorized for issue, the EPS calculations for those and any prior period financial statements presented is based on the new number of shares.

Provisions, contingent liabilities, contingent assetsProvisions

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities and assets

If contingent liabilities does not carry a high probability of resource allocation (cash outflow), they are not recognized in the consolidated financial statements but disclosed in the footnotes. However, contingent assets are not recognized in consolidated financial statements but disclosed in the footnotes when an inflow of economic benefits is probable.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Leases**

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Leases (cont’d)*****Short-term leases and leases of low-value assets***

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of ‘other revenue’.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Related parties**

Related parties are individuals or entities that are related to the entity that is preparing its financial statements (reporting entity).

a) An individual or a close family member is considered related party of the reporting entity when the following criteria are met: If a certain individual,

- i) Has control or joint control over the reporting entity,
- ii) Has significant influence over the reporting entity,
- iii) Is a key management personnel of the reporting entity or a parent company of the reporting entity.

b) An entity is considered related party of the reporting entity when the following criteria are met:

- i) If the entity and the reporting entity is within the same group (meaning every parent company, subsidiary and other subsidiaries are considered related parties of others.
- ii) If the reporting entity is a subsidiary or a joint venture of another entity (or of another entity that the entity is within the same group).
- iii) If both of the entities are a joint venture of a third party.
- iv) If one of the entities are a joint venture of a third party while the other entity is a subsidiary of this third party.
- v) If entity has plans of post employment benefits for employees of reporting entity or a related party of a reporting entity. If the reporting entity has its own plans, sponsor employers are also considered as related parties.
- vi) If the entity is controlled or jointly controlled by an individual defined in the article (a).
- vii) If an individual defined in the clause (i) of article (a) has significant influence over the reporting entity or is a key management personnel of this certain entity (or a parent company of the entity)

Related party transaction is the transfer of resources, services or liabilities regardless of whether a price is charged or not.

Income tax

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of profit or loss.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Income tax (cont’d)**

Deferred income tax is provided, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax liabilities are recognized for all taxable temporary differences.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that, in the management’s judgment, it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet dates.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and deferred taxes relate to the same taxable entity and the same taxation authority. Deferred tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of profit or loss.

Employee termination benefits

The Group has both defined benefit and defined contribution plans as described below:

Vacation pay liability

In accordance with the existing labor law in Turkey, the Company is required to pay to the employee, whose employment is terminated due to any reasons, the wage of the deserved and unused vacation days over the gross prevailing wage and other benefits subject to contract at the date the contract is terminated.. Unused leave provision is the earned and unused vacation rights of its employees of the Company, and measured on an undiscounted basis and are recognised in profit or loss as the related service is provided.

Retirement pay provision

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard 19 (revised) “Employee Benefits” (“IAS 19”).

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses. Actuarial gains and losses are accounted as other comprehensive income.

Personnel working in branches operating in foreign countries and joint-operations do not have any employee termination benefit as there is no legal obligation in these countries.

Defined contribution plans

The Company and its subsidiaries in Turkey pay contributions to publicly administered Social Security Fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

Foreign subsidiaries and joint operations contribute to the related government body for the pension scheme of its employees in the country they are domiciled. Mandatory contributions to the governmental pension scheme are expensed when incurred.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)**2.4 Summary of significant accounting policies (cont’d)****Statement of cash flows**

Cash flows are classified according to operating, investment and finance activities in the consolidated statement of cash flows.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, excluding short term deposits with an original maturity of more than three months and deposits blocked in bank accounts as collateral.

Events after the reporting period

Events after the reporting period, also known as ‘subsequent events’ include any favorable or unfavorable event that took place between the balance sheet date and the publication date of the balance sheet, despite any possible event that might arise after the publicization of any information regarding profits or other financial figures.

The Group adjusts its consolidated financial statements if such adjusting subsequent events arise.

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that are reflected in the measurement of income and expense in the consolidated statement of profit or loss and in the carrying value of assets and liabilities in the consolidated balance sheet, and in the disclosure of information in the notes to the consolidated financial statements. Managements do exercise judgment and make use of information available at the date of the preparation of the consolidated financial statements in making these estimates. The actual future results from operations in respect of the areas where these judgments and estimates have been made may in reality be different than those estimates.

The key assumptions concerning the future and other key resources of estimation at the consolidated balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments (apart from those involving estimations) with the most significant effect on amounts recognized in the consolidated financial statements are as follows:

- Determination of total estimated project costs, profitability and calculation of loss accruals under the scope of IFRS 15 (Note 12).
- Fair value of investment properties under the scope of IAS 40 “Investment Property” and land and buildings under the scope of IAS 16 “Property, Plant and Equipment” (Note 13 and 14).

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

3. DIVIDENDS

Based on the Group’s Ordinary General Assembly held on 28 March 2023; regarding to the distribution of the year 2022 profit, it has been resolved to distribute dividend to its shareholders gross full TL 1,680,000,000 , gross full TL 500,000,000 from retained earnings in total TL 2,180,000,000 , further it has been resolved to distribute TL 35,614,745 as cash dividend to founder shares. The dividend decided to be distributed was distributed on 12 April 2023.

In 2023 and 2022, the Group distributed dividends as detailed below:

	2023		2022	
	Dividend (TL)	Dividends per share	Dividend (TL)	Dividends per share
Ordinary share owners (1 Full TL nominal value) (*)	2,130,130	0,36 Full TL	2,730,943	0,50 Full TL
Founder share owners	23,743	23,74 Full TL	40,684	40,68 Full TL
Enka Holding share owners	11,872	11,87 Full TL	20,342	20,34 Full TL
Ordinary share owners (1 Full TL nominal value) (*) (**)	-		1,092,377	
	<u>2,165,745 TL</u>		<u>3,884,346 TL</u>	

(*)The amount of dividends distributed to the shares bought back by the Company has been deducted.

(**) Based on the power vested in the Board of Directors by the Ordinary General Assembly for year 2022 held on March 28, 2023, the Board of Directors resolved to distribute, a total of full TL 3,000,000,000 from the net profit of the current period as indicated on the financial statements comprising the interim period from 01 January 2023 – 30 September 2023 to the holders of share certificates representing the share capital amounting to full TL 6,000,000,000.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

4. INTEREST IN JOINT OPERATIONS

The Group's share in the assets and liabilities and the profit/loss of the of the joint operations using the proportionate consolidation method on a line by line basis is as follows:

	31 December 2023	31 December 2022
ASSETS		
Current Assets		
Cash and cash equivalents	449,683	335,268
Financial Investments	12,847	9,288
Trade receivables	131,862	95,721
Other receivables	1,289	1,212
Inventories	9,023	10,052
Costs and estimated earnings in excess of billings on uncompleted contracts	46,592	7,272
Other current assets	55,476	61,040
Group's share in current assets of joint operations	706,772	519,853
Non-Current Assets		
Property, plant and equipment	116,204	97,651
Accumulated depreciation	(58,935)	(45,405)
Group's share in joint operations in property, plant and equipment	57,269	52,246
LIABILITIES		
Current Liabilities		
Trade payables	41,686	23,110
Billings in excess of costs and estimated earnings on uncompleted contracts	438,721	342,569
Taxation on income	1,790	11,934
Provisions	28,666	27,760
Provisions for employee benefits	6,202	5,490
Other current liabilities	162,858	75,718
Group's share in current liabilities of joint operations	679,923	486,581

The Group’s share in the consolidated statement of profit or loss of the joint operations using the proportionate consolidation method on a line by line basis is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Revenue	768,518	710,962
Cost of revenue	(560,677)	(418,503)
Other operating income	4,087	532
Other operating expenses	(48)	(3)
Income from investing activities	-	6
Financial income	5,755	1,635
Financial expenses	(2,058)	(2,319)
Taxation charge	(56,816)	(46,402)
Net profit	158,761	245,908

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

5. SEGMENTAL INFORMATION

The Group’s operating businesses are organized and managed separately according to the nature of services and products provided and has four reportable segments as follows: construction, rental, energy and trading and manufacturing.

a) Business segments:

	1 January - 31 December 2023					
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	1,955,824	320,227	248,431	701,447	-	3,225,929
Inter-segment revenues	86,149	3,359	28,093	-	(117,601)	-
Cost of revenues (-)	(1,557,049)	(105,809)	(159,906)	(735,455)	-	(2,558,219)
Inter-segment cost of revenues (-)	(82,944)	(6,564)	(28,093)	-	117,601	-
Gross profit	401,980	211,213	88,525	(34,008)	-	667,710
Administrative expenses (-)	(107,002)	(8,002)	(11,637)	(9,909)	-	(136,550)
Marketing, selling and distribution expenses (-)	(8,803)	(4,807)	(10,796)	-	-	(24,406)
Other operating income	60,227	21,860	9,431	9,102	-	100,620
Other operating expenses (-)	(49,852)	(2,389)	(2,520)	(7,514)	-	(62,275)
Profit from operations	296,550	217,875	73,003	(42,329)	-	545,099
Investment income	521,210	49,646	1,260	303	-	572,419
Investment expenses (-)	(162,975)	(43,894)	-	-	-	(206,869)
Profit from operations						
Before financial income/(expenses)	654,785	223,627	74,263	(42,026)	-	910,649
Financial income	31,147	2,204	12,400	33,560	(102)	79,209
Financial expenses (-)	(26,158)	(9,308)	(26,886)	(977)	102	(63,227)
Net monetary loss (-)	-	-	(6,559)	(24,321)	-	(30,880)
Profit before tax	659,774	216,523	53,218	(33,764)	-	895,751
Current tax expense (-)	(108,216)	(36,452)	(15,936)	(7,834)	-	(168,438)
Deferred tax expense (-)	23,421	(10,493)	981	2,609	-	16,518
Profit/(Loss) for the year from continuing operations	574,979	169,578	38,263	(38,989)	-	743,831
	31 December 2023					
	Construction contracts	Rental	Trade	Energy	Consolidated	
Segment assets	6,227,922	1,891,297	253,819	1,034,490	9,407,528	
Total assets	6,227,922	1,891,297	253,819	1,034,490	9,407,528	
Segment liabilities	1,308,522	413,330	106,708	155,493	1,984,053	
Total liabilities	1,308,522	413,330	106,708	155,493	1,984,053	
	1 January - 31 December 2023					
	Construction contracts	Rental	Trade	Energy	Consolidated	
Other segment information						
<u>Capital expenditures</u>						
Property, plant and equipment & investment property	48,112	1,106	2,191	62,902	114,311	
Intangible assets	147	63	428	22	660	
Total capital expenditures	48,259	1,169	2,619	62,924	114,971	
Depreciation expenses	47,283	1,890	2,186	47,380	98,739	
Amortization expenses	3,293	28	148	89	3,558	

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

5. SEGMENTAL INFORMATION (cont’d)**a) Business segments (cont’d)**

	1 January - 31 December 2022					
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	1,858,704	334,400	240,181	1,336,229	-	3,769,514
Inter-segment revenues	73,891	9,841	6,397	-	(90,129)	-
Cost of revenues (-)	(1,358,643)	(126,293)	(176,572)	(1,262,909)	-	(2,924,417)
Inter-segment cost of revenues (-)	(73,891)	(9,841)	(6,397)	-	90,129	-
Gross profit	500,061	208,107	63,609	73,320	-	845,097
Administrative expenses (-)	(57,557)	(16,828)	(6,166)	(7,404)	-	(87,955)
Marketing, selling and distribution expenses (-)	(6,191)	(4,733)	(9,668)	(1,700)	-	(22,292)
Other operating income	22,578	7,428	3,176	1,645	-	34,827
Other operating expenses (-)	(35,143)	(2,860)	(1,717)	(8,669)	-	(48,389)
Profit from operations	423,748	191,114	49,234	57,192	-	721,288
Investment income	266,383	36,800	-	555	-	303,738
Investment expenses (-)	(757,422)	(122,096)	-	(553)	-	(880,071)
Profit from operations						
Before financial income/(expenses)	(67,291)	105,818	49,234	57,194	-	144,955
Financial income	42,929	6,674	9,628	75,866	(209)	134,888
Financial expenses (-)	(46,682)	(2,451)	(16,024)	(535)	209	(65,483)
Net monetary loss (-)	-	-	-	(103,254)	-	(103,254)
Profit before tax	(71,044)	110,041	42,838	29,271	-	111,106
Current tax expense (-)	(96,810)	(41,020)	(9,812)	(40,068)	-	(187,710)
Deferred tax expense (-)	31,648	7,459	(136)	53,773	-	92,744
Profit/(Loss) for the year from continuing operations	(136,206)	76,480	32,890	42,976	-	16,140
	31 December 2022					
	Construction contracts	Rental	Trade	Energy	Consolidated	
Segment assets	5,743,684	2,111,489	240,332	928,116	9,023,621	
Total assets	5,743,684	2,111,489	240,332	928,116	9,023,621	
Segment liabilities	1,258,678	442,921	125,638	292,488	2,119,725	
Total liabilities	1,258,678	442,921	125,638	292,488	2,119,725	
	1 January - 31 December 2022					
	Construction contracts	Rental	Trade	Energy	Consolidated	
Other segment information						
<u>Capital expenditures</u>						
Property, plant and equipment & investment property	46,147	5,314	1,941	22,805	76,207	
Intangible assets	312	53	240	91	696	
Total capital expenditures	46,459	5,367	2,181	22,896	76,903	
Depreciation expenses	55,597	2,364	1,800	43,769	103,530	
Amortization expenses	3,757	58	73	73	3,961	

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

5. SEGMENTAL INFORMATION (cont’d)**b) Geographical segments**

1 January - 31 December 2023						
	Turkey	Russian Federation, Kazakhstan, Georgia	Europe	Other	Eliminations	Consolidated
Net sales	1,621,449	960,598	413,508	230,374	-	3,225,929
Inter-segment sales	111,037	6,564	-	-	(117,601)	-
Capital expenditures	76,883	9,848	23,386	4,854	-	114,971
31 December 2023						
	Turkey	Russian Federation, Kazakhstan, Georgia	Europe	Other	Eliminations	Consolidated
Segmental assets	5,755,795	2,703,855	701,161	246,717	-	9,407,528
1 January - 31 December 2022						
	Turkey	Russian Federation, Kazakhstan, Georgia	Europe	Other	Eliminations	Consolidated
Net sales	2,059,161	1,119,021	218,672	372,660	-	3,769,514
Inter-segment sales	80,288	9,841	-	-	(90,129)	-
Capital expenditures	52,185	14,859	6,736	3,123	-	76,903
31 December 2022						
	Turkey	Russian Federation, Kazakhstan, Georgia	Europe	Other	Eliminations	Consolidated
Segmental assets	5,412,362	2,884,150	465,952	261,157	-	9,023,621

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

6. CASH AND CASH EQUIVALENTS

	31 December 2023	31 December 2022
Cash on hand	1,352	5,334
Cash in bank		
Demand deposits	875,674	772,411
Time deposits	352,981	248,414
Other	79	132
	<u>1,230,086</u>	<u>1,026,291</u>

Informations about the nature and level of risks related to cash and cash equivalents are provided in Note 33.

Time deposits with maturities less than three months are as follow:

	31 December 2023	31 December 2022
Fixed Interest Rate		
United States Dollar (USD)	4.60%-5.22%	1.38%-1.52%
EURO	3.49%-3.50%	0.20%-0.46%
Russian Ruble (RBL)	13.75%	4.50%
Great Britain Pound (GBP)	4.73%	-
Turkish Lira (TL)	20.00%-45.00%	13.05%-17.00%

7. FINANCIAL INVESTMENTS**Current financial investments**

Short-term financial investments of the Group classified as financial assets at fair value through profit or loss as of 31 December 2023 and 2022 are detailed below:

	31 December 2023	31 December 2022
Financial assets at fair value through profit or loss		
Private sector bonds		
- International markets	12,847	58,521
Foreign Government bonds		
- International markets	618,340	196,138
Equity securities		
- International markets	971,868	1,049,012
Mutual funds		
- International markets	201,861	174,449
	<u>1,804,916</u>	<u>1,478,120</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

7. FINANCIAL INVESTMENTS (cont’d)**Non-current financial investments**

Long-term financial investments of the Group classified as financial assets at fair value through profit or loss as of 31 December 2023 and 2022 are detailed below:

	31 December 2023	31 December 2022
Financial assets at fair value through profit or loss		
Private sector bonds		
- International markets	299,443	349,030
Foreign Government bonds		
- International markets	1,563,368	1,443,258
Turkish Government bonds		
- International markets	296,842	300,405
	<u>2,159,653</u>	<u>2,092,693</u>

Maximum maturity dates of financial assets in the nature of borrowings are as follows:

	31 December 2023	31 December 2022
Private Sector Bonds - International markets	15 August 2052	28 March 2073
Foreign Government Bonds - International markets	17 October 2044	17 October 2044
Turkish Government Bonds - International markets	30 May 2040	30 May 2040

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

8. FINANCIAL LIABILITIES**a) Borrowings**

The Group has no borrowings from financial loans in 2023. The details for 2022 are as follows.

Short-term borrowings:	31 December 2022			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Short-term bank borrowings	5.65%	EUR	42,247	45,040
	5.15%	USD	11,197	11,197
Total short-term bank borrowings				<u>56,237</u>
Lease obligations				<u>110</u>
Total short-term borrowings				<u>56,347</u>

Repayment schedule of bank borrowings are as follows:

	31 December 2023	31 December 2022
Less than 1 year	-	56,237
	<u>-</u>	<u>56,237</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

8. FINANCIAL LIABILITIES (cont’d)**a) Borrowings (cont’d)**

The reconciliation of the cash flows arising from the financing activities of the year ended 31 December 2023 and the movements in liabilities is as follows:

			Non-cash		31 December 2023
	31 December 2022	Cash flows	Exchange rate change	Other non- cash movements	
Short term bank loans	56,237	(57,943)	1,706	-	-
Long term bank loans	-	-	-	-	-
Lease obligations (ST)	4,908	(4,359)	-	3,810	4,359
Lease obligations (LT)	127,189	1,552	(22,453)	11,074	117,362
Total liabilities arising from financing activities	188,334	(60,750)	(20,747)	14,884	121,721

The reconciliation of the cash flows arising from the financing activities of the year ended 31 December 2022 and the movements in liabilities is as follows:

			Non-cash		31 December 2022
	31 December 2021	Cash flows	Exchange rate change	Other non- cash movements	
Short term bank loans	48,184	6,299	(1,645)	3,399	56,237
Long term bank loans	12,411	-	-	(12,411)	-
Lease obligations (ST)	3,030	(4,908)	-	6,786	4,908
Lease obligations (LT)	101,228	(4,820)	9,177	21,604	127,189
Total liabilities arising from financing activities	164,853	(3,429)	7,532	19,378	188,334

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

8. FINANCIAL LIABILITIES (cont’d)**b) Lease obligations**

	31 December 2023			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Lease obligations				119
Total short-term borrowings				119

	31 December 2023			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Current portion of long-term lease obligations	3.00%	RUB	390,965	4,359
				4,359
Long-term	7.50%	USD	9,788	9,788
	3.00%	RUB	9,513,628	106,075
	3.24%	EUR	172	190
	4.03%	TL	38,523	1,309
				117,362
				121,721

	31 December 2022			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Current portion of long-term	3.00%	RUB	345,186	4,908
				4,908
Long-term	7.50%	USD	9,887	9,887
	3.00%	RUB	8,250,697	117,302
				127,189
				132,097

c) Lease commitments

As of 31 December 2023 and 2022, repayment schedule of lease obligations are as follows:

	31 December 2023	31 December 2022
Less than 1 year	4,359	4,908
1 - 5 years	26,216	26,056
More than 5 years	91,146	101,133
Total lease obligations	121,721	132,097

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

9. TRADE RECEIVABLES AND PAYABLES**a) Trade receivables**

	31 December 2023	31 December 2022
Short-term trade receivables		
Trade receivables, net	176,572	191,480
Contract receivables	192,733	131,839
Notes and cheques receivables, net	1,248	743
Retention receivables (*)	496	2,320
	<u>371,049</u>	<u>326,382</u>
Less: Expected credit loss	(7,767)	(13,408)
	<u>363,282</u>	<u>312,974</u>

(*) Retention receivables are described as withheld by the jobowners until the contracts are completed or, in certain instances for even longer periods and undue trade receivables in the construction contracts.

Collection periods of receivables from construction works depends on the agreement conditions are between 30 and 90 days.

For the years ended 31 December 2023 and 2022, movement of expected credit loss receivables is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Balance at beginning of the year	13,408	14,320
Additional provision (Note 25)	127	51
Foreign currency translation effect	122	(232)
Amounts recovered during the year (Note 25)	(52)	(81)
Write-offs (*)	<u>(5,838)</u>	<u>(650)</u>
Closing balance	<u>7,767</u>	<u>13,408</u>

(*) Allowances of the previous periods which were decided as uncollectibles were written-off as of 31 December 2023 and 2022.

Explanations about the nature and level of risks related to trade receivables are provided in Note 33.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

9. TRADE RECEIVABLES AND PAYABLES (cont’d)**b) Trade payables**

	31 December 2023	31 December 2022
Short-term trade payables		
Trade payables	288,278	446,229
Notes payable	144	28
Other trade payables	2,400	4,923
	<u>290,822</u>	<u>451,180</u>

Explanations about the nature and level of risks related to trade payables are provided in Note 33.

10. OTHER RECEIVABLES AND PAYABLES**a) Other receivables**

	31 December 2023	31 December 2022
Short-term other receivables		
Deposits and guarantees given	13,413	7,146
Other receivables from related parties (Note 32)	22	-
	<u>13,435</u>	<u>7,146</u>

b) Other payables

	31 December 2023	31 December 2022
Short-term other payables		
Deposits and guarantees taken	17,444	18,546
Other payables to related parties (Note 32)	1	7
	<u>17,445</u>	<u>18,553</u>

	31 December 2023	31 December 2022
Long-term other payables		
Deposits and guarantees taken	22,682	24,674
	<u>22,682</u>	<u>24,674</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

11. INVENTORIES

	31 December 2023	31 December 2022
Raw materials and spare parts	170,958	185,400
Work in progress	42,689	90,415
Trade goods (machinery and others)	33,771	39,120
Finished goods	10,659	10,885
Goods in transit	6,735	66,842
Construction materials	26,004	35,829
Allowance for impairment on inventory (*)	(4,934)	(4,739)
	<u>285,882</u>	<u>423,752</u>

(*) As of 31 December 2023 and 2022, allowance for impairment on finished goods and trade goods is recognized as an expense in cost of sales.

As of 31 December 2023, there is not any pledge on inventories (31 December 2022 - None).

12. CONSTRUCTION CONTRACTS

	31 December 2023	31 December 2022
Costs incurred on uncompleted contracts	3,217,847	2,306,568
Recognized profit less recognized losses to date, net	995,253	741,934
	<u>4,213,100</u>	<u>3,048,502</u>
Less: Progress billing	(4,697,914)	(3,443,838)
	<u>(484,814)</u>	<u>(395,336)</u>

The net balance is included in the consolidated balance sheet under the following captions:

	31 December 2023	31 December 2022
Costs and estimated earnings in excess of billings on uncompleted contracts (net)	62,525	28,255
Billings in excess of costs and estimated earnings on uncompleted contracts (net)	(547,339)	(423,591)
	<u>(484,814)</u>	<u>(395,336)</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

13. INVESTMENT PROPERTIES

As of 31 December 2023 and 2022, movement of investment properties is as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Opening balance	2,028,224	2,030,204
Currency translation difference	(225,218)	58,539
Change in fair value, net (Note 26)	6,826	(83,274)
Change in present value of lease obligations	12,130	22,755
Closing balance	<u>1,821,962</u>	<u>2,028,224</u>

Investment properties include mainly real estate properties in Russia and Turkey which are leased to tenants. As of 31 December 2023 and 2022 investment properties consist of real estates in Russia from which rent income is obtained and lands and buildings held as investment in Turkey amounting to USD 12,839 (31 December 2022 - USD 12,839).

“Business Valuation Bureau LLC” which is licenced by Russian Federation as an independent valuation firm, has revalued the fair values of the investment properties of the Group in Russia.

Investment properties of the consolidated subsidiaries Mosenka, MKH, Enkamos Region BV and Enka TC have been revalued at fair value. Fair values of such investment properties are reviewed every year through the report of independent valuers. As of 31 December 2023, the fair values of investments properties of the consolidated subsidiaries Enkamos Region BV, MKH, Mosenka and Enka TC have been set respectively as follows: MKH; 10.39 million RUB equivalent to USD 115,903 (31 December 2022 - 9.53 million RUB equivalent to USD 135,484), Mosenka; 5.07 million RUB equivalent to USD 56,512 (31 December 2022 – 4.70 million RUB equivalent to USD 66,820), Enkamos Region BV; 5.18 million RUB equivalent to USD 57,802 (31 December 2022 – 4.81 million RUB equivalent to USD 68,403) and Enka TC; 52.96 million RUB equivalent to USD 590,467 (31 December 2022 – 51.03 million RUB equivalent to USD 725,484).

The fair values of the investment properties of the Group in Russia, determined at 31 December 2023 as USD 878,004 (31 December 2022 - USD 896,986). The investment properties of the Group located in Moscow includes land leased from Moscow City Authorities under a 49 year operating lease agreement, which are renewable at the option of the Group.

The investment properties owned by the Group are carried at fair value determined by independent professionally qualified valuers on the basis of market value supported by market evidence and other information obtained in the course of market research. Fair values of such investment properties are periodically reviewed by the Group through the report of independent valuers.

As of 31 December 2023 and 2022 the reports of independent valuers are prepared based on valuation models such as income capitalization, discounted cash flow model and market value model. The fair value of the properties have not been determined based on income capitalization method in case of lack of transactions observable in the market because of the nature of the property and the lack of comparable data. The fair value of the investment properties of the Group are estimated by using income capitalization method, with capitalization and discount rates ranging between 10.50% and 18.40% to 22.86% (31 December 2022 – 10.50% and 16.17% to 19.65%) respectively.

In the event of a 1% increase or decrease in the capitilization rate, the fair value of investment properties would be USD 1,634,639 or USD 1,814,066 respectively.

	USD	RUBLE	Exchange Rate
If capitalization rate increases by 1%	1.634.639	146.608.031	89.6883
If capitalization rate decreases by 1%	1.814.066	162.700.525	89.6883

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

13. INVESTMENT PROPERTIES (cont'd)

For the years ended 31 December 2023 and 2022 fair value hierarchy table of investment properties is as follows:

	31 December 2023	Fair value as at 31 December 2023		
		Level 1	Level 2	Level 3
		USD	USD	USD
Investment properties in Russia	1,809,123	-	-	1,809,123
Investment properties in Turkey	12,839	-	12,839	-
Total	1,821,962	-	12,839	1,809,123

	31 December 2022	Fair value as at 31 December 2022		
		Level 1	Level 2	Level 3
		USD	USD	USD
Investment properties in Russia	2,015,385	-	-	2,015,385
Investment properties in Turkey	12,839	-	12,839	-
Total	2,028,224	-	12,839	2,015,385

There is no transition between second and third levels during the year.

**ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

14. PROPERTY, PLANT AND EQUIPMENT

<u>Cost</u>	Land and land improvements	Buildings and barracks	Machinery and equipment	Motor vehicles	Furniture and fixtures	Scaffolding and formworks	Aircraft (*)	Others	Construction in progress	Total
Opening balance as of 1 January 2023	234,165	185,259	1,919,448	49,561	60,746	6,159	20,625	19,779	10,205	2,505,947
Adjustments Related to Required Changes in Accounting Policies	3,235	77	669	346	381	-	-	154	40,588	45,450
Restated opening at 1 January 2023	237,400	185,336	1,920,117	49,907	61,127	6,159	20,625	19,933	50,793	2,551,397
Currency translation differences	2,888	(2,687)	71,876	490	(134)	522	-	(351)	(3,092)	69,512
Revaluation (**)	(1,545)	1,549	-	-	324	-	-	164	-	492
Additions	9,586	3,077	40,730	4,100	6,358	580	-	1,119	48,761	114,311
Disposals	(112)	(2,228)	(5,126)	(2,599)	(2,450)	(41)	-	(596)	(145)	(13,297)
Transfers	86	21	10,038	-	40	(20)	-	(20)	(13,597)	(3,452)
Closing balance as of 31 December 2023	248,303	185,068	2,037,635	51,898	65,265	7,200	20,625	20,249	82,720	2,718,963
<u>Accumulated depreciation</u>										
Opening balance as of 1 January 2023	(26,457)	(44,440)	(1,124,004)	(26,925)	(49,260)	(4,241)	(4,766)	(14,895)	-	(1,294,988)
Adjustments Related to Required Changes in Accounting Policies	4	(12)	(49)	(39)	(22)	-	-	(1)	-	(119)
Restated opening at 1 January 2023	(26,453)	(44,452)	(1,124,053)	(26,964)	(49,282)	(4,241)	(4,766)	(14,896)	-	(1,295,107)
Currency translation differences	(1,239)	(330)	(40,255)	(168)	195	(12)	-	200	-	(41,609)
Revaluation (**)	-	273	-	-	(447)	-	-	(109)	-	(283)
Charge of the year	(331)	(6,310)	(81,945)	(3,607)	(3,815)	(478)	(1,337)	(916)	-	(98,739)
Disposals	8	1,324	1,274	1,336	2,304	32	-	138	-	6,416
Closing balance as of 31 December 2023	(28,015)	(49,495)	(1,244,979)	(29,403)	(51,045)	(4,699)	(6,103)	(15,583)	-	(1,429,322)
Net book value as of 1 January 2023	207,708	140,819	795,444	22,636	11,486	1,918	15,859	4,884	10,205	1,210,959
Net book value as of 31 December 2023	220,288	135,573	792,656	22,495	14,220	2,501	14,522	4,666	82,720	1,289,641

(*) The amount consists of the aircraft used by subsidiary of the Company, Air Enka.

(**) As of 31 December 2023, Hotel building of OMKH is revalued by independent qualified valuer "Business Valuation Bureau LLC". Revaluation difference arising from difference between book value and fair value is netted off with the related deferred tax and classified as revaluation surplus and included under equity. Revaluations are made by discounted cash flow methods.

(***) Other reclassifications are classifications between sub-groups of fixed assets and have no effect on net book value of fixed assets.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

14. PROPERTY, PLANT AND EQUIPMENT (cont’d)

	Land and land improvements	Buildings and barracks	Machinery and equipment	Motor vehicles	Furniture and fixtures	Scaffolding and formworks	Aircraft (*)	Others	Construction in progress	Total
Cost										
Opening balance as of 1 January 2022	171,696	156,010	1,250,196	64,218	58,650	5,696	20,625	19,522	2,296	1,748,909
Hyperinflationary restatement to 1 January 2022	7,065	2,219	449,024	320	1,675	-	-	86	39	460,428
Restated opening at 1 January 2022	178,761	158,229	1,699,220	64,538	60,325	5,696	20,625	19,608	2,335	2,209,337
Currency translation differences	12,823	(1,083)	204,613	(543)	(590)	291	-	282	12	215,805
Revaluation	35,468	26,998	-	-	1,188	-	-	1,245	-	64,899
Additions	8,060	4,949	30,702	2,918	4,917	933	-	2,135	21,593	76,207
Disposals	-	(5,720)	(35,723)	(6,010)	(3,119)	(797)	-	(3,014)	(2,347)	(56,730)
Transfers	(947)	1,886	20,636	(11,342)	(1,975)	36	-	(477)	(11,388)	(3,571)
Transfers to intangible assets	-	-	-	-	-	-	-	-	-	-
Closing balance as of 31 December 2022	234,165	185,259	1,919,448	49,561	60,746	6,159	20,625	19,779	10,205	2,505,947
Accumulated depreciation										
Opening balance as of 1 January 2022	(14,947)	(40,374)	(702,177)	(34,696)	(48,228)	(3,897)	(3,430)	(13,742)	-	(861,491)
Hyperinflationary restatement to 1 January 2022	(7,627)	(513)	(241,223)	(323)	(1,500)	-	-	(65)	-	(251,251)
Restated opening at 1 January 2022	(22,574)	(40,887)	(943,400)	(35,019)	(49,728)	(3,897)	(3,430)	(13,807)	-	(1,112,742)
Currency translation differences	(3,582)	(319)	(111,861)	(219)	483	32	-	(175)	-	(115,641)
Revaluation (**)	-	-	-	-	(870)	-	-	(1,069)	-	(1,939)
Charge of the year	(428)	(7,102)	(84,076)	(4,472)	(3,319)	(973)	(1,336)	(1,824)	-	(103,530)
Other reclassifications(***)	-	-	(10,500)	8,595	1,679	(28)	-	254	-	-
Disposals	127	3,868	25,833	4,190	2,495	625	-	1,726	-	38,864
Closing balance as of 31 December 2022	(26,457)	(44,440)	(1,124,004)	(26,925)	(49,260)	(4,241)	(4,766)	(14,895)	-	(1,294,988)
Net book value as of 1 January 2022	156,749	115,636	548,019	29,522	10,422	1,799	17,195	5,780	2,296	887,418
Net book value as of 31 December 2022	207,708	140,819	795,444	22,636	11,486	1,918	15,859	4,884	10,205	1,210,959

(*) The amount consists of the aircraft used by subsidiary of the Company, Air Enka.

(**) As of 31 December 2022, Group’s investments in Turkey are revalued by “Denge Gayrimenkul Değerleme ve Danışmanlık A.Ş.” which is a CMB licensed independent valuation firm and hotel building of OMKH is revalued by independent qualified valuer “Business Valuation Bureau LLC”. Revaluation difference arising from difference between book value and fair value is netted off with the related deferred tax and classified as revaluation surplus and included under equity. Revaluations are made by discounted cash flow methods (***) Other reclassifications are classifications between sub-groups of fixed assets and have no effect on net book value of fixed assets.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

14. PROPERTY, PLANT AND EQUIPMENT (cont’d)

As of 31 December 2023, there is no security on the property, plant and equipment of the Group (31 December 2022 - None).

If the buildings were measured using the cost model, the carrying amounts would be as follows:

	31 December 2023	31 December 2022
Cost	344,682	302,080
Accumulated depreciation	(106,946)	(125,968)
Net book value	237,736	176,112

The distribution of depreciation expenses as of 31 December 2023 and 2022 is presented in Note 24.

As of 31 December 2023 and 2022 fair value hierarchy table of fixed asset is as follows:

	31 December 2023	Fair value as at 31 December 2023		
		Level 1	Level 2	Level 3
		USD	USD	USD
Lands	220,288	-	220,288	-
Buildings	135,573	-	-	135,573
Total	355,861	-	220,288	135,573

	31 December 2022	Fair value as at 31 December 2022		
		Level 1	Level 2	Level 3
		USD	USD	USD
Lands	207,708	-	207,708	-
Buildings	140,819	-	-	140,819
Total	348,527	-	207,708	140,819

There is no transition between second and third levels during the year.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

15. OTHER INTANGIBLE ASSETS

	1 January - 31 December 2023	1 January - 31 December 2022
<u>Cost</u>		
Opening balance	51,298	48,937
Adjustments Related to Required Changes in Accounting Policies	332	741
Restated opening at 1 January 2023	51,630	49,678
Currency translation difference	(108)	(110)
Additions	660	696
Transfers	1,097	1,046
Disposals	(18)	(12)
Closing balance	53,261	51,298
<u>Accumulated amortization</u>		
Opening balance	(34,624)	(29,999)
Adjustments Related to Required Changes in Accounting Policies	(222)	(588)
Restated opening at 1 January 2023	(34,846)	(30,587)
Currency translation difference	154	(76)
Charge of the year	(3,558)	(3,961)
Closing balance	(38,250)	(34,624)
Carrying value	15,011	16,674

As of 31 December 2023, there is no pledge on intangible assets (31 December 2022 - None).

The distribution of amortization expenses as of 31 December 2023 and 2022 is presented in Note 24.

	1 January - 31 December 2023	1 January - 31 December 2022
<u>Right of Use Assets</u>		
Opening balance	59,524	39,744
Currency translation difference	(83)	(356)
Revaluation of Buildings	-	18,731
Transfers	2,355	2,525
Depreciation	(2,033)	(1,120)
Closing balance	59,763	59,524

Çimtaş Gemi and Cintas Ningbo, subsidiaries of Çimtaş Steel, are located in Kocaeli Free Zone and Kocaeli Free Zone, respectively, Production sites located in Turkey and Ningbo Export Processing Zone, People's Republic of China. As a result of the lease, the related assets are recognized as Right of Use Assets in the financial statements.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

16. PREPAID EXPENSES AND DEFERRED INCOME

	31 December 2023	31 December 2022
<u>Short-term Prepaid Expenses</u>		
Advances given	220,994	213,212
Prepaid expenses	13,639	19,212
	234,633	232,424
<u>Long-term Prepaid Expenses</u>		
Advances given	6,976	100
Prepaid expenses	3,531	5,945
	10,507	6,045
<u>Short-term Deferred Income</u>		
Advances taken	341,518	318,525
Deferred income	45,838	40,259
	387,356	358,784
<u>Long-term Deferred Income</u>		
Advances taken	1,078	4,155
Deferred rent revenue	-	373
	1,078	4,528

As of 31 December 2023, the amount of advances received of subsidiaries and companies shares in joint operations is USD 336,415 (31 December 2022: USD 314,850).

17. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

	31 December 2023	31 December 2022
<u>Short-term accrued expenses</u>		
Accrual for construction costs	28,801	27,980
Provision for legal claims	11,123	10,840
Accrued expenses	3,332	3,153
Other accrued expenses	356	703
	43,612	42,676

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

18. COMMITMENTS**Operating lease commitments – Group as lessor**

The minimum future rental income of the Group under non-cancelable operating leases at 31 December 2023 and 2022 are as follows:

	31 December 2023	31 December 2022
Within one year	250,385	263,833
After one year but not more than five years	390,119	394,713
More than 5 years	67,475	97,040
	<u>707,979</u>	<u>755,586</u>

Litigations

As of 31 December 2023, there is not any litigation regarding the Group’s receivables (31 December 2022 – None).

The breakdown of letters of guarantee, guarantee notes given, mortgage and pledges (together referred to as Guarantees) by the Group as of 31 December 2023 and 2022 is as follows:

Letters of guarantee, guarantee notes given, mortgage and pledges	31 December 2023		31 December 2022	
	Original Currency	USD Equivalent	Original Currency	USD Equivalent
A. Total amount of guarantees provided by the Company on behalf of itself	-	814,389	-	870,087
-USD	132,827	132,827	235,647	235,647
-EUR	309,175	342,108	258,055	275,121
-TL	1,290,288	43,830	929,292	49,699
-Others (*)	-	295,624	-	309,620
B. Total amount for guarantees provided on behalf of subsidiaries accounted under full consolidation method	-	113	-	92,105
-USD	85	85	4,354	4,354
-EUR	-	-	-	-
-TL	822	28	822	44
-Others (*)	-	-	-	87,707
C. Provided on behalf of third parties in order to maintain operating activities (to secure third party payables)	-	-	-	-
D. Other guarantees given	-	-	-	-
i. Total amount of guarantees given on behalf of the parent company	-	-	-	-
ii. Total amount of guarantees provided on behalf of the associates which are not in the scope of B and C	-	-	-	-
iii. Total amount of guarantees provided on behalf of third parties which are not in the scope of C	-	-	-	-
		<u>814,502</u>		<u>962,192</u>

(*) U.S Dollar equivalents of letters of guarantee, guarantee notes given, mortgage and pledges other than USD, TL and EUR.

As of 31 December 2023 the portion of other guarantess given to shareholders’ equity is 0% (31 December 2022 - 0%).

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

19. PROVISIONS FOR EMPLOYEE BENEFITS**a) Short-term employee benefits****Liabilities with the scope of employee benefits**

	31 December 2023	31 December 2022
Payroll payable and related taxes	24,679	17,427
	<u>24,679</u>	<u>17,427</u>

Short-term provisions related to employee benefits

	31 December 2023	31 December 2022
Bonus accrual	6,388	3,366
Vacation pay liability	6,885	6,255
	<u>13,273</u>	<u>9,621</u>

b) Long-term employee benefits

In accordance with existing social legislation, the Company and its subsidiaries incorporated in Turkey are required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days’ pay limited to a maximum of full TL 23,489.83 equivalent to full USD 798 (31 December 2022 - full TL 15,371.40 equivalent to full USD 822) per year of employment at the rate of pay applicable at the date of retirement or termination.

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. IAS 19 requires actuarial valuation methods to be developed to estimate the enterprise’s obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 31 December 2023, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated , assuming an annual inflation rate of 28.43% and a discount rate of 2.47% (31 December 2022 – 2%).

Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration. Retirement ceiling pay revised each six month period basis and ceiling amount of full TL 35,058.58 equivalent to full USD 1,191 which is in effect since 1 January 2024 is used in the calculation of Groups’ provision for retirement pay liability (1 January 2023 – full TL 19,982.83 equivalent to full USD 1,069).

Movements of the provision for employee termination benefits for the years ended 31 December 2023 and 2022 are as follows:

	1 January - 31 December 2023	1 January - 31 December 2022
Opening balance	19,218	9,172
Service cost	7,086	4,507
Actuarial loss	5,726	3,262
Retirement benefits paid	(4,759)	(826)
Currency translation difference	(8,238)	3,103
Closing balance	<u>19,033</u>	<u>19,218</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

20. OTHER ASSETS AND LIABILITIES

	31 December 2023	31 December 2022
Other current assets		
Deferred VAT	12,219	21,958
VAT receivable	16,042	33,610
Prepaid taxes and funds	5,659	4,487
Other	4,789	2,321
	<u>38,709</u>	<u>62,376</u>

	31 December 2023	31 December 2022
Other current liabilities		
VAT payable	47,361	27,238
Taxes and funds payable	7,248	9,471
Other	1,497	3,056
	<u>56,106</u>	<u>39,765</u>

21. SHARE CAPITAL AND RESERVES**a) Share capital**

The shareholders of the Group and their percentage of ownership as of 31 December 2023 and 2022 is as follows:

	31 December 2023		31 December 2022	
	Percentage of ownership	Amount	Percentage of ownership	Amount
Tara Holding A.Ş.	49.80%	1,370,475	49.80%	1,370,475
Vildan Gülçelik	7.99%	219,931	7.99%	219,931
Sevda Gülçelik	6.43%	176,951	6.43%	176,951
Enka Spor Eğitim ve Sosyal Yardım Vakfı	5.87%	161,540	5.87%	161,540
Other	29.91%	823,061	29.91%	823,061
	<u>100%</u>	<u>2,751,958</u>	<u>100%</u>	<u>2,751,958</u>
Purchase of treasury shares (*)		<u>(126,701)</u>		<u>(127,194)</u>
		<u>2,625,257</u>		<u>2,624,764</u>

(*) Group’s buyback transactions have reached 137,256,418 shares (2022 – 139,217,400) in 2022.

As of 31 December 2023, 8.58% of the shares of Enka İnşaat is traded publicly in İstanbul Stock Exchange (ISE).

Within the above mentioned shares, founders of Enka İnşaat and former Enka Holding have one thousand founders share each. The founder shares of Enka İnşaat and the founder shares of former Enka Holding are entitled to receive, 5% and 2.5%, respectively, of the net income after the deduction of legal reserve and the first dividends.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

21. SHARE CAPITAL AND RESERVES (cont’d)**b) Revaluation surplus****Revaluation fund**

Revaluation difference arising from difference between book value and fair value of the buildings is netted off with the related deferred tax and classified as revaluation surplus and included under equity.

The movement of revaluationf fund for the years 2023 and 2022 is as follows:

	1 January- 31 December 2023	1 January- 31 December 2022
Opening balance	188,672	110,445
Adjustments Related to Required Changes in Accounting Policies	-	3,416
Restated openning at 1 January 2023	188,672	113,861
Currency translation difference	2,041	3,188
Revaluation of fixed assets	474	77,327
Deferred tax effect of revaluation of fixed assets	(363)	(5,330)
Transfer of depreciation difference (net of deferred tax) of revaluation effect	(202)	(374)
Closing balance	<u>190,622</u>	<u>188,672</u>

Financial Risk Hedge Fund

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the relevant accounting policy.

c) Legal reserves and accumulated profit

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the company’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital. Dividend distributions are made in TL in accordance with its Articles of Association, after deducting taxes and setting aside the legal reserves as discussed above.

Listed companies in Turkey make profit distributions in accordance with the regulations of CMB.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

21. SHARE CAPITAL AND RESERVES (cont'd)**c) Legal reserves and accumulated profit (cont'd)**

Equity inflation adjustment and carrying value of extraordinary reserves can be used in free capital increase, cash profit distribution and loss deduction. However, equity inflation adjustment is subject to corporate tax if it is used in cash profit distribution.

As of 31 December 2023, legal reserves of Enka İnşaat are amounting to TL 2,418,304 equivalent to USD 82,149 (31 December 2022 – TL 2,190,299 equivalent to USD 117,139).

The movement of the share capital (in numbers and in historical TL) of the Group during 31 December 2023 and 2022 is as follows:

	31 December 2023		31 December 2022	
	Number	TL	Number	TL
At 1 January,	5,860,782,600	5,860,782	5,461,886,335	5,461,886
Bonus shares issued out of general reserve	-	-	390,134,738	390,135
Treasury shares	1,960,982	1,961	8,761,527	8,762
	<u>5,862,743,582</u>	<u>5,862,743</u>	<u>5,860,782,600</u>	<u>5,860,783</u>

d) Remeasurement of defined benefit plans

As a result of adoption of IAS 19, actuarial gains and losses are recognized as other comprehensive income.

22. REVENUE AND COST OF REVENUE

Revenue	1 January - 31 December 2023	1 January - 31 December 2022
Domestic sales	1,621,449	2,059,161
Export sales	<u>1,604,480</u>	<u>1,710,353</u>
	<u>3,225,929</u>	<u>3,769,514</u>
Cost of Revenue	1 January - 31 December 2023	1 January - 31 December 2022
Cost of domestic sales	1,404,686	1,827,946
Cost of export sales	<u>1,153,533</u>	<u>1,096,471</u>
	<u>2,558,219</u>	<u>2,924,417</u>

Segmental information of the Group is disclosed in Note 5.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

23. MARKETING, SALES, DISTRIBUTION AND ADMINISTRATIVE EXPENSES

	1 January - 31 December 2023	1 January - 31 December 2022
Administrative expenses	136,550	87,955
Marketing, sales and distribution expenses	24,406	22,292
	<u>160,956</u>	<u>110,247</u>

a) Marketing, sales and distribution expenses

	1 January - 31 December 2023	1 January - 31 December 2022
Employee benefit expenses	18,821	16,684
Advertisement & Commission Expenses	2,254	1,974
Transportation expenses	698	851
Office expenses	769	523
Business development expenses	89	156
Depreciation and amortization expenses (Note 24)	565	343
Other	1,210	1,761
	<u>24,406</u>	<u>22,292</u>

b) General administrative expenses

	1 January - 31 December 2023	1 January - 31 December 2022
Employee benefit expenses	106,569	58,704
Consulting and legal expenses	3,302	3,192
Depreciation and amortization expenses (Note 24)	4,955	4,274
Insurance expense	4,684	3,779
Transportation expenses	5,160	3,922
Office Expenses	2,811	1,758
Rent expenses	238	205
Other	8,831	12,121
	<u>136,550</u>	<u>87,955</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

24. EXPENSES BY NATURE

Depreciation and amortization expenses are detailed below:

	1 January - 31 December 2023	1 January - 31 December 2022
<u>Depreciation expenses</u>		
Cost of revenues	91,256	99,055
Selling and administrative expenses	5,250	4,475
Other operating expense	2,233	-
	<u>98,739</u>	<u>103,530</u>
<u>Amortization expenses</u>		
Cost of revenues	3,288	3,819
Selling and administrative expenses	270	142
	<u>3,558</u>	<u>3,961</u>
	<u>102,297</u>	<u>107,491</u>

Employee benefit expenses are detailed below:

	1 January - 31 December 2023	1 January - 31 December 2022
Wages and salaries	322,772	252,068
Social security costs	85,607	59,066
Provision for employee termination benefits (Note 19)	7,086	4,507
Other benefits	7,865	4,965
	<u>423,330</u>	<u>320,606</u>

25. OTHER OPERATING INCOME / EXPENSES

	1 January - 31 December 2023	1 January - 31 December 2022
<u>Other operating income</u>		
Foreign exchange gains from trade receivables	53,863	21,951
Machinery and other rent income	2,031	566
Repaired spare parts gained as an inventory	2	371
Compensation income*	21,802	7,787
Insurance compensation income	9,597	1,005
Service income	3,564	436
Collection of doubtful receivables (Note 9)	52	81
Commission income	186	-
Other	9,523	2,630
	<u>100,620</u>	<u>34,827</u>

* These are the contract cancellation compensations obtained from the customers by the Group's subsidiaries in the real estate sector.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

25. OTHER OPERATING INCOME / EXPENSES (cont'd)

	1 January - 31 December 2023	1 January - 31 December 2022
<u>Other operating expense</u>		
Foreign exchange losses from trade receivables	38,236	23,955
Donations	5,984	5,773
Litigation provisions	1,968	3,998
Tax penalties	953	3,008
Capital increase expense	307	242
Provision for doubtful receivables (Note 9)	127	51
Disposal from fixed assets	554	961
Rent expense	-	382
Other	14,146	10,019
	<u>62,275</u>	<u>48,389</u>

26. INVESTMENT INCOME / EXPENSES

	1 January - 31 December 2023	1 January - 31 December 2022
<u>Income from investing activities</u>		
Interest income from financial investments	49,830	63,175
Increase in value of financial investments	294,152	-
Increase in the fair value of investment properties	49,624	38,823
Income from sale of securities	132,627	150,213
Foreign exchange income from investing activities	22,386	21,236
Dividend income	19,893	23,809
Gains from sales of property, plant and equipment	3,907	6,482
	<u>572,419</u>	<u>303,738</u>
<u>Expenses from investing activities</u>		
Decrease in the fair value of investment properties	(42,798)	(122,097)
Losses from valuation of investment securities*	-	(623,113)
Foreign exchange losses from investing activities	(12,579)	(68,914)
Losses from sale of securities	(151,420)	(64,945)
Loss from sales of property, plant and equipment	(72)	(1,002)
	<u>(206,869)</u>	<u>(880,071)</u>

**"Losses from valuation of investment securities" classified under Expenses from Investing Activities is the valuation loss resulting from valuation of Financial Investment amounting to USD 3,964,569 in the Group's balance sheet within the scope of IFRS 9. The breakdown of this valuation loss by financial assets is as follows.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

26. INVESTMENT INCOME / EXPENSES (cont'd)

	31 December 2023	31 December 2022
Financial assets at fair value through profit or loss		
Private sector bonds	13,010	(83,375)
Foreign Government bonds	115,946	(135,597)
Equity securities	139,306	(284,599)
Turkish Government bonds	936	(16,961)
Mutual funds	24,954	(102,581)
	<u>294,152</u>	<u>(623,113)</u>

27. FINANCIAL INCOME

	1 January - 31 December 2023	1 January - 31 December 2022
Foreign exchange gains	41,653	75,820
Interest income	34,537	49,677
Forward transactions income	3,019	9,391
	<u>79,209</u>	<u>134,888</u>

28. FINANCIAL EXPENSES

	1 January - 31 December 2023	1 January - 31 December 2022
Bank commission expenses	8,852	8,382
Foreign exchange losses	43,090	37,852
Forward transactions losses	5,685	10,410
Interest expenses	3,630	7,154
Commission expenses of letters of guarantee	1,970	1,685
	<u>63,227</u>	<u>65,483</u>

29. ASSETS HELD FOR SALE**Lands and buildings held for sale**

As of 31 December 2023, assets held for sale comprise of lands and buildings obtained by Enka Pazarlama and Enka Kazakhstan Branch in consideration of their doubtful receivables and are amounting to USD 14,175 (31 December 2022 – USD 16,533).

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

30. TAXATION ON INCOMECorporate Tax

The Company and its subsidiaries are subject to tax legislation and practices effective in Turkey. Corporate tax is declared until the evening of the last day of the fourth month following the end of the relevant period and is paid in one installment until the end of the relevant month. Corporations are required to calculate advance tax at the current rate on their quarterly taxable profits, declare it until the 17th day of the second month following the period and pay it until the evening of the 17th day. Advance taxes paid during the year are offset against the corporate tax calculated on the annual corporate tax return for that year. If there is an amount of advance tax paid despite the offset, this amount can be refunded in cash or offset against other tax liabilities.

As of 31 December 2022, the general corporate tax rate applied to the legal tax base, which is calculated by adding non-deductible expenses and deducting exemptions in accordance with tax laws to the commercial income of corporations in Turkey, was 20%. However, according to the Article 21 of the "Law on the Amendment of Certain Laws and the Decree Law No. 375 on the Amendment of Certain Laws and the Decree Law No. 375 on Additional Motor Vehicles Tax for the Compensation of the Economic Losses Caused by the Earthquakes Occurring on 6/2/2023" published in the Official Gazette dated 15 July 2023 and numbered 32249. In accordance with the amendments made in Article 32 of the Corporate Tax Law No. 5520 regulating the corporate tax rate, the general rate applied in corporate tax has been increased from 20% to 25% starting from the declarations to be submitted as of 1 October 2023. Accordingly, the Company and its subsidiaries in Turkey have used the tax rate of 25% in the calculation of the period tax for the year 2023.

Within the scope of this change, the tax rate used in deferred tax calculation as of December 31, 2023 is 25%. (December 31, 2022: 20%).

As of 31 December 2021, the conditions required for the inflation adjustment of the financial statements as of 31 December 2021 have been met in accordance with Article 298 of the Tax Procedure Law. However, in accordance with the provisional article 33 of the Tax Procedure Law numbered 213 with the Law numbered 7352 "Law on Amendments to the Tax Procedure Law and Corporate Tax Law" published in the Official Gazette dated 29 January 2022 and numbered 31734:

- Repeated financial statements will not be subject to inflation adjustment for the 2021 and 2022 accounting periods and the temporary tax periods of the 2023 accounting period, regardless of whether the conditions for inflation adjustment under Article 298 are met, including the temporary tax periods

- The financial statements dated 31 December 2023 will be subject to inflation correction in a way that will not affect the corporate tax base,

According to the "General Communiqué on Tax Procedure Law No. 555" published in the Official Gazette dated 30 December 2023 and numbered 32415 and the repeated article 298 of the Tax Procedure Law No. 213, it is essential that the financial statements of the enterprises operating in Turkey for the 2023 accounting period are subject to inflation adjustment. The inflation adjusted financial statements will constitute an opening balance sheet base in the tax returns to be prepared as of 1 January 2024 and the effects of inflation will not be taken into consideration in the calculation of the period tax for 2023.

In accordance with the provisional Article 33 of the Tax Procedure Law, the tax effects arising from the inflation adjustment of the financial statements as of 31 December 2023 are included in the deferred tax calculation as of 31 December 2023.

Turkish tax legislation does not allow the parent company to file a tax return based on the consolidated financial statements. Therefore, provision for taxes in previous periods, as reflected in the financial statements, has been calculated on a separate-entity basis.

According to the Tax Procedure Law, financial losses can be carried for a maximum of five years. Tax authorities may inspect tax returns and the related accounting records and may revise assessments within five years.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

30. TAXATION ON INCOME (cont'd)

Dividend payments made to resident institutions in Turkey, except to those who are not liable and exempt from corporate tax and income tax, and to real persons and non-resident institutions in Turkey are subject to 10% income tax.

Dividend payments made from residing institutions in Turkey to residing institutions in Turkey is not subject to income tax. In addition, income tax is not calculated if the profit is not distributed or added to the capital.

Dividend earnings of corporations from participation in another fully liable corporation are exempt from corporate tax. In addition, 75% of the income derived by entities from the sale of participation shares, immovable property, preferential rights, founders' shares and redeemed shares which are recognised in assets at least for two years is exempt from corporate tax. However, according to the amendments with Law numbered 7061, this rate has been reduced from 75% to 50% in terms of immovables and this rate is used as 50% in tax returns to be prepared as of 2018. In addition, as of 15 July 2023, the 50% tax exemption stipulated in Law No. 5520 for gains on the sale of immovable property has been abolished. However, this exemption will be applied as 25% for the sales of immovable properties included in the assets of the enterprises before 15 July 2023.

In order to benefit from the exemption, the relevant income should be kept under a fund account in liabilities and should not be withdrawn from the enterprise for 5 years. The sales amount should be collected by the end of the second calendar year following the year of sale.

In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns within four months following the close of the accounting year to which they relate. Tax authorities may, however, inspect tax returns and the related accounting records and may revise assessments within five years.

Income Tax Withholding

There is a withholding tax liability on dividend distributions and this withholding tax liability is declared in the period in which the dividend is paid in cash or on account. Dividend payments are subject to a 15% withholding tax until 22 December 2021, except for non-resident companies that generate income through a workplace or their permanent representative in Turkey, and those made to companies residing in Turkey. However, in accordance with the Presidential Decision No. 4936, published in the Official Gazette dated 22 December 2021 and numbered 31697, the withholding tax rate of 15% has been reduced to 10%.

In the application of withholding tax rates for profit distributions to non-resident companies and real persons, the withholding tax rates in the relevant Double Taxation Prevention Agreements are also taken into account. The addition of retained earnings to the capital is not considered a profit distribution, therefore it is not subject to withholding tax.

Transfer Pricing Regulations:

In Turkey, transfer pricing regulations are specified in Article 13 of the Corporate Tax Law, titled "Disguised profit distribution through transfer pricing". The communiqué dated 18 November 2007 on disguised profit distribution through transfer pricing regulates the details of the implementation.

If the taxpayer buys or sells goods or services with related parties at the price they have determined in violation of the arm's length principle, the profit is deemed to have been distributed implicitly through transfer pricing in whole or in part. Disguised profit distribution through such transfer pricing is considered a non-deductible expense for corporate tax.

Deferred Tax:

The Group recognizes deferred tax assets and liabilities for temporary timing differences arising from differences between its statutory tax consolidated financial statements and its consolidated financial statements prepared in accordance with IFRS. These differences generally arise from the fact that some income and expense items are included in different periods in the consolidated tax financial statements and the consolidated financial statements prepared in accordance with IFRS, and the differences in question are stated below.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

30. TAXATION ON INCOME (cont'd)**Tax legislations in other countries**

As of 31 December 2023 and 2022 effective corporation tax rate in other countries are as follows:

	31 December 2023	31 December 2022
Russia	20%	20%
Netherlands	25%	25%
Kazakhstan	28% - 32%	28% - 32%
Iraq	15% - 35%	15% - 35%
Romania	16%	16%
Oman	12%	12%
Kosovo	10%	10%
Serbia	15%	15%
North Macedonia	10%	10%

	1 January - 31 December 2023	1 January - 31 December 2022
Consolidated statement of profit or loss		
Current corporate tax	(168,438)	(187,710)
Deferred tax expense	16,518	92,744
	<u>(151,920)</u>	<u>(94,966)</u>

The movement of the current income tax liability is given as follows:

	2023	2022
1 January	59,001	27,368
Current year tax expense	168,438	187,710
Taxes paid	<u>(192,489)</u>	<u>(156,077)</u>
31 December	<u>34,950</u>	<u>59,001</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

30. TAXATION ON INCOME (cont'd)

A reconciliation of the nominal (on the basis of the income tax rate of the Company and the Turkish subsidiaries) to the effective tax rate for the years ended 31 December 2023 and 2022 is provided below:

	1 January - 31 December 2023		1 January - 31 December 2022	
Profit before tax	895,751		111,106	
Tax per statutory tax rate	223,938	23%	25,223	23%
Jobsites exempt from income tax	(14,424)	(%1.4)	304	0.2%
Effect of different functional currencies and others	(57,594)	(%6,6)	69,439	63,3%
	<u>151,920</u>	<u>17%</u>	<u>94,966</u>	<u>86,6%</u>
Taxation charge				

As of 31 December 2023 and 2022, the breakdown of temporary differences which give rise to deferred taxes is as follows:

	31 December 2023	31 December 2022
Remeasurement and revaluation of property, plant and equipment, intangible assets and investment property	(379,498)	(378,390)
GE Inventory in the context of "PSA" (*)	(12,047)	(14,274)
Adjustments on financial instruments	(18,650)	(64,187)
Others	<u>(48)</u>	<u>(271)</u>
Gross deferred income tax liabilities	<u>(410,243)</u>	<u>(457,122)</u>
Allowance for retirement pay liability	2,598	2,183
Others	7,033	14,239
Gross deferred income tax assets	<u>9,631</u>	<u>16,422</u>
Net deferred tax liability	<u>(400,612)</u>	<u>(440,700)</u>

(*) Implies deferred tax liabilities estimated from temporary differences related to "Parts and Services Agreement" (PSA) made with the Group's spare part supplier General Electric (GE).

Deferred tax is reflected in the statement of financial position as:

	31 December 2023	31 December 2022
Deferred tax assets	3,226	21,563
Deferred tax liabilities	<u>(403,838)</u>	<u>(462,263)</u>
Net deferred liabilities	<u>(400,612)</u>	<u>(440,700)</u>

Total amount of temporary differences and deferred tax liabilities which have not been recognized as of 31 December 2023 related with Group's shares in its subsidiaries, branches and associates is USD 1,358,377 (31 December 2022 - USD 3,017,187).

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

30. TAXATION ON INCOME (cont'd)

As of 31 December 2023 and 2022, movement of net deferred tax asset (liability) can be presented as follows:

	2023	2022
Balance at 1 January	440,700	450,272
Deferred income tax expense recognized in consolidated statement of (profit)/ loss	(16,518)	(92,744)
Deferred income tax expense recognized in equity	(782)	4,678
Currency translation difference	<u>(22,788)</u>	<u>78,494</u>
31 December	<u>400,612</u>	<u>440,700</u>

As of 31 December 2023 and 2022, the breakdown of deferred taxes which are recognised in other comprehensive income is as follows:

	31 December 2023			31 December 2022		
	Deferred tax Before Taxation	(expense)/ income	Netted-off deferred tax	Deferred tax Before Taxation	(expense)/ income	Netted-off deferred tax
Change in revaluation of buildings	2,019	(363)	1,656	77,327	(5,330)	71,997
Revaluation loss of defined benefit plans	(5,726)	1,145	(4,581)	(3,262)	652	(2,610)
Changes in fair value of financial assets	(28)	-	(28)	268	-	268
Changes in currency translation differences	(189,313)	-	(189,313)	90,664	-	90,664
	<u>(193,048)</u>	<u>782</u>	<u>(192,266)</u>	<u>164,997</u>	<u>(4,678)</u>	<u>160,319</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

31. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“Bonus Shares”) to existing shareholders without consideration for amounts resolved to be transferred to share capital from retained earnings and revaluation surplus. For the purpose of the EPS calculation such bonus share issues are regarded as stock dividends. Dividend payments, which are immediately reinvested in the shares of the Company, are regarded similarly. Accordingly the weighted average number of shares used in EPS calculation is derived by giving retroactive effect to the issue of such shares without consideration through 31 December 2023.

	31 December 2023	31 December 2022
Earning per share		
- ordinary share certificate (full USD)	0.12	0.00
- founder shares (*)	-	-
Weighted average number of share certificates		
(nominal value of 1 TL each)	5,862,743,582	5,860,782,600
- ordinary share certificate	5,860,782,600	5,852,021,073
-treasury shares	1,960,982	8,761,527
- founder shares		

(*) Since 2023 profit distribution was not determined as of the date of the preparation date of the consolidated financial statements, total of the earnings per share is reflected on ordinary share certificates.

32. RELATED PARTY BALANCES AND TRANSACTIONS**Related parties**

The Group is controlled by Tara Holding (49.80%) (31 December 2022 – 49.80%) and Tara and Gülçelik families (28.40%) (31 December 2022 – 28.40%). For the purposes of the consolidated financial statements, balances with the shareholder companies, individual shareholders, unconsolidated subsidiaries, associated companies, equity participations and their affiliates are referred to as “related parties”. Related parties also include management and members of the Group’s Board of Directors.

In the course of conducting business, the Group conducted various business transactions with related parties on commercial terms. The breakdown of balances with related parties and details of significant related party transactions are as follows:

	31 December 2023		31 December 2022	
	Receivables	Payables	Receivables	Payables
Shareholders	-	1	-	7
Enka Spor Kulübü	22	-	-	-
	<u>22</u>	<u>1</u>	<u>-</u>	<u>7</u>

As of 31 December 2023, the Group gained USD 4.79 rent income from related parties (31 December 2022 - USD 3.98). As of 31 December 2023 the Group does not have any sales to related parties (2022 - None).

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

32. RELATED PARTY BALANCES AND TRANSACTIONS (cont’d)**Top management’s remuneration**

The total wages paid for the members of Board of Directors of the Group is amounting to USD 6,984 (31 December 2022 - USD 4,140), the social security payments and retirement pay provisions are USD 735 (31 December 2022 – USD 514) and USD 73 (31 December 2022– USD 134) respectively. Total wages paid for the general manager, general coordinators and vice general managers of the Group (except BOD members), is amounting to USD 18,679 (31 December 2022 – USD 11,360), the social security payment and retirement pay provisions are USD 1,263 (31 December 2022 – USD 1,109) and USD 1,018 (31 December 2022 – USD 1,109) respectively.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s principal financial instruments comprise bank loans, investment securities, lease obligations, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group’s operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group’s financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The management reviews and agrees policies for managing each of these risks. The Group monitors the market price risk arising from all financial instruments periodically.

Capital risk management

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. Capital structure of the Group comprises from liabilities, cash and cash equivalents, paid-in capital and legal reserves explained in Note 21.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or the shareholders may make a direct cash contribution of the needed working capital to the Group. No changes were made in the objectives, policies or processes during the years ended 31 December 2023 and 2022.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including ‘current and non-current borrowings’ as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as ‘equity’ as shown in the consolidated statement of financial position plus net debt.

Total Assets / Total Equity

	31 December 2023	31 December 2022
Cash, cash equivalents and financial assets	5,194,655	4,597,104
Less: Total Financial Liabilities	121,840	188,444
Net Assets	5,072,815	4,408,660
Equity	7,423,475	6,903,896
Equity - Net Assets	2,350,660	2,495,236
Total Net Assets to Equity Ratio	<u>68.33%</u>	<u>63.86%</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)**Financial risk factors****Interest risk**

The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s debt obligations with floating interest rates. The Group is managing interest risk that arises from assets and liabilities sensitive to interest risk by using balancing assets and liabilities.

Foreign currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Euro, Russian Ruble and also U.S Dollar which arises from the liabilities belonging to the companies in the consolidation scope, whose the functional currency is not U.S Dollar.

The Group is engaged in construction, trading, energy and real estate operations business in several countries and, as a result, is exposed to movements in foreign currency exchange rates. In addition to transactional exposures, the Group is also exposed to foreign exchange movements on its net investments in foreign subsidiaries. The Group manages foreign currency risk by using natural hedges that arise from offsetting foreign currency denominated assets and liabilities.

The foreign currency risk of the Group arises from the credits used in U.S. Dollars, Euro and JPY. In order to mitigate the risk, the Group continuously monitors its cash inflows/outflows and also uses financial instruments to hedge the risk when it is necessary.

The following table details the Group’s foreign currency position as at 31 December 2023 and 2022:

	31 December 2023	31 December 2022
A. Assets denominated in foreign currency	1,152,087	1,031,849
B. Liabilities denominated in foreign currency	(447,200)	(517,706)
Net foreign currency position (A+B)	<u>704,887</u>	<u>514,143</u>

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)**Financial risk factors (cont’d)****Foreign currency risk (cont’d)**

The Group’s foreign currency position at 31 December 2023 and 2022 is as follows (non monetary items are not included in the table as they don’t have foreign currency risk):

	31 December 2023						
	TL	USD Equivalent	Euro	USD Equivalent	Other USD (*)	USD (**)	Total USD Equivalent
Cash and cash equivalents	118,745	4,034	163,795	181,239	157,406	24,377	367,056
Financial investments	2,401,026	81,562	116,351	128,742	181,766	-	392,070
Trade and other receivables	189,916	6,451	96,985	107,314	48,659	3,932	166,356
Other current assets	166,172	5,645	96,889	107,208	30,033	53,719	196,605
Current assets	2,875,859	97,692	474,020	524,503	417,864	82,028	1,122,087
Financial investments	-	-	-	-	12,067	-	12,067
Trade and other receivables	-	-	8,635	9,555	-	-	9,555
Other non-current assets	38,294	1,301	1	2	7,072	3	8,378
Non-current assets	38,294	1,301	8,636	9,557	19,139	3	30,000
Total assets	2,914,153	98,993	482,656	534,060	437,003	82,031	1,152,087
Short-term borrowings	-	-	-	-	27	-	27
Trade and other payables	631,952	21,467	64,013	70,831	186,082	22,389	300,769
Other current liabilities and accrued expenses	1,049,817	35,662	5,730	6,341	76,328	12,934	131,265
Current liabilities	1,681,769	57,129	69,743	77,172	262,437	35,323	432,061
Trade and other payables	-	-	-	-	-	-	-
Long-term borrowings	-	-	172	190	11,816	20	12,026
Other non-current liabilities	-	-	-	-	-	3,113	3,113
Non-current liabilities	-	-	172	190	11,816	3,133	15,139
Total liabilities	1,681,769	57,129	69,915	77,362	274,253	38,456	447,200
Net foreign currency position	1,232,384	41,864	412,741	456,698	162,750	43,575	704,887
Net notional amount of derivatives	-	-	35,000	38,728	-	-	38,728

(*) U.S.Dollar equivalents of the foreign currency balances other than TL and Euro.

(**) U.S.Dollar balances of consolidated subsidiaries and joint ventures whose functional currency is other than U.S.Dollar.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)**Financial risk factors (cont’d)****Foreign currency risk (cont’d)**

	31 December 2022						Total USD Equivalent
	TL	USD Equivalent	Euro	USD Equivalent	Other USD (*)	USD (**)	
Cash and cash equivalents	395,193	21,135	72,891	77,709	114,886	18,838	232,568
Financial investments	2,229,569	119,239	148,456	158,269	203,482	-	480,990
Trade and other receivables	196,646	10,517	42,884	45,719	46,497	5,492	108,225
Other current assets	105,423	5,638	12,635	13,470	84,525	44,910	148,543
Current assets	2,926,831	156,529	276,866	295,167	449,390	69,240	970,326
Financial investments	-	-	34,043	36,293	11,010	-	47,303
Trade and other receivables	-	-	8,962	9,555	-	-	9,555
Other non-current assets	24,790	1,326	99	106	3,230	3	4,665
Non-current assets	24,790	1,326	43,104	45,954	14,240	3	61,523
Total assets	2,951,621	157,855	319,970	341,121	463,630	69,243	1,031,849
Short-term borrowings	-	-	42,222	45,013	562	-	45,575
Trade and other payables	211,782	11,326	82,149	87,579	225,674	16,300	340,879
Other current liabilities and accrued expenses	372,067	19,898	345	368	76,403	15,862	112,531
Current liabilities	583,849	31,224	124,716	132,960	302,639	32,162	498,985
Trade and other payables	-	-	-	-	-	-	-
Long-term borrowings	-	-	-	-	15,067	-	15,067
Other non-current liabilities	-	-	-	-	-	3,654	3,654
Non-current liabilities	-	-	-	-	15,067	3,654	18,721
Total liabilities	583,849	31,224	124,716	132,960	317,706	35,816	517,706
Net foreign currency position	2,367,772	126,631	195,254	208,161	145,924	33,427	514,143
Net notional amount of derivatives	-	-	100,000	106,610	-	-	106,610

(*) U.S.Dollar equivalents of the foreign currency balances other than TL and Euro.

(**) U.S.Dollar balances of consolidated subsidiaries and joint ventures whose functional currency is other than U.S.Dollar.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)**Financial risk factors (cont’d)****Foreign currency risk (cont’d)**

The details of the forward contracts and sales-purchase agreements are explained in Note 17 in order to manage Group’s foreign currency position.

The following table demonstrates the sensitivity to reasonably possible increase of 10% in the exchange rates against functional currency, with all other variables held constant, of the Group’s consolidated statement of profit or loss.

The following table details the Group’s foreign currency sensitivity as at 31 December 2023 and 2022:

	31 December 2023		31 December 2022	
	Profit / (loss)		Profit / (loss)	
	Valuation of foreign currency	Devaluation of foreign currency	Valuation of foreign currency	Devaluation of foreign currency
<i>In the case of TL gaining 10% value against US Dollar</i>				
1- TL net asset / (liability)	4,186	(4,186)	12,663	(12,663)
2- Portion hedged against TL risk (-)	-	-	-	-
3- TL net effect (1+2)	4,186	(4,186)	12,663	(12,663)
<i>In the case of Euro gaining 10% value against US Dollar</i>				
4- Euro net asset / (liability)	45,670	(45,670)	20,816	(20,816)
5- Portion hedged against Euro risk (-)	3,873	(3,873)	10,661	(10,661)
6- Euro net effect (4+5)	49,543	(49,543)	31,477	(31,477)
<i>In the case of other foreign currencies gaining 10% value against US Dollar</i>				
7- Other foreign currency net asset / (liability)	16,275	(16,275)	14,592	(14,592)
8- Portion hedged against other foreign currency risk (-)	-	-	-	-
9- Other foreign currency net effect (7+8)	16,275	(16,275)	14,592	(14,592)
Total (3+6+9)	70,004	(70,004)	58,732	(58,732)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties.

Concentrations of credit risk arise when a number of counterparties are engaged in similar business activities or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Group seeks to manage its credit risk exposure through diversification of sales activities to avoid undue concentrations of risks with individuals or groups of customers in specific locations or businesses. It also obtains security when appropriate. It is the Group’s policy to enter into financial instruments with a diversity of creditworthy counterparties. Therefore, the Group does not expect to incur material credit losses on its risk management or other financial instruments.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Financial risk factors (cont'd)

Credit risk (cont'd)

	Receivables					Derivative instruments	Bank deposits	Financial assets at fair value through profit or loss (**)
	Trade receivables		Other receivables		3rd party			
	Related party	3rd party	Related party	3rd party				
31 December 2023								
The maximum amount of exposure to credit risk at the end of the reporting period (A+B+C+D+E)								
- Total receivable that have been secured with collaterals, other credit enhancements etc.	-	363,282	22	13,413	1,228,734	-	2,992,701	
A. Financial assets that are either past due or impaired	-	31,606	-	-	-	-	2,992,701	
B. The amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated	-	340,911	22	13,413	1,228,734	-		
C. The amount of financial assets that are past due as at the end of the reporting period but not impaired.	-	22,371	-	-	-	-		
- The amount that have been secured with collaterals, other credit enhancements etc.	-	22,371	-	-	-	-		
D. The amount of financial assets that are impaired	-	7,767	-	-	-	-		
- Past due (Gross book value)	-	(7,767)	-	-	-	-		
- The amount of impairment (-)	-		-	-	-	-		
- The amount that have been secured with collaterals, other credit enhancements etc.	-		-	-	-	-		
- Not past due (Gross book value)	-		-	-	-	-		
- The amount of impairment (-)	-		-	-	-	-		
E. Off balance sheet credit risk amount	-		-	-	-	-		
		Bank deposits	Derivative instruments	Other				
31 December 2023								
Overdue between 1 to 30 days	472	-	-	-	-	-		
Overdue between 1 to 3 months	19,120	-	-	-	-	-		
Overdue between 3 to 12 months	2,664	-	-	-	-	-		
Overdue between 1 to 5 years	99	-	-	-	-	-		
Overdue over 5 years	16	-	-	-	-	-		
	22,371	-	-	-	-	-		

(**) Equity securities are excluded since they do not expose any credit risk.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

Financial risk factors (cont'd)

Credit risk (cont'd)

31 December 2022	The maximum amount of exposure to credit risk at the end of the reporting period (A+B+C+D+E)	Receivables				Financial assets at fair value through profit or loss (**)		
		Trade receivables		Other receivables				
		Related party	3rd party	Related party	3rd party			
	- Total receivable that have been secured with collaterals, other credit enhancements etc.	-	312,974	-	7,146	1,020,957	-	2,521,801
	A. Financial assets that are either past due or impaired	-		-	-	-	-	-
	B. The amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated	-	72,816	-	-	-	-	-
	C. The amount of financial assets that are past due as at the end of the reporting period but not impaired.	-	298,075	-	7,146	1,020,957	-	2,521,801
	- The amount that have been secured with collaterals, other credit enhancements etc.	-	-	-	-	-	-	-
	D. The amount of financial assets that are impaired	-	14,899	-	-	-	-	-
	- Past due (Gross book value)	-	14,899	-	-	-	-	-
	- The amount of impairment (-)	-	13,408	-	-	-	-	-
	- The amount that have been secured with collaterals, other credit enhancements etc.	-	(13,408)	-	-	-	-	-
	- Not past due (Gross book value)	-	-	-	-	-	-	-
	- The amount of impairment (-)	-	-	-	-	-	-	-
	E. Off balance sheet credit risk amount	-	-	-	-	-	-	-
		Bank deposits		Derivative instruments		Other		
31 December 2022		Trade receivables		Other receivables				
	Overdue between 1 to 30 days	1,552	-	-	-	-	-	
	Overdue between 1 to 3 months	9,653	-	-	-	-	-	
	Overdue between 3 to 12 months	3,694	-	-	-	-	-	
	Overdue between 1 to 5 years	-	-	-	-	-	-	
	Overdue over 5 years	-	-	-	-	-	-	
		14,899	-	-	-	-	-	

(**) Equity securities are excluded since they do not expose any credit risk.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)**Financial risk factors (cont’d)****Liquidity risk**

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

The maturity analysis of the non-derivative financial liabilities is presented based on the period between balance sheet date and maturity date of these non-derivatives financial liabilities.

The table below summarizes the maturity profile of the Group’s financial liabilities based on contractual undiscounted payments.

Current liabilities**31 December 2023**

	<u>Carrying</u>	<u>Total cash outflow</u>		<u>1 to 3</u>	<u>3 to 12</u>
<u>Contractual maturity analysis</u>	<u>value</u>	<u>according to</u>	<u>Up to 1</u>	<u>months</u>	<u>months</u>
		<u>contract</u>	<u>month (I)</u>	<u>(II)</u>	<u>(III)</u>
		<u>(I+II+III)</u>			
Non-derivative financial liabilities					
Financial liabilities and lease obligations	4,478	4,579	387	716	3,476
Trade payables	290,822	290,822	107,367	86,497	96,958
Other payables to related parties	1	1	1	-	-

Non-current liabilities**31 December 2023**

	<u>Carrying</u>	<u>Total cash outflow</u>		<u>3 to 5</u>	<u>5+ years</u>
<u>Contractual maturity analysis</u>	<u>value</u>	<u>according to</u>	<u>1 -3 years</u>	<u>years</u>	<u>(III)</u>
		<u>contract</u>	<u>(I)</u>	<u>(II)</u>	
		<u>(I+II+III)</u>			
Non-derivative financial liabilities					
Financial liabilities and lease obligations	117,362	130,848	26,523	9,176	95,149

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)**Financial risk factors (cont’d)****Liquidity risk (cont’d)****Current liabilities****31 December 2022**

	<u>Carrying</u>	<u>Total cash outflow</u>		<u>1 to 3</u>	<u>3 to 12</u>
<u>Contractual maturity analysis</u>	<u>value</u>	<u>according to</u>	<u>Up to 1</u>	<u>months</u>	<u>months</u>
		<u>contract</u>	<u>month (I)</u>	<u>(II)</u>	<u>(III)</u>
		<u>(I+II+III)</u>			
Non-derivative financial liabilities					
Financial liabilities and lease obligations	61,255	62,289	893	53,405	7,991
Trade payables	451,180	451,180	221,109	87,553	142,518
Other payables to related parties	7	7	7	-	-

Non-current liabilities**31 December 2022**

	<u>Carrying</u>	<u>Total cash outflow</u>		<u>3 to 5</u>	<u>5+ years</u>
<u>Contractual maturity analysis</u>	<u>value</u>	<u>according to</u>	<u>1 -3 years</u>	<u>years</u>	<u>(III)</u>
		<u>contract</u>	<u>(I)</u>	<u>(II)</u>	
		<u>(I+II+III)</u>			
Non-derivative financial liabilities					
Financial liabilities and lease obligations	127,189	127,189	28,283	9,176	89,730

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

34. FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR HEDGING FINANCIAL RISK***Fair value of financial assets and liabilities***

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

Foreign currency denominated receivables and payables are revalued with the exchange rates valid as of the date of the financial statements.

The following methods and assumptions were used to estimate the fair value of the financial instruments that are not carried at fair value on the balance sheet:

Financial assets

The fair values of cash, amounts due from banks and other monetary assets are considered to approximate their respective carrying values due to their short-term nature. The carrying values of trade receivables are estimated to be their fair values due to their short-term nature. It is considered that the fair values of the long term receivables are approximate to their respective carrying values as they are accounted for in foreign currencies.

Financial liabilities

The fair values of trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of the trade payables after discount are considered to be approximate to their corresponding carrying values. It is considered that the fair values of the long term payables and long term financial borrowings are approximate to their respective carrying values as they are accounted for in foreign currencies.

Derivative instruments / forward contracts purchase – sales agreements

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instruments, reference rates or indices.

The table below shows derivative financial instruments analyzed by the term to maturity. The notional amount is the amount of a derivative’s underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at year-end and are neither indicative of the market risk nor credit risk.

As of 31 December 2023 and 2022, the fair value of financial instrument is calculated by using forward exchange rates at the balance sheet date.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

34. FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR HEDGING FINANCIAL RISK (cont’d)**Derivative instruments / forward contracts purchase – sales agreements (cont’d)**

	31 December 2023			
	Unrealized Gain/(Loss)	1 to 12 months	1 to 2 years	2 to 5 years
Derivative instruments	-	-	-	-
Forward contracts sales agreements	-	38,818	-	-
Forward contracts purchase agreements	-	36,822	-	-

	31 December 2022			
	Unrealized Gain/(Loss)	1 to 12 months	1 to 2 years	2 to 5 years
Derivative instruments	-	-	-	-
Forward contracts sales agreements	-	106,784	-	-
Forward contracts purchase agreements	-	101,328	-	-

Fair value hierarchy

The Group classifies the fair value measurement of each class of financial instruments that are measured at fair value on the balance sheet, according to the source, using three-level hierarchy, as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Valuation techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

34. FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR HEDGING FINANCIAL RISK (cont’d)***Fair value hierarchy (cont’d)*****31 December 2023:**

	Level 1	Level 2	Level 3
Private sector bonds	312,290	-	-
Equity securities	946,336	17,169	8,363
Foreign government bonds	2,181,708	-	-
Turkish government bonds	296,842	-	-
Mutual funds	141,891	34,547	25,423
Financial assets at fair value through profit or loss	3,879,067	51,716	33,786
Derivative instruments	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-

31 December 2022:

	Level 1	Level 2	Level 3
Private sector bonds	407,551	-	-
Equity securities	1,031,717	9,279	8,016
Foreign government bonds	1,639,396	-	-
Turkish government bonds	300,405	-	-
Mutual funds	118,672	30,754	25,023
Financial assets at fair value through profit or loss	3,497,741	40,033	33,039
Derivative instruments	-	-	-
Financial liabilities at fair value through profit or loss	-	-	-

35. EVENTS AFTER THE REPORTING PERIOD

None.