

Sustainable World

Akfen Renewable Energy **Annual Report 2024**



You can access the
Annual Report here

Akfen's Two-Phase Energy Investment Plan

First, **hybrid SPP** and **WPP** **capacity increase**, then **storage** **facilities with generation**

Akfen announced a two-phase investment plan to increase its installed capacity. In the first phase, the company is installing hybrid solar power plants in addition to increasing the capacity of its WPPs. In the second phase, it will establish generation facilities with storage. The target is to increase the installed capacity to 1,200 MW.. ► **Page 59**

"B" rating for climate change and water security

CDP awards Akfen **the highest rating** for climate change

Akfen Renewable Energy achieved significant success in the 2024 climate change and water security assessment conducted by CDP. The company earned a B rating, the highest in this category, for Climate Change in the SME category. ► **Page 83**

Ministry of Energy's 2028 Target

2.1-fold increase in SPP installed capacity!

The Ministry of Energy announced a Strategic Plan for 2024-2028. According to the plan, the target is to increase the installed capacity of solar power plants by 112% and wind power plants by 63%. ► **Page 35**

The Energy Source of the Future

Roadmap for **Hydrogen**

The roadmap for hydrogen, one of the energy sources of the future, has been announced. For details ► **Page 33**



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Hasanoba WPP+Hybrid SPP

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GENERATION
(2024)

1,600
GWh

INSTALLED
CAPACITY
(2024)

703
MW

TÜRKİYE'S
LEADING
RENEWABLE
ENERGY
PLATFORM



akfen

YENİLENEBİLİR
ENERJİ



01

About Akfen Renewable Energy

- TÜRKİYE'S LEADING RENEWABLE ENERGY PLATFORM
- MESSAGE FROM THE GENERAL MANAGER
- CORPORATE STRUCTURE
- MILESTONES
- AT A GLANCE AKFEN RENEWABLE ENERGY
- GROWTH STRATEGY
- INVESTMENT STRATEGY
- FINANCIAL RESULTS



About Akfen Renewable Energy

Türkiye's Leading Renewable Energy



Founded in 2007, Akfen Renewable Energy commissioned its first HEPP plant (Sirma HEPP) in 2009 and started generating electricity.

Akfen Renewable Energy started to develop SPP projects in 2013, wind measurements for WPPs in 2014, and 2015 marked the beginning of a reorganization for the company.

In this context Akfen Holding, taking the first steps in December 2015, established Akfen Renewable Energy Inc by restructuring its subsidiaries which were operating in the field of renewable energy and gathering them under one roof, namely AkfenHEPP, AkfenWPP, Akfen Wholesale, and also Karine SPP, following its transfer to the Holding.

In early 2016, once the restructuring was completed, the company's energy portfolio attracted the attention of international investors. This interest led to an important partnership in June 2016. On 22 June 2016, the European Bank for Reconstruction and Development (EBRD) and the International Finance Corporation (IFC) signed an agreement to acquire a 16.6667% stake in Akfen Renewable Energy for USD 100 million each.

The largest FDI in the energy sector

Akfen, with the partnership of EBRD and IFC, attracted the largest foreign direct investment (FDI) in the Turkish energy sector in 2016, and thereby seized



As of March 2025, Akfen Renewable Energy's portfolio has a total installed capacity of **774 megawatts (MW)**, of which 423.9 MW comes from wind and hybrid solar power plants, 228.7 MW from hydroelectric plants, and 121.4 MW from solar power plants.



the opportunity to diversify its investments in the energy sector.

Prior to 2016 HEPPs dominated the company portfolio, but after 2016, with the support of its shareholders, the company created a portfolio of 12 HEPPs (completed 18 HEPP investments and exited 6 of them), 14 SPPs and 6 WPPs, with a total installed capacity of 703 MW, which is one of the most important renewable energy portfolios in Türkiye. The company continues to invest in renewable energy projects such as wind, hybrid solar and standalone electricity storage facility projects, and strives to increase its investments to provide clean energy to the Turkish people with a balanced and diversified generation portfolio.

Having recently completed investments in wind power plants (WPP), Akfen Renewable Energy takes advantage of a young portfolio that benefits from Renewable Energy Sources Support Mechanism (YEKDEM), which offers a 10-year purchase guarantee in foreign currency.

Akfen Renewable Energy's IPO

In January 2023 Akfen Holding acquired the shares of EBRD and IFC in Akfen Renewable Energy and became 100% owner of the company. Generating high profits and predictable cash flows are among the most important principles of Akfen Group, and since this vision is also the



focus of Akfen Renewable Energy, it brought a different perspective to its growth targets and offered 33.5% of the total capital to the public in March 2023, providing the opportunity to share the company's values with a wider audience. Since 16 March 2023, the company's shares are traded on Borsa İstanbul under the ticker AKFYE.

The company aims to expand its portfolio, which consists of energy production from renewable resources and wholesale electricity sales, with projects in important areas such as hybrid solar power plant investments, wind turbine capacity increases and the establishment of storage facilities.

Akfen Renewable Energy Inc. has started to commission its first phase investments consisting of a total of 188 MW hybrid solar power plant and wind turbine capacity increase investments in accordance with its investment program, and as of December 26, 2024, it has reached a total installed power capacity of 703 MW in renewable energy plants it operates through its subsidiaries. At the end of March 2025, with the commissioning of 6 hybrid solar power plants with a total installed power of 75 MW, our Company's total installed power has increased to 774.1 MW.

Work will continue in the future to continue to be one of the largest renewable energy portfolios in Turkey.



Message from the General Manager

Dear Stakeholders,



Akfen Yenilenebilir Enerji
Genel Müdürü
Mustafa Kemal Güngör

Akfen Renewable Energy began its clean energy investments in 2007 with hydroelectric power plants and has continued with solar and wind energy. Having reached an installed capacity of 700 MW over 17 years, Akfen Renewable Energy increased its capacity to 774 MW by the end of March 2025 with the commencement of operations at its hybrid solar power plant investments, which began in 2024. This capacity has secured Akfen Renewable Energy a place among Türkiye's largest producers in the field.

According to the 2025 research on Turkey's 100 largest electricity producers (MW100), Akfen Renewable became Türkiye's 35th largest producer in terms of total installed capacity at the end of 2024. In the renewable energy sector, Akfen ranks 5th in solar energy and 10th in wind energy. With the addition of hybrid solar power plants and additional wind energy capacity, Akfen will continue to rank among the top firms in the list.

Akfen Renewable Energy currently operates 12 hydroelectric power plants, 35 solar power plants, 6 wind power plants, and 6 hybrid solar power plants. Wind and hybrid solar power plants (423.9 MW) account for 54.8% of its installed capacity, hydroelectric power plants account for 29%, and solar power plants account for nearly 16%.

There is still a long way to go with wind and solar energy

As is the case worldwide, Türkiye's hydroelectric potential is nearing saturation. However, there is still a long way to go in terms of wind and solar energy. The Ministry of Energy, which is aware of this untapped potential, has announced in its 2024-28 Strategic Plan that it aims to increase capacity by an average of 3,500 MW per year in solar power plants and 1,500 MW per year in wind power plants over the next five years.

At Akfen, we are also planning to grow our energy business with a focus on wind and solar power. We are also conducting studies to invest in storage systems to maximize efficiency in solar



With the implementation of Akfen Renewable Energy's two-stage investment plans, installed capacity will increase from 703 MW in 2024 to 1,200 MW by the end of 2027.





Akfen Renewable Energy will continue to work hard to reduce Türkiye's energy deficit and pass on a clean country to future generations.



and wind energy, which experience seasonality and fluctuations in production throughout the day. Additionally, following the establishment of our first overseas subsidiary in Romania in 2024 to develop energy projects, we aim to become an international energy contender by making investments abroad.

Akfen's investment plans in energy were announced as two phases in 2024. The first phase will involve adding hybrid solar power plants to the wind power plants in operation and increasing the capacity of WPP. The hybrid solar power plant investments we began in 2024 will be completed by May 2025, resulting in an 86-megawatt capacity increase. 75 MWs of the hybrid solar power plant investments has been completed as of March 2025. With additional capacity creation efforts using new wind turbines, an additional 102 MW will be contributed to the installed capacity by the second half of 2025.

The second phase, which will continue until the end of 2027 and will reach a total installed capacity of 1,200 MW, includes investments in new solar and wind power plants with storage facilities. The preliminary licensing processes for a 285 MW storage facility have been completed.

The company of firsts in Carbon Credit

Akfen Renewable Energy, one of the major players in the carbon credit sector, has been selling carbon credits since commissioning its first facility in 2009. Akfen made history in the sector by selling the carbon emission reduction credits for four wind power plants for the years 2021-2026 to EOS Climate & Energy, a UK-based company. Through this forward contract in the carbon market, Akfen will generate \$8.6 million in revenue.

One of the areas Akfen is closely monitoring is hydrogen energy. Akfen Renewable Energy is examining all opportunities for hydrogen production,

transportation, and distribution in Turkey. In this context, Akfen Renewable Energy has begun preliminary research and development work.

We continue to organize social responsibility projects in collaboration with TİKAV, which has been operating for 25 years. Together with TİKAV, established by Akfen Holding, we strive to contribute to the social environment in 18 provinces where solar, wind and hydroelectric power plants are located. The most recent project organized within this scope was the "Our Digital Footprint" project.

Throughout 2024, the project aimed to raise awareness among women and families living in rural areas about the legal, social, physiological, and psychological problems that may arise from careless use of digital platforms, reaching approximately 2,500 people.

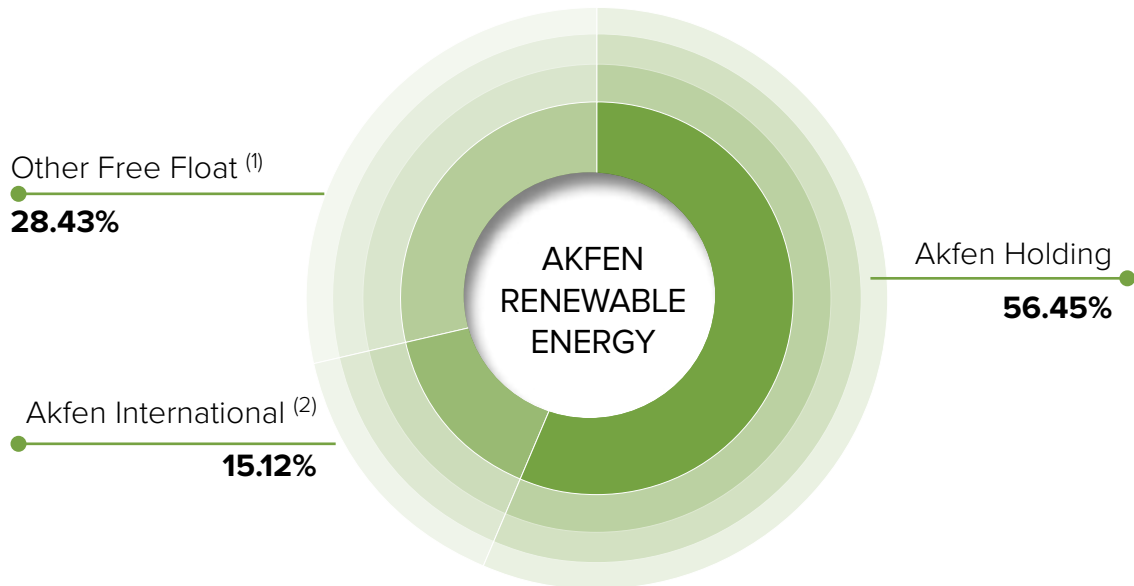
New Social Responsibility Project: Take Precautions, Stay Safe

The "Take Precautions, Stay Safe Project" will be added to Social Responsibility Projects in 2025. Under the coordination of TİKAV, the project will provide information to local communities in 28 different locations across the provinces where Akfen Renewable Energy operates about natural disasters, preventive measures that can be taken beforehand, situations that may arise during a disaster, and the coordinated social assistance efforts that need to be carried out after a disaster.

Akfen Renewable Energy will continue to grow with goals that go far beyond simply harnessing the country's significant potential through production from renewable energy sources. As a company, it will continue to work with all its might to reduce Türkiye's energy deficit while also striving to pass on a clean country to future generations.

Regards,

Corporate Structure



(1) Akfen Renewable Energy went public in March 2023 and has been trading on the Istanbul Stock Exchange under the ticker symbol AKFYE since 16 March 2023.

(2) The B group shares are acquired on November 28, 2024, as part of an authorized capital increase, and are bearer shares and traded on the stock exchange.

SOLAR POWER PLANT (SPP)	33 company
WIND POWER PLANT (WPP)	7 company
HYDROELECTRIC POWER PLANT (HEPP)	4 company
AKFEN WHOLESALE	1 company

Akfen Renewable Energy has 46 subsidiaries as of December 31, 2024. In addition, Sunway Energy S.R.L., in which we hold an 85% stake, was established in May 2024 to develop energy projects in Romania.



Milestones

2005

Hydroelectric power plant licenses started to be obtained.

2007

HEPP I, a 100% subsidiary of Akfen, was established.

2009

The first hydroelectric power plant project, Sirma HEPP, became operational.

2010

Akfen acquired the shares of Enbatı Company within the scope of the the portfolio of HEPP II, a 100 percent subsidiary of Akfen. The company will operate the 22.5 MW capacity HEPP in Piringlik.

2011

Akfen Energy and Wholesale began operations.

April: Çamlıca III HEPP started commercial energy generation. Otluca I HEPP, the first part of the Otluca HEPP Project, was commissioned.

May: Saraçbendi HEPP started generation.
Karasu I HEPP started generation.
June: Karasu II HEPP started generation.

July: Otluca HEPP II, the second part of the Otluca HEPP Project, started generation.
August: Karasu 4.3 HEPP and Karasu 5 HEPP started generation.

September: Boğuntu HEPP, the last part of the Otluca HEPP Project, was commissioned.
October: Karasu 4.2 HEPP started generation.

2012

H.H.K Energy Electric Generation Inc. and Kurtal Electric Generation Inc shares were taken over by HEPP III.
August: Demirciler HEPP started generation.

November: Yağmur HEPP started generation.
Akfen Holding sold 40 percent of Karasular, owned by İdeal Energy Generation Inc, to Aquila HydropowerINVEST Investments GmbH & Co. KG (Aquila).

2013

Akfen Holding sold its remaining 60 percent stake in Karasular to Aquila.
March: Kavakçalı HEPP started generation
June: Gelinkaya HEPP started generation.

2014

January: Sekiyaka II HEPP Plant No.1 started generation.
February: Yaysun SPP started generation.

August: Doğançay HEPP No.1 started generation.
September: Doğançay HEPP No.2 started generation. Doruk HEPP started generation.



2015

May: Denizli SPP Projects (total 6.76 MW) became operational.

July: A decision was taken to expand the portfolio by making acquisitions in solar and thermal energy. In this context, Akfen Thermic's 29.75 percent stake was acquired and the merger process was initiated with Karine Energy, which had solar energy investments.

August: Sekiyaka II HEPP Plant No. 2 (1.09 MW) started generation.

December: European Bank for Reconstruction and Development (EBRD) signed an agreement to become a shareholder in Akfen Renewable Energy.

2016

January: AkfenHEPP was renamed Akfen Renewable Energy Inc. All shares of Akfen Electric Energy Wholesale Inc. were transferred to Akfen Renewable Energy. All shares of Akfen Renewable Energy's subsidiary Laleli Energy Electric Gen. Inc. were transferred to Akfen Thermic Energy Investments Inc.

February: The transfer of Karine Energy to Akfen Holding was completed.

March: Karine Energy merged with Akfen Renewable Energy without liquidation and as a whole.

June: A partnership agreement was signed between Akfen Group and EBRD and IFC for Akfen Renewables.

October: Solentegre SPP started energy generation as Turkey's first licensed SPP project.

2017

February: Solentegre SPP (0.56 MW) started generation.

June: Çalıkobası I HEPP (9.2 MW) started generation.

August: Amasya SPP (11.22 MW) started generation.

Karine SPP (0.56 MW) started generation.

October: Tokat SPP (5.58 MW) started generation.

2018

May: Çalıkobası II HEPP (8.90 MW) started generation.

September: MT Natural (12.08 MW), ME-SE SPP (12.09 MW), Yaysun SPP (12.08 MW), Omicron Engil 208 SPP (12.095 MW) started generation.

2019

March: Kocalar WPP (30.6 MW) started generation

May: Üçpınar WPP (51 MW) started partial generation.

June: PSI Engil 207 SPP (12.97 MW) started generation.

Üçpınar WPP (61.2 MW) partially started generation.

August: Hasanoba WPP (23.8 MW) partially started generation.

September: Çiçekli HEPP (6.99 MW) started generation.

Denizli WPP (47.6 MW) partially started generation.

Hasanoba WPP (27.2 MW) partially started generation.

October: Denizli WPP (27.2 MW) started partial generation.

2020

February: On February 5, Akfen Renewables' subsidiary İmbat Energy Inc acquired Zorlu Wind Energy Inc's Sarıtepe and Demirciler WPPs (total 80.3 MW) in Osmaniye.

August: İOTA M. Fırinci SPP (12.97 MW) started generation.

After the capital increase in Akfen Renewable Energy, Akfen Holding's share became 66.91%, EBRD's share became 17.10% and IFC's share became 15.99%.

2021

July: Çiçekli HEPP was damaged by floods in Artvin and suspended all operations. An application was made to EMRA for an additional 92.48 MWe of license expansion capacity at WPPs in operation. Necessary permits were completed in all projects and licensed capacity was increased by 92.48 MWe.



2022

November: EMRA decided to allocate 375 MWe/780Mwh storage capacity to the company as self-contained storage in 9 locations before November 19. According to the decision, this storage capacity will be included in the license once the EIA certificate is received.

December: On December 15, EBRD and IFC signed an agreement to transfer all of their outstanding shares to Akfen Holding.

Akfen Renewable transferred all shares of Kurtal, which operates Çiçekli HEPP, to an unrelated third party.

2023

January: EBRD and IFC exited the partnership by transferring their shares in the company to Akfen Holding. Akfen Holding became the sole shareholder of the company.

By taking advantage of the recent changes in the electricity market legislation, the company had applied to build 9 stand-alone storage facilities and this application was approved by EMRA. In this context, the company applied for a pre- license for 6 of these facilities regarding electricity generation with storage for WPP and SPP with a total power of 285 MWe /600 MWh.

March: 33.5% of Akfen Renewables was offered to the public. The company's shares started to be traded on Borsa Istanbul on 16 March under the ticker "AKFYE".

2024

January & August: We are the owners of the first projects to receive a positive EIA decision in the field of SPP and WPP-generated electricity storage facilities across Turkey (Gelinkaya Solar Power Plant and Electricity Storage Facility project and Üçpınar Wind Power Plant and Electricity Storage Facility project).

May: Our first foreign subsidiary ("Sunway Energy") was established in Romania to develop energy projects

November: Refinancing and credit agreement with banks and capital increase allocated to Akfen International Holding was completed.

In 2024, the contract for our 86 MW **hybrid solar power plant** project was signed, construction began, and the projects reached the completion stage. On December 26, 2024, the first 3.95 MW section of the Saritepe Hybrid Solar Power Plant project began commercial energy production.

In 2024, contracts have been signed for 19 turbines, electricity and construction works related to a total **WPP installed capacity increase** of 102 MW, and our work is ongoing.



Çamlıca 3 HEPP

25.9
GWh

Çamlıca 3 HEPP
has a generation
capacity equivalent to
the annual electricity
consumption of

17,868
households.



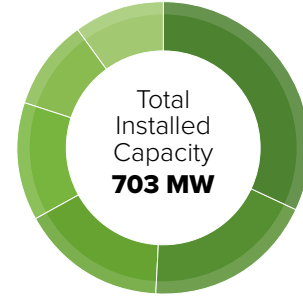


At a Glance

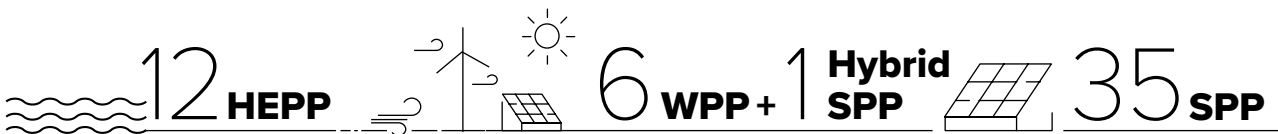
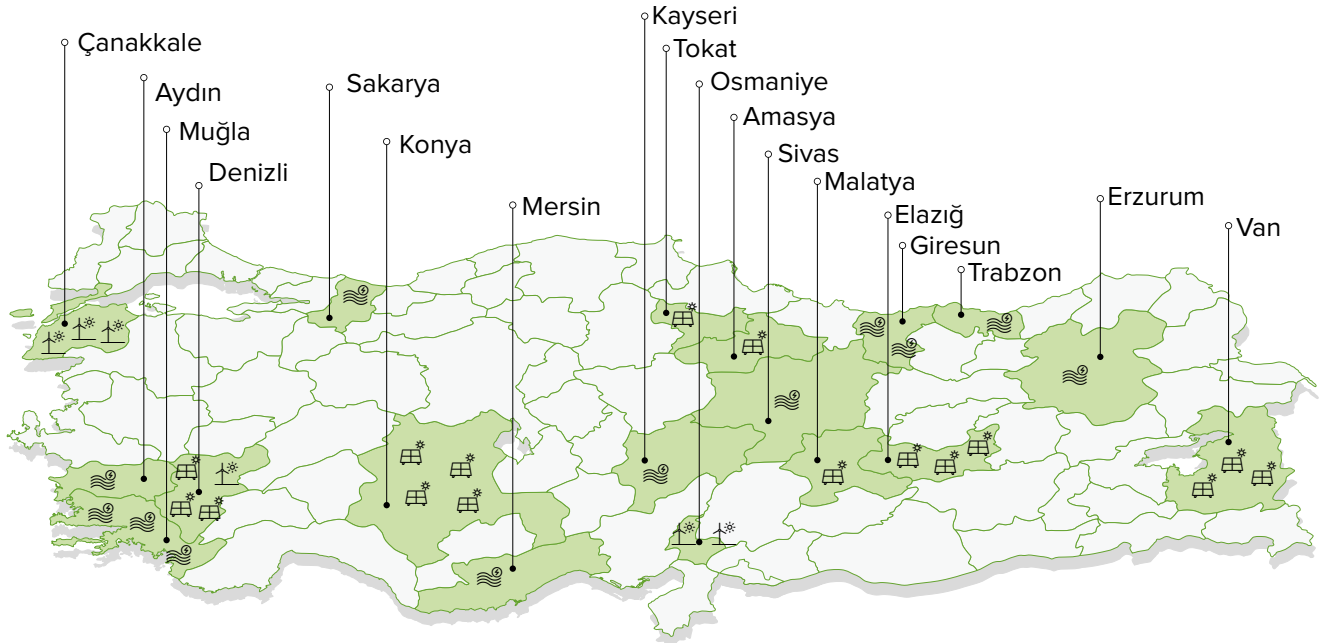
Akfen Renewable Energy

As of 31.12.2024, The company's portfolio includes 12 licensed hydroelectric power plants operated by power generation companies, 35 solar power plants (8 licensed and 27 unlicensed) and 6 wind power plants. In addition, the first 3.95 MW of the Saritepe Hybrid Solar Power Plant project became operational in December 2024. The 54 power plants in the portfolio are located in Marmara, Black Sea, Aegean, Mediterranean, Eastern Anatolia and Central Anatolia regions.

Installed Capacity Distribution by Region

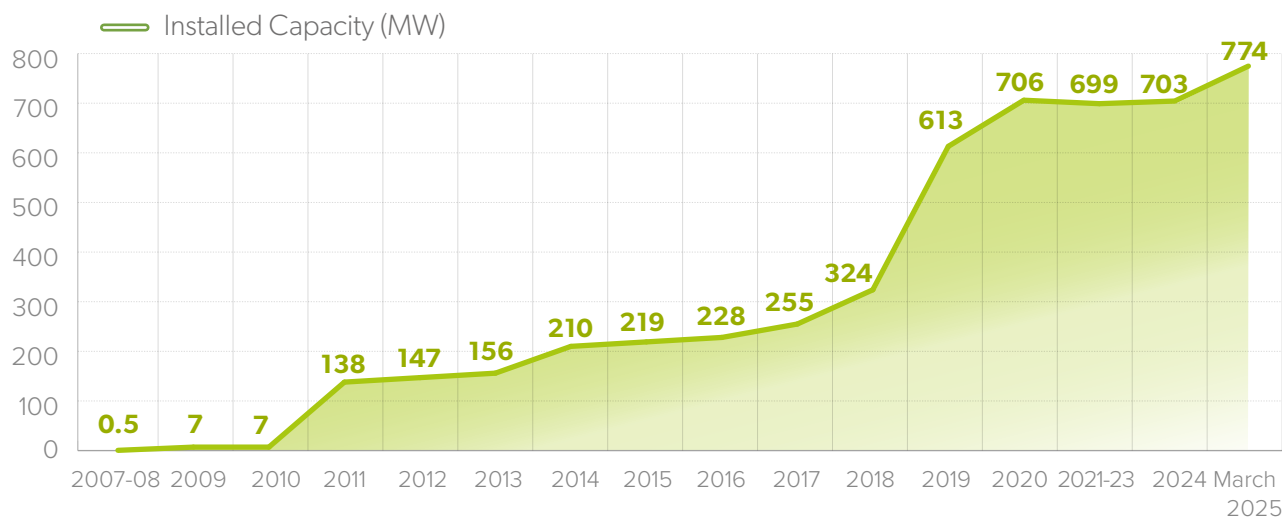


■ Marmara	%32
■ Mediterranean	%19
■ Aegean	%16
■ Central Anatolia	%13
■ Eastern Anatolia	%10
■ Black Sea	%10

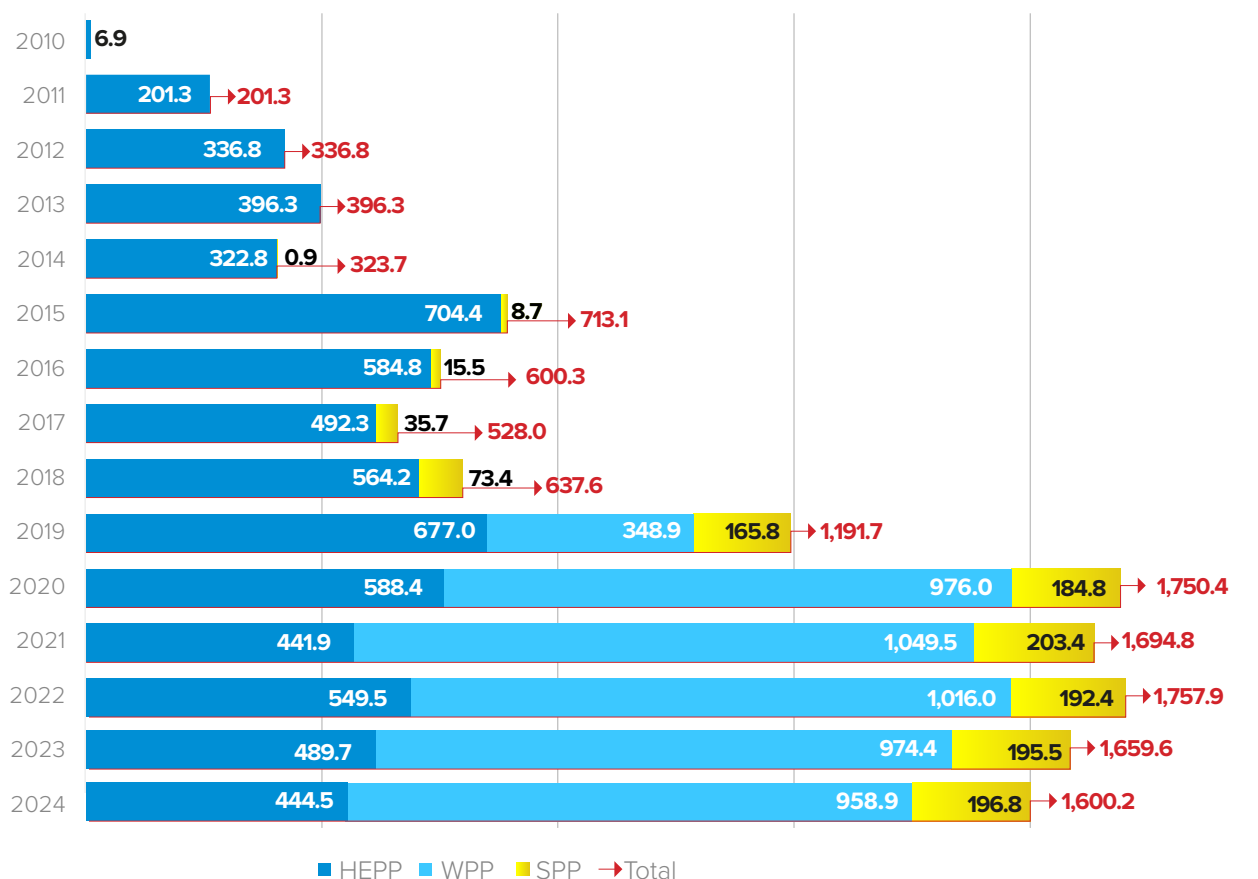




Akfen Renewable Energy in the Giants League



Development of Generation Since 2010 (GWh)





Akfen Renewable Energy's

Growth Strategy

Akfen Renewable Energy has based its strategy on becoming **one of Turkey's largest renewable energy producers**. It is steadily advancing toward this goal with broad strategic moves such as hybrid investments, capacity expansion, and acquisitions.

1

Hybrid SPP Investments

The Electricity Market License Regulation was amended for the purpose of establishing “combined renewable electricity generation facilities” for renewable energy sources.

After this amendment was published in the Official Gazette on 08.03.2020, auxiliary resource applications were made for 6 WPPs (Denizli, Kocalar, Hasanoba, Üçpınar, Saritepe and Demirciler WPPs) and 1 HEPP (Doğançay HEPP). The total planned hybrid SPP investment is 94.8 MW.

In our 86 MW hybrid SPP projects, the investment process has been initiated, contracts for the turnkey construction of the projects have been signed and the construction process has started.

The 3.95 megawatt part of the Saritepe Hybrid SPP project became operational in December 2024. As of March 2025, 6 hybrid SPP with a total installed capacity of 75 MW became operational.

2

WPP Capacity Increase

The government made an amendment in the Electricity Market License Regulation, adding articles that foresee capacity increases in renewable energy sources and this amendment was published in the Official Gazette dated 23.08.2019.

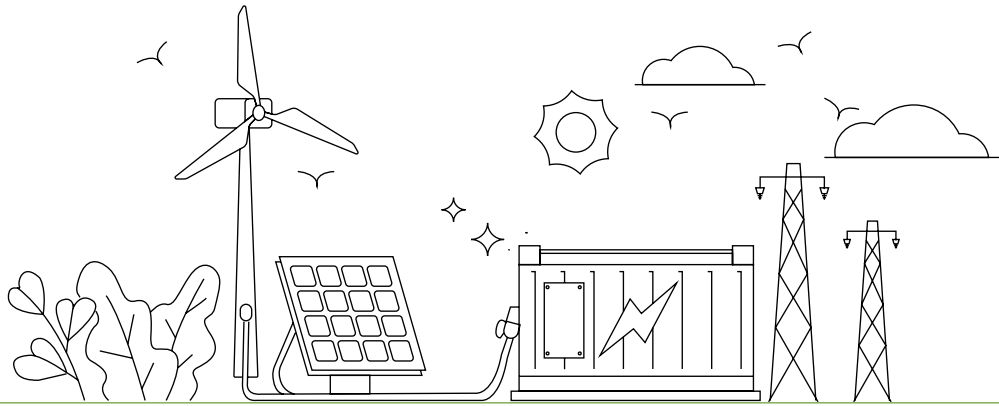
Akfen Renewables has taken steps to increase the electrical and mechanical capacity of 5 licensed WPP plants (Denizli WPP, Kocalar WPP, Hasanoba WPP, Üçpınar WPP and Saritepe WPP). An application has been submitted for 92.4 MW generation over a total of 19 turbine points. Generation licenses have been obtained from Energy Market Regulatory Authority (EMRA) for capacity increases in the projects.

In August 2024, all contracts for the 102 MW RES additional capacity increase project were signed and construction processes were initiated.





3

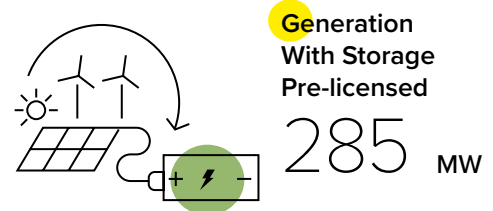


Energy Storage Facility

The Company has started diverse investment projects by taking advantage of the amendments made in the electricity market legislation in 2021 and 2022 for the purpose of encouraging renewable energy investments.

Within the scope of stand-alone electricity storage facility applications, our Company's applications for a total of 375 MW stand-alone storage facility were approved by EMRA. Based on the right granted to the storage facility under Article 17 of the Electricity Market License Regulation, SPP and WPP pre-license applications with a total capacity of 285 MW were made.

The necessary technical and financial studies for generation facilities with storage have been initiated. In this context a total of 285 MWe Storage + 285 MW generation pre-licenses were received from EMRA. The pre-license processes for all of our storage production facility applications have been completed.



Energy Storage	Capacity	Generation
Çanakkale Üçpınar	50 MW	50 MW
Erzurum	30 MW	30 MW
Amasya	30 MW	30 MW
Aydın	30 MW	30 MW
Osmaniye Saritepe	95 MW	95 MW
Van	50 MW	50 MW
Total	285 MW	285 MW

4

Company Acquisition

Akfen Group has established a project development team to evaluate acquisition opportunities in Turkey and abroad. In this context, an acquisition transaction with an installed capacity of 80 MW was realized in 2020.





5

High Availability Rate and Operational Efficiency

The Company aims to achieve high availability rates for operating power plants. In line with this goal, the company supplies high quality turbines and panels to the power plants, while at the same time following technological developments and utilizing the most efficient systems. Siemens and General Electric (GE) turbines are preferred in the Company's WPPs.

The fact that Akfen Renewable Energy has power plants in different geographical locations prevents the availability rate from decreasing in times of breakdowns and possible plant shut-downs, while at the same time balancing the portfolio against regional drought risks.

Other factors that ensure that generation continues without interruption and with high availability rates are the experienced personnel who have been working since the installation of the power plants and the maintenance work carried out with the leading companies of the sector such as Schneider and Siemens.

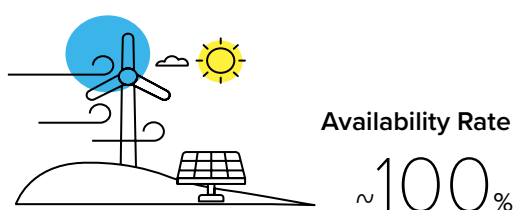
► As mentioned above, full service maintenance and repair contracts with Siemens and GE are in effect at WPP operations and 97% availability guarantee is in place.

► The Company continues to procure services from Elin Electricity Construction Consultancy Project Contracting Trade and Industry Inc, Elin Renewable Energy Systems Inc and Maxima Energy Systems Technical Service and Contracting Trade Inc (Maxima) for the operations of the SPP plants. Services are outsourced through operation and maintenance contracts. The scope of service received is full service and includes a 99% availability guarantee.

Efficiency improvement efforts at SPP and WPP plants continue without interruption. In SPPs, thermal tests and IV tests are carried out periodically, defective panels are identified and replaced, and electrical connections are controlled.

Other efficiency efforts include cutting the grass in the area where the panels are located, and washing the panels to prevent losses due to dusting. Additionally, irradiance, temperature and malfunctions are monitored 24/7 in all power plants and responded to in a short time with mobile breakdown warning systems.

To summarize, the company continuously strives for improvement and examines options to enhance its generation performance in order to sustain and increase its operational success.



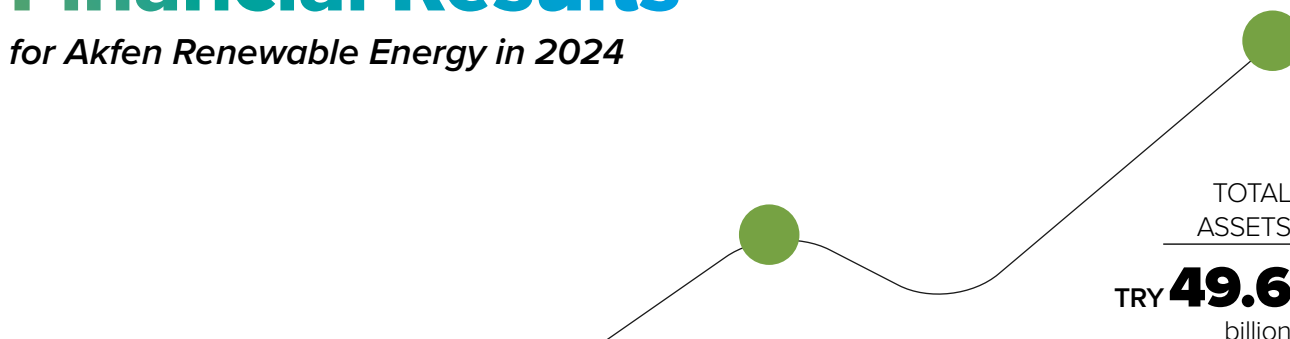


No investments that
are inconsistent
with sustainability,
environmental and
social management
system policies,



Financial Results

for Akfen Renewable Energy in 2024



Balance Sheet

The Company's total assets as of December 31, 2024, prepared in accordance with inflation accounting standards, amounted to TL 49.6 billion (2023: TL 49.9 billion) and its equity amounted to TL 36.3 billion (2023: TL 29.5 billion).

With our company's authorized capital increase completed on November 28, 2024, a fund inflow of TL 3.15 billion has been secured to be used in the financing of ongoing hybrid SPP and WPP additional capacity investments. In addition, in November 2024, a credit agreement was signed for a cash loan of USD 215 million, which will be used to refinance our existing bank loans and to supplement our equity in our investments.

The table on the side shows our Company's consolidated financial statements for the 2023 and 2024 periods adjusted for inflation and presented on a comparative basis according to the purchasing power as of December 31, 2024.

Summary Balance Sheet

(thousand TRY)	31.12.2024	31.12.2023
Current Assets	2,447,843	2,461,093
Cash and cash equivalents	1,158,806	1,647,612
Trade receivables	478,594	675,213
Prepaid expenses	706,823	124,556
Other current assets	103,622	13,713
Non-Current Assets	47,170,622	47,464,965
Prepaid expenses	350,765	336,650
Property, plant and equipment	42,211,636	42,385,870
Intangible assets	3,644,289	3,745,341
Right of use assets	846,669	714,016
Other non-current assets	117,264	283,088
TOTAL ASSETS	49,618,465	49,926,058
Financial borrowings	7,512,081	13,818,869
Other short term fin. liabilities	1,343,822	1,097,189
Deferred tax liability	3,886,425	5,084,934
Other long term fin. liabilities	557,236	424,915
TOTAL EQUITY	36,318,901	29,500,146
Equity attributable to equity holders of the parent	36,219,473	29,412,957
Non-controlling interests	99,428	87,189
TOTAL ASSETS	49,618,465	49,926,058
Financial Indicators		
Net Financial Debt / Equity	0,18	0,41
Equity / Total Assets	0,73	0,59



REVENUE

TRY **5.1** billion

Sales revenues in 2024 amounted to approximately TL 5.1 billion. In addition to electricity sales revenues, sales of carbon emission certificates worth approximately TL 94.3 million are also included in sales revenues.

PROFIT FOR
THE PERIODTRY **169.6**
million

Income Statement

Due to the drought in 2024, the Company generated a total of 1,600 GWs of electricity, a 3.6% decrease compared to the previous year, as a result of the decline in HEPP production. 82% of the total electricity generated in 2024 was sold under YEKDEM. Outside of YEKDEM, our power plants that sell on the spot market are mainly in the hydroelectric segment.

Sales revenues in 2024 amounted to approximately TL 5.1 billion (2023: TL 6.3 billion). The Company's sales revenues for 2024 also include approximately TL 94.3 million in carbon emission certificate sales revenues in addition to electricity sales revenues.

As a result of the decrease in production and sales revenues, the Company's 2024 EBITDA decreased by 28.6% in TL terms. Additionally, despite the Company's USD-based revenue structure, its cost and expense structure is predominantly inflation-indexed in TL terms, which negative-

SUMMARY CONSOLIDATED INCOME STATEMENT

(thousand TRY)	2024	2023
Revenue	5,097,377	6,299,589
EBITDA	2,900,429	4,061,973
EBITDA Margin	56.9%	64.5%
Amortization	1,160,501	1,086,897
Profit for the Period	169,595	6,569,784

ly impacted operating profitability in 2024, as inflation exceeded the increase in the USD/TL exchange rate by a significant margin.

The company's net profit for 2024 was TL 169.6 million. In addition to the decline in production and operating profitability compared to the previous year, the main factors contributing to the decline in net profit in 2024 were the decrease in net monetary position gains and deferred tax income, as well as the decline in the fair value of tangible fixed assets.

The table on the side shows our Company's consolidated financial statements for the 2023 and 2024 periods adjusted for inflation and presented on a comparative basis according to the purchasing power as of December 31, 2024.

02

Overview of the **Energy Sector**

- GLOBAL RENEWABLE ENERGY SECTOR
- DEVELOPMENT OF THE ENERGY SECTOR
IN TÜRKİYE
- RENEWABLE ENERGY CAPACITY
- RECENT DEVELOPMENTS IN THE ENERGY
SECTOR
- TÜRKİYE NATIONAL ENERGY PLAN
- 2024-2028 STRATEGIC PLAN

2030 Expectations

Global Renewable Energy Sector

Renewable energy production, which will be the world's most important energy source in the next five years, will surpass coal in 2025.

According to the IEA 2023 report, wind energy will surpass nuclear energy production in 2025, and solar energy will do so in 2026.



According to the International Energy Agency's (IEA) "Renewables 2024 Analysis and 2030 Outlook" report, global renewable energy capacity is expected to increase 2.7 times by 2030.

Given current policies and market conditions, the main scenario predicts that 5,500 gigawatts (GW) of new renewable capacity will enter operation by 2030. Solar (PV) and wind energy account for 95% of the increase in renewable capacity.

According to the report, China is poised to solidify its position as the global leader in renewable energy, accounting for 60% of global capacity growth by 2030. China's success stems from its

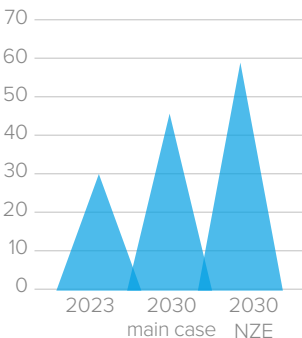
comprehensive support for both large-scale and distributed renewable energy across all renewable energy technologies.

New solar capacity added between now and 2030 will account for 80% of global renewable energy growth over the decade. The rate of adoption is accelerating due to falling costs, shorter permitting processes, and widespread social acceptance.

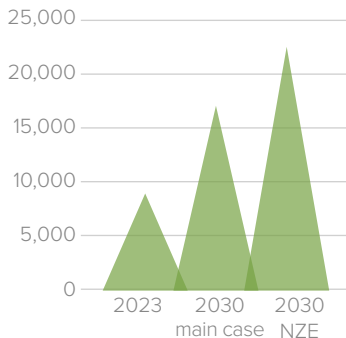
Despite recent supply chain and macroeconomic challenges, the wind sector is on the road to recovery. The report's projections show that the global wind capacity growth rate will double be-

Global renewable electricity generation, capacity and share in total generation, 2023 and 2030

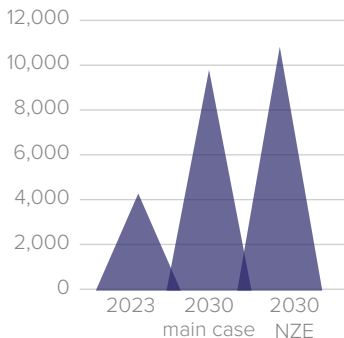
% of renewable in electricity generation



Renewable electricity generation



Renewable electricity capacity (GW)



Note: NZE = Net Zero Emission 2050 Scenario

Kaynak: IEA "Renewables 2024 Analysis and Forecasts to 2030" Report

tween 2024 and 2030 compared to the 2017-2023 period. Hydroelectric capacity growth remains stable. The role of other renewable energies such as biomass, geothermal, concentrated solar power, and ocean energy is expected to decline due to a lack of policy support.

According to IEA projections, hydrogen will continue to be a negligible factor in new renewable capacity growth. Despite increasing policy support, hydrogen produced from renewable energy is expected to account for only 4% of total hydrogen production in 2030, largely due to insufficient demand creation.

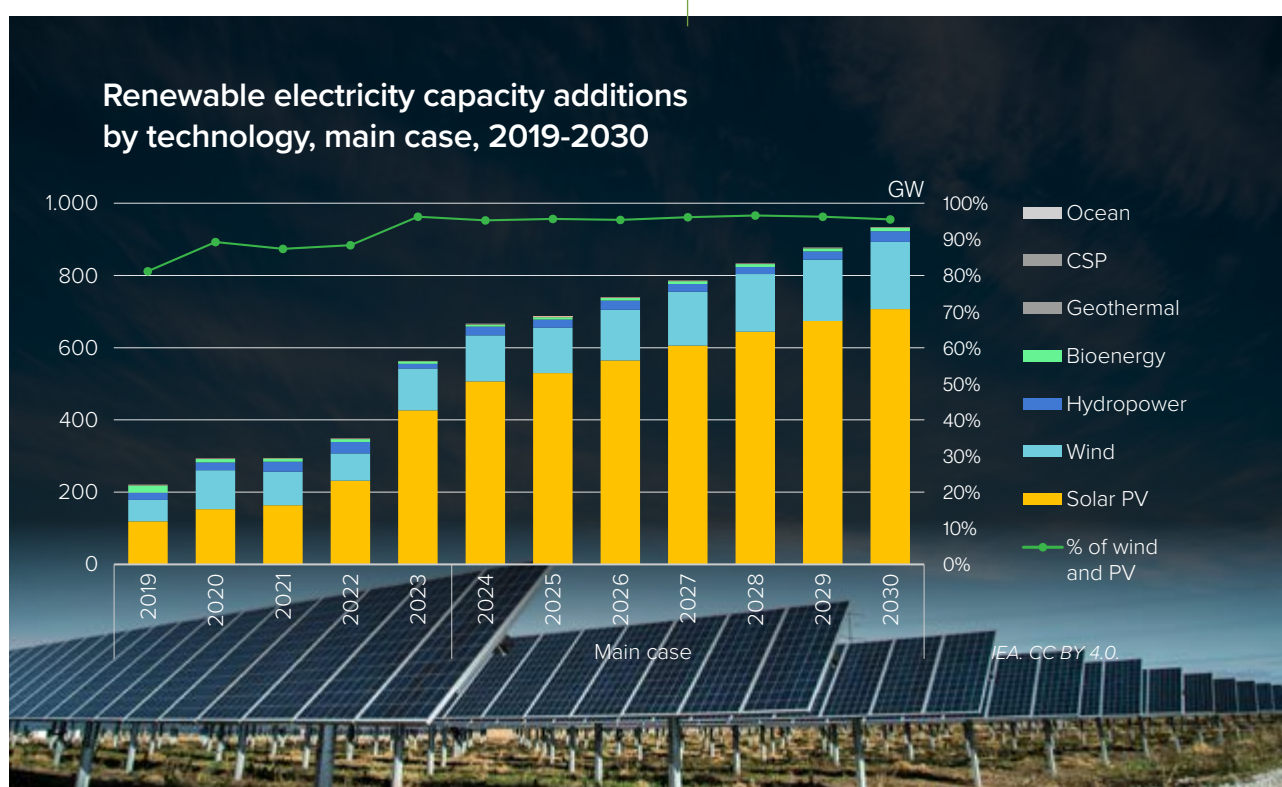
According to the IEA report, global renewable electricity production is expected to exceed 17,000 TWh by 2023, an increase of nearly 90% compared to 2023. By 2030, renewable energy sources will account for 46% of global electricity production, with wind and solar energy (PV) together accounting for 30%. However, by 2030, solar energy (PV) will become the leading renewable electricity source, with wind energy following closely behind and surpassing hydroelectricity.

Base-case scenario

In the base-case scenario, global annual renewable capacity additions rise from 666 GW in 2024 to nearly 935 GW in 2030. Solar (PV) and wind production costs are lower than both fossil and non-fossil alternatives in most countries, and policies continue to support these sources, so they are expected to account for 95% of all renewable capacity additions by 2030.

The IEA expects global renewable capacity to increase by more than 5,520 GW between 2024 and 2030

Renewable capacity additions will continue to increase through 2030, led by solar energy (PV).





From fossil fuels to renewable energy...

Development of the Energy Sector in Türkiye



The Relationship Between Electricity Demand and GDP

There is a strong correlation between the growth of electricity demand and the GDP growth in Türkiye. Since economic growth develops alongside factors such as industrial production, trade, housing construction, and consumer demand, electricity demand and economic growth generally move in tandem.

Since the 2000s, Türkiye has focused on policies aimed at increasing production from renewable energy sources and prioritizing energy efficiency

in the energy sector. During this period, electricity demand continued to increase in line with GDP growth, but efforts to balance this increase through energy efficiency and the use of renewable energy sources made an impact.

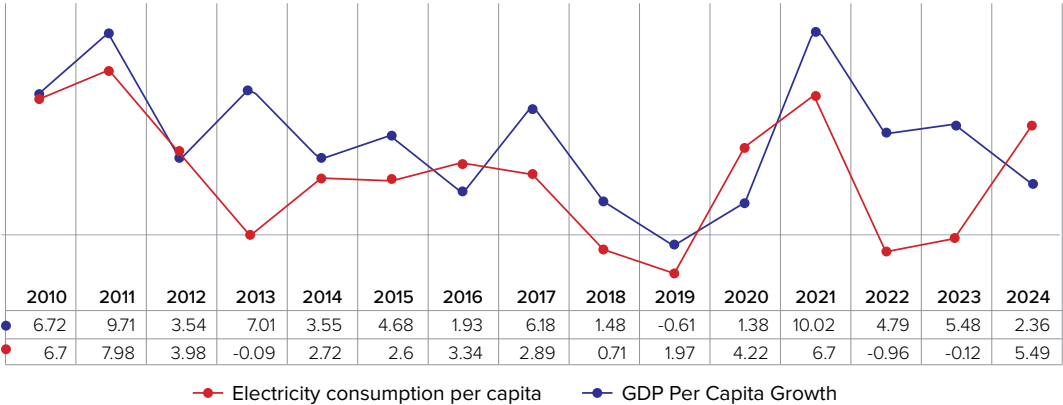
Over the past five years, lockdowns during the pandemic affecting industrial consumption, the rapid recovery process after the pandemic, and wars around the world have influenced the correlation between these two values.



Per Capita Electricity Consumption

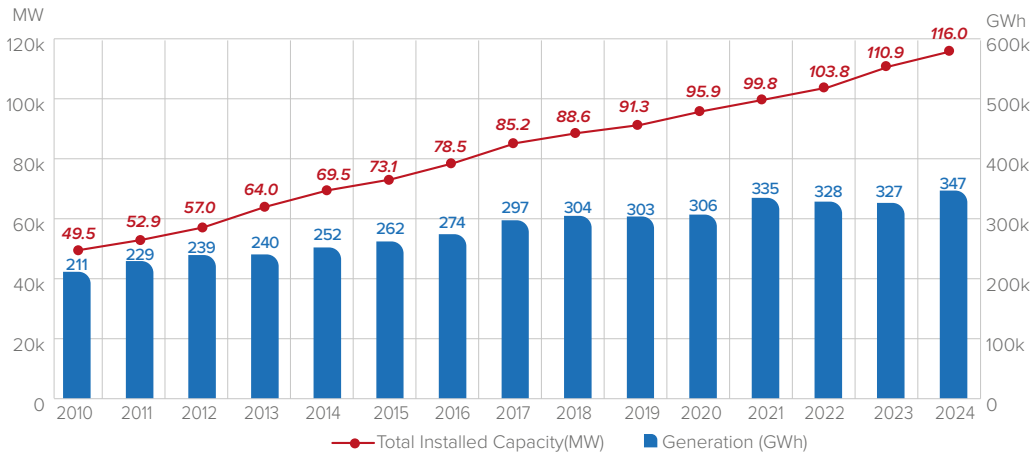
Türkiye's per capita electricity consumption has increased by more than 250% between 1990 and 2022, but despite this, per capita electricity consumption in Turkey (2024: 4.05 MWh/person) is lower compared to middle-income countries.

Electricity consumption per capita and GDP Growth (%)





Development of Installed Capacity (MW) and Generation (GWh)



The Rise of Renewables in Generation

One of the main objectives of Türkiye's energy policy is to increase the use of domestic resources for electricity generation in order to reduce the trade deficit.

- In Türkiye, the share of non-hydro renewable energy sources in electricity production began to increase in the 2010s with the implementation of the YEKDEM tariff guarantee. Initially, wind and geothermal power plants entered operation, followed shortly thereafter by a surge in solar energy installations. By 2024, the share of renewable energy sources in total production had reached 45.74%.
- In 2024, the share of wind and solar energy in total electricity generation reached its highest level in history, while hydroelectric generation declined compared to previous

years and coal-fired generation increased.

- Electricity production, which was 326,517 GWh in 2023, increased by 6.3% in 2024 to 347,213 GWh. In 2023, imported coal accounted for the highest share of electricity production at 22.27%, but despite its share in production declining to 21.72%, imported coal retained its top position in production in 2024 as well.
- The share of electricity generated from renewable energy sources was 42.4% in 2022, declining to 42.2% in 2023, but rising to 45.74% in 2024.
- In 2024, the shares of solar, wind, and hydro power in production increased. The share of production rose from 10.43% to 10.55% for wind power, from 5.77% to 7.46% for solar power, and from 19.6% to 21.57% for hydro power.

Installed Capacity

The country's total installed capacity increased significantly between 2000 and 2024, rising from 27.3 GW to 116 GW, with a CAGR of 5.96%. The introduction of new sources such as wind, solar, and geothermal energy, along with the expansion of existing sources such as natural gas and imported coal, has also led to a significant diversification of the country's installed capacity mix.

The CAGR for the last 10 years in installed capacity is 4.7%. As of the end of 2024, thermal power plants account for 47.2% of total installed capacity, while hydroelectric power plants and other renewable energy sources account for 32.2% and 36.6% of total electricity capacity respectively.

As a result, the share of renewable energy sources in total installed capacity has reached 68.8%.



Development of Türkiye's Energy Sector

Renewable Energy Capacity



Renewable Energy

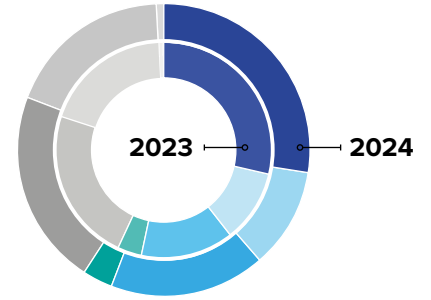
Türkiye's renewable installed capacity increased from 11.2 GW to 68.8 GW between 2000 and 2024, with a compound annual growth rate (CAGR) of 7.53%. With the increase in resource diversity, especially after 2010, renewable energy capacity has had a CAGR of 9.7% between 2010 and 2024. As of the end of 2024, 57% of Turkey's 116 GW installed power capacity consists of renewable sources.

Hydropower plants account for the country's largest installed capacity with 32.2 GW, of which 23.9 GW (20.6% of total installed capacity) comes from dammed hydropower and 8.3 GW (7.2%) from river hydropower. Wind power plants account for 11.1% of Turkey's installed capacity with 12.9 GW, while only 0.1 GW of capacity is unlicensed. Biomass plants account for 1.84% (2.1 GW) of total installed capacity, while geothermal accounts for 1.5% with 1.7 GW. An increase of 70 MW in geothermal capacity and 53 MW in biomass capacity has been estimated for 2024.

In recent years, solar capacity has grown rapidly, accounting for 19.9 GW, or 17.1% of installed capacity, with approximately 89.9% of this capacity coming from unlicensed power plants. Among the primary reasons for the concentration of unlicensed capacity in solar energy are the ability to operate solar power plants on a smaller scale compared to other sources and the feasibility of making investments for self-consumption at lower investment costs.

Although thermal energy retains its dominance in production, the rapid increase in renewable energy investments has caused the share of thermal energy to decline from 57.8% to 54.3%. The share of renewable energy, on the other hand, has increased by 3.5 points to reach 45.7% in 2024.

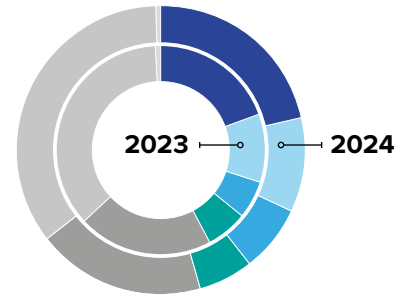
Development of Installed Capacity by Sources (%)



Source	2023	2024
Renewable Energy	57,0	59,3
Hydraulic	28,9	27,8
Wind	10,7	11,1
Solar	14,1	17,1
Biomass-Geothermal	3,4	3,3
Thermal Energy	43,0	40,7
Natural Gas	21,5	21,5
Coal	19,3	18,6
Other (*)	0,5	0,6

* Asphaltite, fuel oil

Development of Generation by Sources (%)



Source	2023	2024
Renewable Energy	42,2	45,7
Hydraulic	19,6	21,6
Wind	10,4	10,6
Solar	5,8	7,5
Biomass-Geothermal	6,4	6,2
Thermal Energy	57,8	54,3
Natural Gas	20,9	18,7
Coal	36,2	35,0
Other (*)	0,6	0,5

* Asphaltite, fuel oil



Renewable Energy Resources Support Mechanism (Feed-In Tariff)



YEKDEM is a support mechanism under the Electricity Market Licensing Regulation that allows legal entities holding production licenses for activities based on renewable energy sources to benefit from the production based on renewable energy sources through the designated supply companies in their regions.

Power plants that have obtained a Renewable Energy Sources Certificate and completed their investments by 30 June 2021, are entitled to benefit from the state's minimum purchase guarantee of 7.3 US cents/kWs for a period of 10 years from the date of commencement of operations for HEPP projects. Under the support mechanism, power plants that completed their investments by 30 June 2021, can benefit from a minimum purchase guarantee of 7.3 US cents/kWs for the WPP portfolio and 13.3 US cents/kWs for the SPP portfolio.

As of 2024, 79% of Akfen Renewable Energy's total installed capacity is covered by YEKDEM.

In 2024, the YEK price for all HEPPs was 7.3 US cents/kWs, and for SPPs 13.3 US cents/kWs. In 2024, the Hasanoba WPP, Üçpınar WPP, Kocalar WPP, and Denizli WPP projects are covered under the YEKDEM program at 7.9 US cents/kWs including domestic contribution, while the Saritepe and Demirciler WPP projects, where domestic contribution has ended, are covered at 7.3 US cents/kWs.



Initial support was provided in 2019

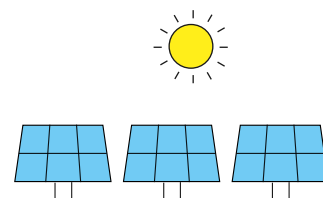
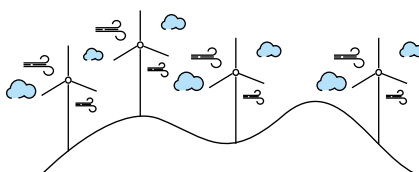
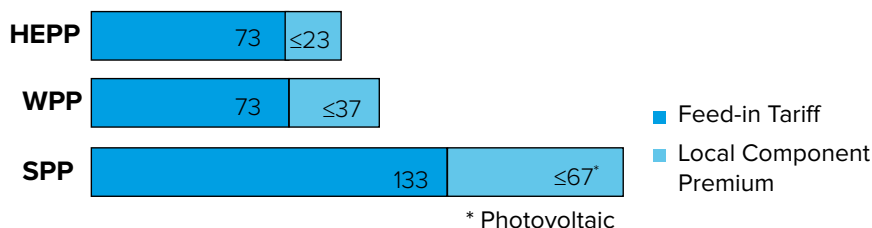
The first YEKDEM, which was implemented in January 2019, provided a fixed purchase guarantee based on the dollar exchange rate.

At the beginning of 2021, it was decided that the new YEKDEM tariffs would be based on the Turkish lira and revised every three months. Under the YEKDEM framework implemented since 1 July 2021, guaranteed purchase prices are applied to electricity produced at power plants holding YEK certificates, provided that they are commissioned between 1 July 2021, and 31 December 2025.

With the update made in May 2023 the methodology was changed, and prices determined within the framework of YEKDEM are revised monthly based on the PPI, CPI, and dollar and euro exchange rates. Base and ceiling prices in US dollars have been determined for TL-based YEKDEM prices updated in May 2023.

Feed-In Tariff

(US \$/MWh)



SPP
FIT Support

13.3

USD cents
/kWh

WPP
FIT Support

7.3

USD cents
/kWh

HEPP
FIT Support

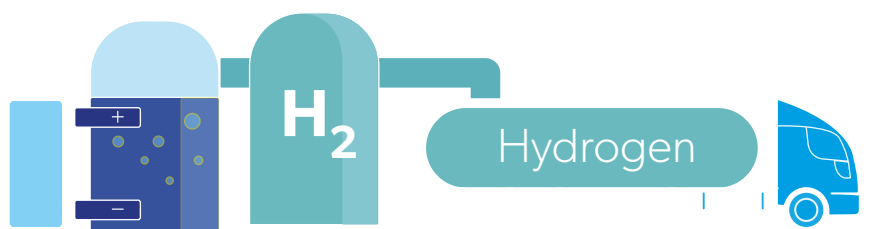
7.3

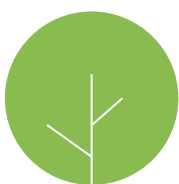
USD cents
/kWh





H₂







Target: Net Zero Emissions

Türkiye National Energy Plan



2020-2038 Scenario

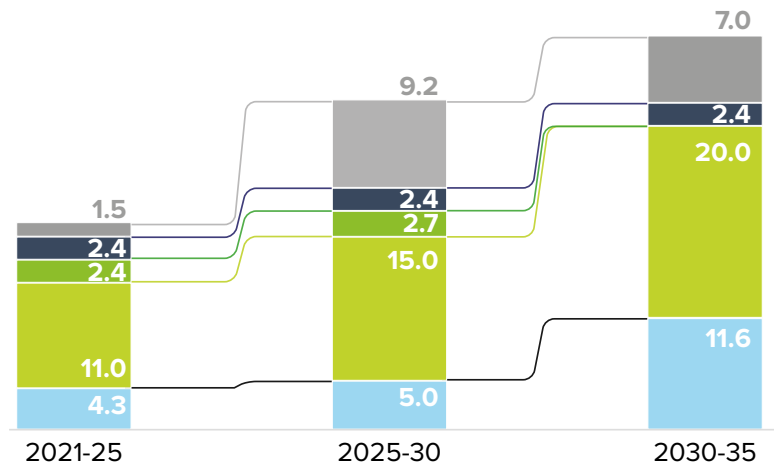
The Türkiye National Energy Plan study announced in 2022 outlines the long-term strategy for our country to achieve net zero emissions by 2053.

The targets expected to be achieved in the 2020-2035 scenario prepared by the Ministry of Energy and Natural Resources are summarized as follows:

- Electricity consumption reaches 510.5 TWh,
- Total installed electricity capacity reaches 189.7 GW,
 - 52.9 GW in solar energy,
 - 29.6 GW in wind energy,
 - 7.2 GW in nuclear energy,
- The capacity planned for commissioning is 96.9 GW,
- The share of intermittent renewable energy sources in electricity production is increasing to 34.2%, and the share of renewable energy sources is increasing to 54.7%,
- The share of intermittent renewable energy sources in installed electricity capacity is increasing to 43.5%, and the share of renewable energy sources is increasing to 64.7%,
- To meet flexibility requirements;
 - Battery capacity reaches 7.5 GW (2-hour charging time),
 - Electrolyzer capacity reaches 5.0 GW,
 - Demand-side participation reaches 1.7 GW.

New Capacity Commissioned in Five-Year Periods (GW)

- Thermal
- Nuclear
- Other Renewable
- Solar
- Wind





Hydrogen

The Hydrogen Strategy Roadmap was announced in January 2023. The green hydrogen policies within this scope are summarized below:

- Electricity consumption is expected to increase by an average of 3.5% annually between 2020 and 2035, and by an average of 5.2% annually between 2035 and 2053. In forecasts after 2035, it is taken into account that electricity consumption within total energy consumption will increase in order for Türkiye to achieve its zero emission targets for 2053.
- By 2053, the share of renewable energy sources in electricity production is expected to increase from 42.4% in 2020 to 69.1%, while the share of intermittent renewable energy sources is expected to gradually increase from 11.7% to 61.4%.



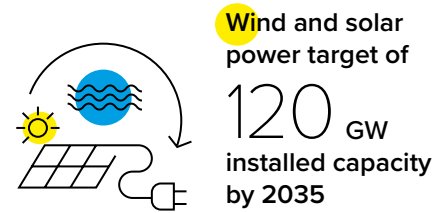
2035 Roadmap for Renewable Energy

In October 2024, the Minister of Energy and Natural Resources announced the “2035 Roadmap for Renewable Energy.” According to this roadmap, the goal is to reach 120,000 MW of installed capacity from wind and solar energy by 2035.

With the newly announced program, in addition to the 31 GW of installed capacity from wind and solar power and the 69 GW of capacity currently under investment, the goal is to increase the total installed capacity of WPP and SPP to 120 GW by 2035, a fourfold increase from today's levels, with additional capacity allocations.

- It is planned that approximately 30 GW of this additional capacity will be allocated to investors through annual wind and solar YEKA tenders. In addition, 5 GW of offshore WPP capacity is expected to be commissioned by 2035.
- YEKA WPP competitions, where a total capacity of 1,200 MW will be allocated to investors in five fields, will be held on 28 January, and YEKA SPP competitions, where a total capacity of 800 MW will be allocated to investors in six fields, will be held on 4 February.

The new YEKA tenders will be conducted in foreign currency, set on a base price, and the purchase guarantee period will be extended to 20 years, with the aim of facilitating financing and project implementation. Another goal is to ensure that investments are quickly put into operation by shortening and simplifying the permit periods and processes, which are among the most important issues for investments.





The goal is to
commission
**5 GW of offshore
wind energy**
capacity by 2035.





Ministry of Energy and Natural Resources

2024-2028 Strategic Plan



Target electricity production 270 billion kWh

In November 2024, the Ministry of Energy and Natural Resources published its 2024-2028 Strategic Plan. According to the Plan, it is expected that the amount of electricity generated from domestic sources reach 270 billion kWh annually by 2028, the share of domestic sources in electricity production reach 63%, the installed capacity of solar power plants reach 33,100 MW, the installed capacity of wind power plants reach 19,300 MW, and 4,800 MW of nuclear power plant capacity is commissioned.

Within this scope, the daily production of domestic crude oil is targeted to reach 210,000 barrels, natural gas production to reach 42.5 million m³, natural gas storage capacity to reach 12 billion m³, and the annual value of mineral exports to reach 10 billion USD.



Plan: 7 objectives and 30 targets have been set.

The plan sets out seven objectives and 30 targets, including ensuring sustainable energy supply security, reducing external dependency, implementing a net-zero carbon-focused energy transition, promoting safe, sustainable, and value-added mining, enhancing the national and international effectiveness of energy and mining markets, supporting domestic technologies in the field of energy and natural resources, and increasing institutional capacity.

• The plan, which details the targets for these objectives, states that installed electricity capacity will be increased to ensure sustainable energy supply security, the electricity consumption and distribution network will be strengthened, grid flexibility will be ensured to increase renewable energy capacity, the oil and natural gas infrastructure will be strengthened, and co-

operation on international energy investments will be increased.

• Within the scope of reducing external dependency, it was emphasized that electricity production from domestic sources, oil and gas exploration and production, domestic coal exploration and production, and the exploration and production of energy and mineral resources abroad will be increased.

• Within the framework of net zero carbon-focused transformation, the share of clean energy sources in electricity generation will be increased, energy efficiency efforts will be enhanced, carbon intensity in energy will be reduced, a robust infrastructure supporting the transition to electric vehicles will be established, and the green hydrogen and renewable gas value chain will be developed.

In November 2024, the Ministry of Energy and Natural Resources announced Türkiye's growth plans for the renewable energy sector as part of its "2024-2028 Strategic Plan." The growth targets announced are shown in the table below.

2024-2028 Installed Capacity Targets

	Plan Starting Value	2024	2025	2026	2027	2028	Average Annual Increase ^(*)
SPP (MW)	15,613	19,100	22,600	26,100	29,600	33,100	16.2%
WPP (MW)	11,806	13,300	14,800	16,300	17,800	19,300	10.3%
Other Renewable Energy Source	36,054	36,766	37,452	38,002	38,553	38,963	1.6%

According to the Strategic Plan, the commissioning of 4,800 MW of nuclear energy capacity is also planned.

Target for increase in solar energy ^(*) 112%

Target for increase in wind energy ^(*) 63%

Increase target in other renewable resources ^(*) 8%

^(*) Change from plan initial value

03

Our Operations

- AKFEN RENEWABLE ENERGY
- AKFEN RENEWABLE ENERGY PORTFOLIO - HEPP
- AKFEN RENEWABLE ENERGY PORTFOLIO - SPP
- AKFEN RENEWABLE ENERGY PORTFOLIO - WPP- AND HYBRID SPP
- ELECTRICITY WHOLESALE
- ONGOING INVESTMENT PROJECTS



Domestic and Renewable Energy Only

Akfen Renewable Energy



Founded by AKFEN Holding in 2007, Akfen Renewable Energy continues its activities today as one of Turkey's leading renewable energy platforms.

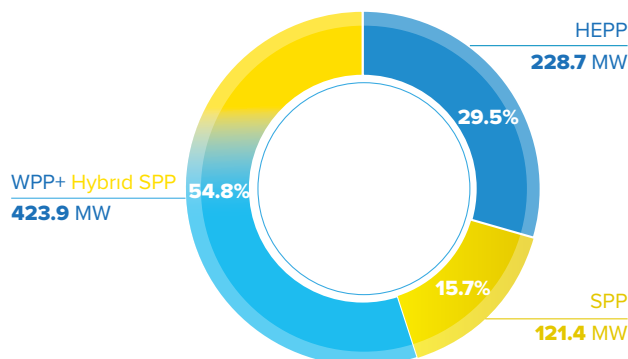
Akfen Renewable Energy's portfolio consisting of SPP, WPP and HEPP projects currently has an installed capacity of 774MW. As of March 2025, 228.75 MW, corresponding to 29.5% of the total installed capacity is composed of HEPPs, 121.41 MW, corresponding to 15.7% of the total installed capacity is composed of SPPs and 423.9 MW, corresponding to 54.8% of the total installed capacity is composed of WPPs and hybrid SPPs.

Akfen Renewable Energy has become one of the most important players in the sector with its stable electricity generation portfolio, all of which is created entirely from renewable resources, has advanced technologies and is located in the most resource-efficient areas.

The company continues to rapidly expand its existing platform, which is enriched with renewable energy sources that will serve as alternatives to each other in all possible scenarios by diversifying the technologies it uses as well as the regions where it is located, and serves as the effective power of clean energy in Turkey.

Akfen Renewable Energy's current operations consist of energy generation from renewable resources and carbon credit sales revenues.

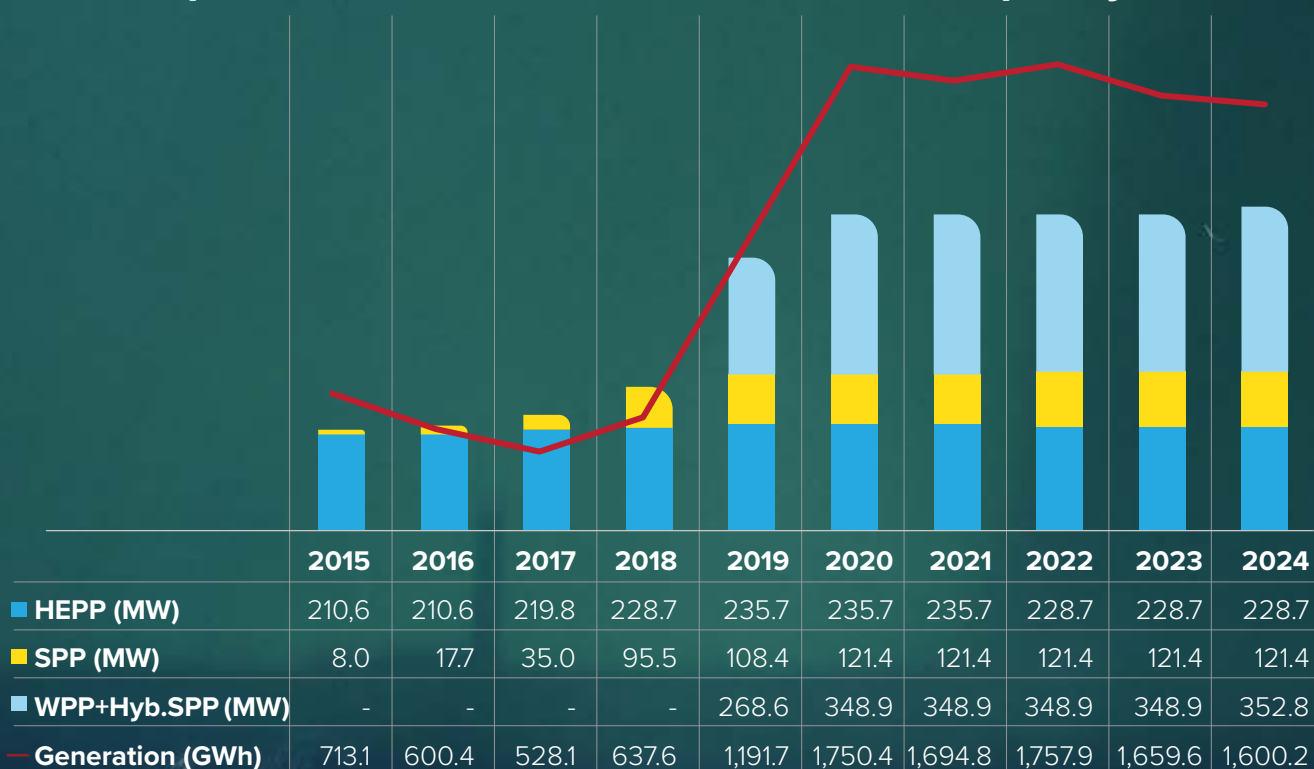
Akfen Renewable Energy Portfolio Breakdown



**TOTAL INSTALLED CAPACITY
(March 2025)**

**774
MW**

Development of Generation and Installed Capacity





Sirma HEPP

6.6 MW

May 23,
2009

Akfen Renewable
Energy's first
HEPP to become
operational



Akfen Renewable Energy Portfolio-1

Hydroelectric Power Plant (HEPP)



Akfen Holding took its first step into the sector in 2007 with the HEPP group in order to meet Turkey's growing energy needs and thus make a significant contribution to reducing the current account deficit.

The company's hydroelectric power plants are located in the Aegean, Central Anatolia and Eastern Black Sea regions. Akfen Renewable Energy benefits from the fact that the plants are located in geographically different regions, which allows it to achieve a more stable annual average water flow.

As of 31.12.2024, the company's HEPPs constitute 32.5% of its total installed capacity.

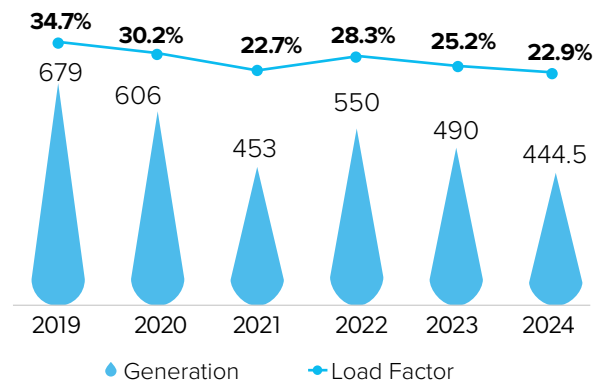
Akfen Renewable Energy's 12 HEPPs have an installed capacity of 228.7 MW as of 31 December 2024. Due to the drought, total HEPP generation in 2024 was realized as 444.5 GWh, a 9.2% decrease compared to 2023.



Operational Efficiency in HEPP Portfolio

As the company's power plants are diversified across different geographies, load factor rates hover above a certain level.

Hydro Generation and Load Factor



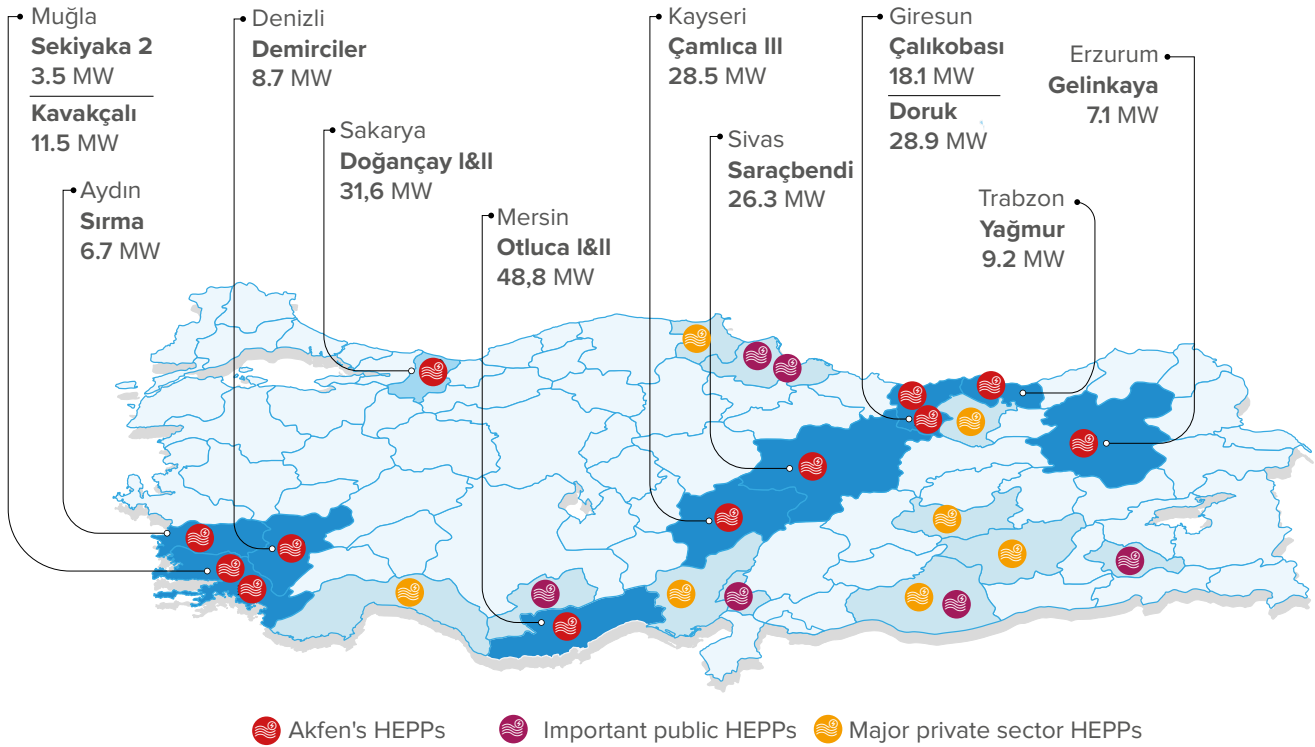
HEPP Portfolio Availability (2024)

HEPP	(%)	HEPP	(%)	HEPP	(%)
Çalıkobası	100.00%	Yağmur	99.95%	Doğançay	99.81%
Doruk	100.00%	Sırma	99.92%	Sekiyaka	99.65%
Demirciler	100.00%	Gelinkaya	99.84%	Kavakçalı	99.01%
Çamlıca	100.00%	Saraçbendi	99.83%	Otluca	98.47%





Akfen Renewable Energy HEPP Operations



HEPP Portfolio Installed Capacity and Generation

Company	SPP	Installed Cap. (MW)	Commissioning Date	Realized Gen. Output (GWh)	
				2024	2023
Elen	Sırma	6.66	23.05.2009	5.8	6.1
	Otluca	48.77	7.04.2011	145.8	103.3
	Sekiyaka II	3.53	17.01.2014	12.4	11.6
	Çamlıca III	28.48	1.04.2011	25.9	24.9
	Saraçbendi	26.28	6.05.2011	49.5	57.0
	Demirciler	8.70	3.08.2012	13.6	15.7
	Kavakçalı	11.45	29.03.2013	20.6	22.6
	Gelinkaya	7.08	14.06.2013	9.0	12.6
	Doğançay	31.61	29.08.2014	77.6	103.1
BT Bordo	Yağmur	9.19	27.11.2012	20.4	19.3
Yeni Doruk	Doruk	28.89	19.09.2014	50.7	81.2
H.H.K. Enerji	Çalıkobası	18.11	02.06.2017	13.2	32.3
Total		228.7		444.5	489.7

Yağmur HEPP

Installed Capacity

9.2 MW

Yağmur HEPP

Yağmur HEPP meets
the annual electricity
needs of

12,789
households.



akfen



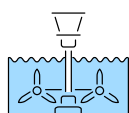


Our Hydroelectric Power Plant

A total of 12
hydroelectric power
plants account for 30%
of Akfen Renewable
Energy's portfolio.

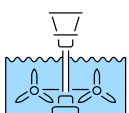


HEPPs Operated by Elen Energy



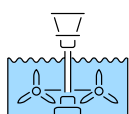
Power Plant	No.of Units	Turbine Type	Commercial Operational Date
Sırma	3	Vertical Kaplan	23.05.2009
Çamlıca 3	3	Vertical Francis	01.04.2011
Saraçbendi	4	Vertical Francis	06.05.2011
Otluca 1	3	Vertical Francis	07.04.2011
Otluca 2 HES	3	Vertical Francis	13.07.2011
Boğuntu HES	3	Horizontal Francis	16.09.2011
Demirciler	3	Horizontal Francis	03.08.2012
Kavakçalı	2	Horizontal Pelton	29.03.2013
Gelinkaya HES	2	Horizontal Francis	14.06.2013
Sekiyaka 1	1	Horizontal Francis	17.01.2014
Sekiyaka 2	2	Horizontal Francis	27.08.2015
Doğançay 1	3	Vertical Kaplan	12.09.2014
Doğançay 2	3	Vertical Kaplan	29.08.2014

HEPPs Operated by HHK Energy



Power Plant	No.of Units	Turbine Type	Commercial Operational Date
Çalıkobası 1	2	Vertical Pelton	02.06.2017
Çalıkobası 2	2	Vertical Pelton	04.05.2018

HEPPs Operated by Yeni Doruk



Power Plant	No.of Units	Turbine Type	Commercial Operational Date
Doruk	2	Vertical Pelton	19.09.2014

HEPPs Operated by BT Bordo

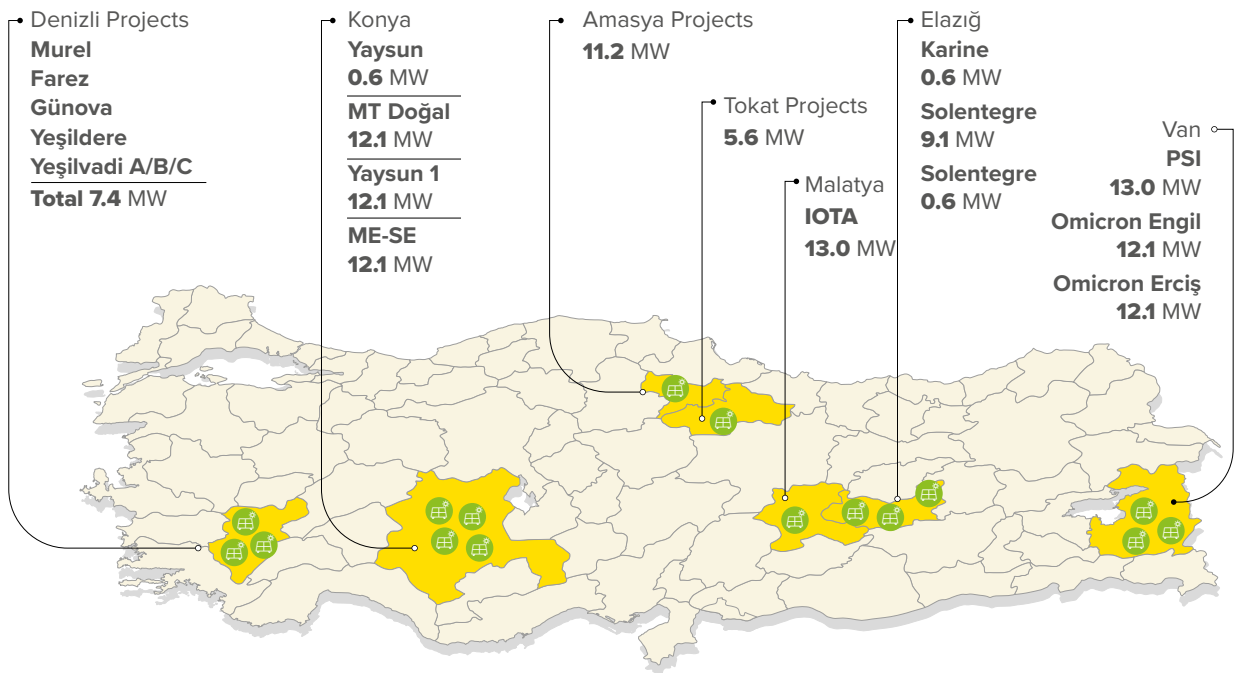


Power Plant	No.of Units	Turbine Type	Commercial Operational Date
Yağmur	2	Horizontal Francis	27.11.2012



Akfen Renewable Energy Portfolio-2

Solar Power Plant (SPP)



As of 31 December 2024, Akfen Renewable Energy's SPP portfolio consists of 35 power plants with a total installed capacity of 121.4 MW.

The SPPs in the portfolio constitute 17.3% of the company's total installed capacity as of the end of 2024. The share of unlicensed SPPs in total installed capacity is calculated as 21% and the share of licensed SPPs as 79%.

The energy generation of the solar energy group in 2024 was 196.8 GWh, an increase of 0.7% compared to the previous year.

SPP	License Status	Installed Capacity (MW)	Commissioning Date	Realized Generation Output (GWh)	
				2024	2023
Yaysun	Unlicensed	0.6	17.02.2014	0.6	0.6
Denizli Projects	Unlicensed	7.4	25.05.2015	12.2	11.6
Solentegre	Unlicensed	9.1	14.10.2016	13.7	13.7
Solentegre	Unlicensed	0.6	15.02.2017	0.9	0.8
Amasya Projects	Unlicensed	11.2	12.08.2017	17.0	16.3
Karine	Unlicensed	0.6	26.08.2017	0.9	0.9
Tokat Projects	Unlicensed	5.6	19.10.2017	8.3	8.3
Omicron Engil	Licensed	12.1	20.09.2018	21.0	20.8
Omicron Ercis	Licensed	12.1	21.09.2018	21.0	20.8
Yaysun	Licensed	12.1	27.09.2018	19.8	19.5
Me-Se	Licensed	12.1	27.09.2018	18.4	19.0
MT Doğal	Licensed	12.1	27.09.2018	20.2	20.0
PSI	Licensed	13.0	25.07.2019	22.7	22.9
IOTA	Licensed	13.0	13.08.2020	20.1	20.2
Total		121.4		196.8	195.5

Omicron Engil

SPP

Installed Capacity

12.1 MW

Generation (2024)

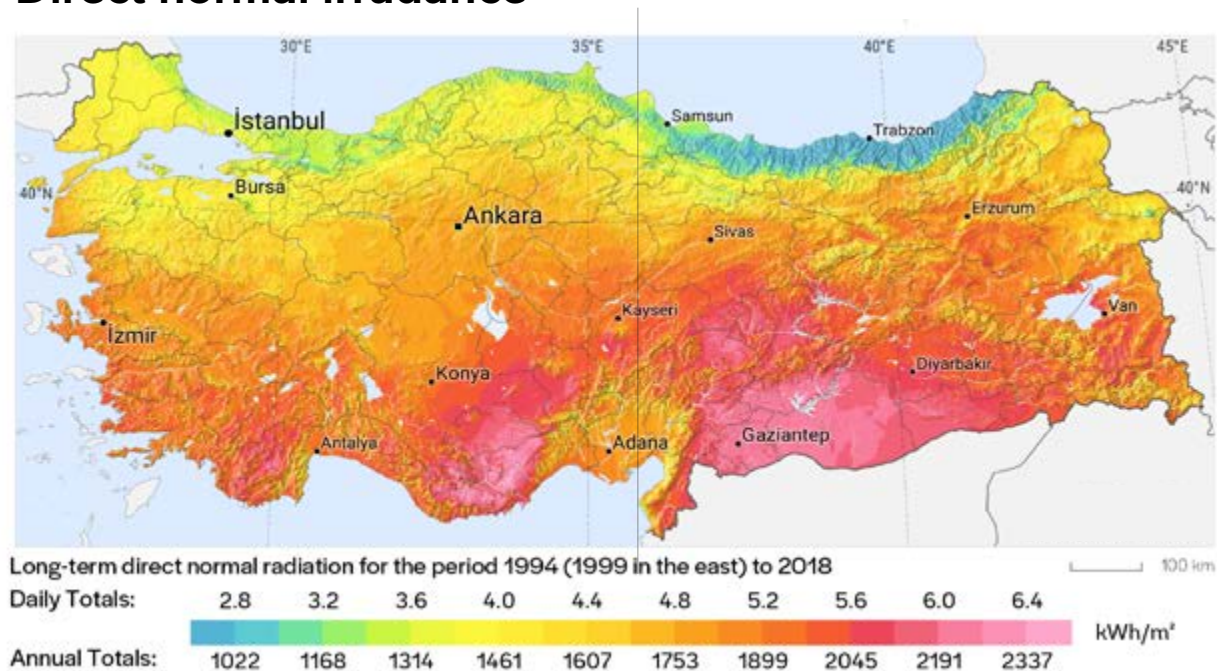
21.0 GWh

The electricity
generated meets the
annual electricity needs
of 7,608 families
of four.





Direct normal irradiance



Sources: <https://globalsolaratlas.info>, World Bank Group

Optimal Irradiation Conditions

Akfen Renewable Energy is trying to expand its portfolio in regions with high irradiance, which is critical in solar energy. A significant portion of the assets are located in Konya and Van, where the duration and intensity of sunlight is very favorable.

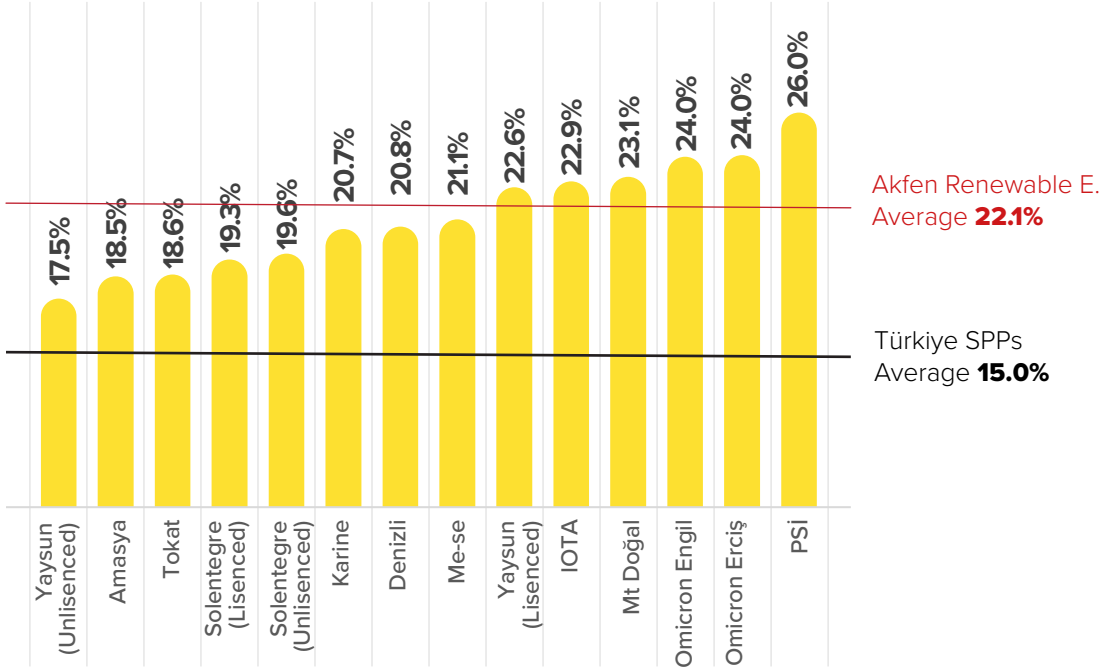
Sunshine Duration and Radiation Values*

Provinces with Power Plants	Sunshine Duration (hours/year)	Radiation Value (kWh/m ² -year)
Denizli	2,931	1,591
Konya	2,898	1,608
Van	3,070	1,652
Elâzığ	2,829	1,588
Malatya	2,873	1,599
Amasya	2,427	1,392
Tokat	2,464	1,431

*Values in this table were obtained from <https://www.gnssolar.com/icerik/860/turkiye-gunes-haritasi>



Load Factors in SPPs (2024)



%



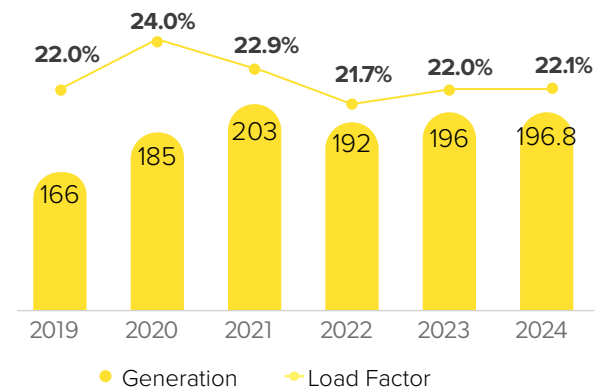
SPP Portfolio and Availability (2024)

SPP	(%)
Denizli SPP	99.96%
Karine SPP	99.96%
Me-Se SPP	99.94%
Omicron Erciş	98.94%
Tokat (Kuşoturağı) SPP	99.94%
Fırıncı SPP	99.83%
MT SPP	99.82%
Amasya (Boyali)	99.80%
Omicron Engil208 SPP	99.78%
Yaysun SPP (Licensed)	99.73%
Solentegre SPP (Licensed)	99.68%
Solentegre (Unlicensed)	99.60%
PSI Engil 207	99.28%
Yaysun SPP (Unlicensed)	99.26%

Solar Generation and Load Factor

The company's solar power plants have been developed in the near past and solar power generation has increased significantly over the last 5 years with solar capacity expansion.

Generation and Load Factor







Akfen Renewable Energy Portfolio-3

Wind Power Plant (WPP) and Hybrid Solar Power Plant

As of March 2025, six hybrid solar power plants with a total installed capacity of 75 MW have become operational.



Akfen Renewable Energy's WPP portfolio, consisting of six power plants, has an installed capacity of 348.9 MW as of the end of 2023. As of March 2025, six hybrid solar power plants with a total installed capacity of 75 MW have become operational. As of March 2025, the total installed capacity of the Company's WPPs and hybrid SPPs has reached 423.9 MW, accounting for 54.8% of the Company's total installed capacity.

The first WPP became operational in 2019

The company first began operating wind power plants in 2019 and, thanks to its investments, increased its installed capacity to approximately 350 MW at the beginning of 2020. The company's increased capacity has also increased its production, and in 2024, wind energy production reached approximately 958.9 GWs.

Saritepe WPP and Demirciler WPP were added to the Company's assets through acquisition on 5 February 2020. Akfen Renewable Energy signed a share purchase agreement in December 2019 for Zorlu Wind Energy Electricity Production Inc.'s 80.3 MW projects in Osmaniye. Following the addition of the Saritepe-Demirciler WPP to the portfolio, which stands out as the largest acquisition agreement of 2019, the operational wind power



capacity in Akfen Renewable Energy's portfolio has reached 348.9 MW.

WPP facilities are covered by insurance policies including extended machinery breakdown insurance, loss of profit, third party liability, and employer liability insurance.

The company has signed maintenance and repair agreements with Siemens Gamesa for the Üçpınar WPP, Kocalar WPP, Hasanoba WPP, and Denizli WPP. Each agreement was signed in March 2018 and is valid until August 2035. The scope of service for the maintenance and repair agreements is "full service" and includes a 97% availability guarantee*.

Six hybrid SPPs with a capacity of 75 MW have become operational

Maintenance and repair contracts have been signed with GE Turkey and GE Wind for Demirciler WPP and Saritepe WPP. These contracts were signed in April 2020 and are valid until April 2030. The scope of service of the maintenance and repair contracts is "full service" and includes a 97% availability guarantee*.

As of March 2025, six hybrid solar power plants with a total installed capacity of 75 MW have become operational.

* Availability is a parameter that indicates the operating performance of a power plant, calculated by dividing the amount of time a power plant can generate electricity by the total time.

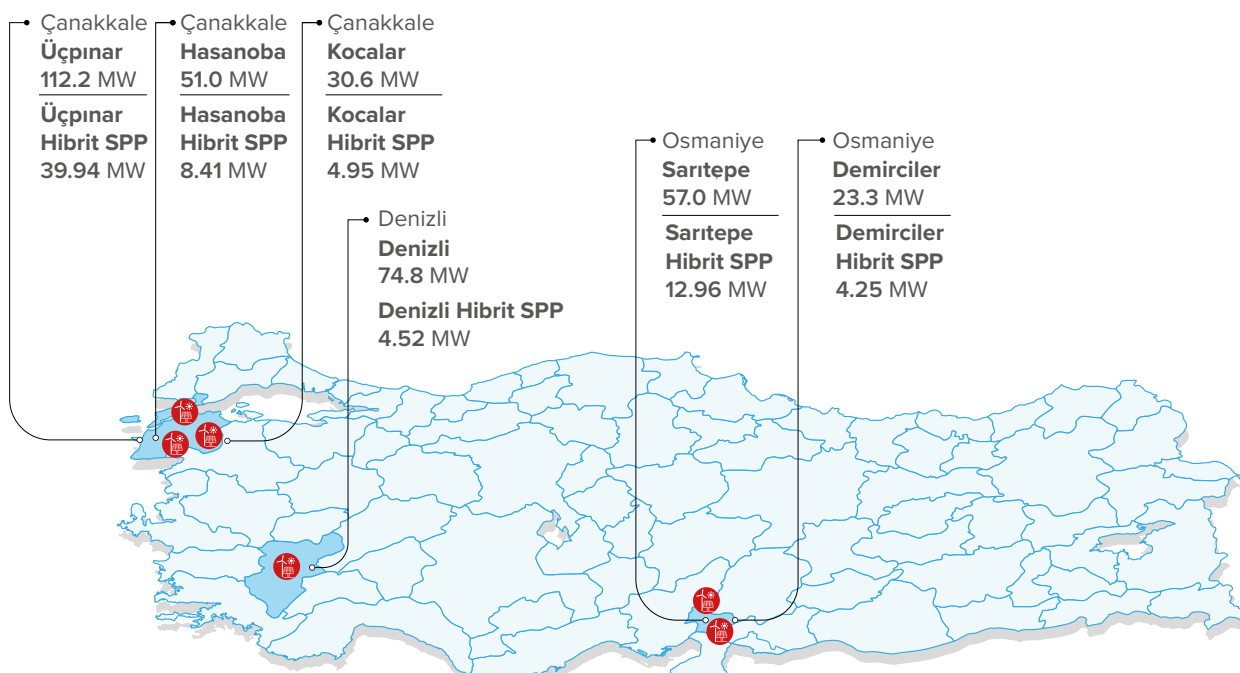


Hybrid SPP

75 MW

The installed capacity
of the six hybrid SPPs
that have become
operational as of
March 2025





				Realized Gen. Output (GWh)	
Company	WPP	Ins. Cap (MW)	Commercial Operation Date	2024	2023
RES					
İsıder Enerji	Kocalar	30.6	14.03.2019	110.7	112.3
Derbent Enerji	Üçpınar	112.2	10.05.2019	333.5	339.3
Kovancı Enerji	Hasanoba	51	2.08.2019	132.5	128.6
Korda Enerji	Denizli	74.8	13.09.2019	183.1	195.3
İmbat Enerji	Demirciler	23.3	22.07.2016	52.2	52.8
İmbat Enerji	Sarıtepe	57	17.06.2016	147.0	145.9
WPP Total		348.9		958.9	974.4
Hybrid SPP					
İmbat Enerji	Sarıtepe hybrid SPP	12.96	26.12.2024/ 31.01.2025		
Korda Enerji	Denizli hybrid SPP	4.52	23.01.2025		
Kovancı Enerji	Hasanoba hybrid SPP	8.41	14.02.2025		
İsıder Enerji	Kocalar hybrid SPP	4.95	14.02.2025		
Derbent Enerji	Üçpınar hybrid SPP	39.94	14.02/14.03.2025		
İmbat Enerji	Demirciler hybrid SPP	4.25	27.02.2025		
Hybrid SPP Total		75.0			
WPP & Hybrid SPP Total		423.9			

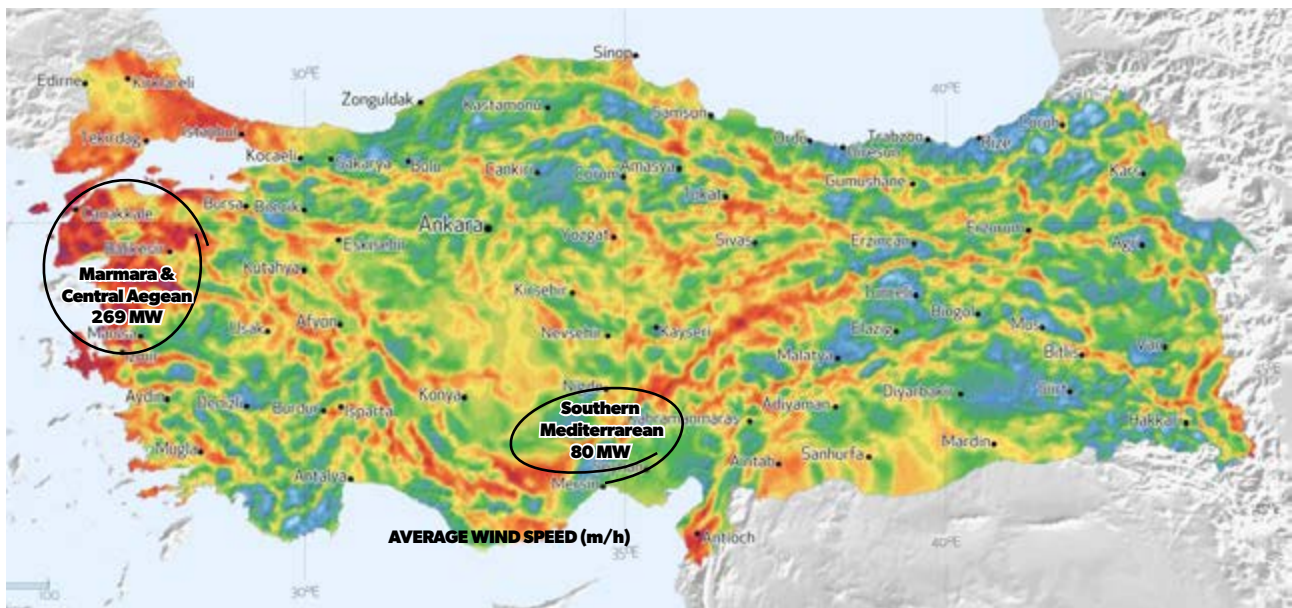
WPP Portfolio Availability (2024)

WPP	(%)	WPP	(%)
Hasanoba WPP	99.05%	Kocalar WPP	98.40%
Denizli WPP	99.01%	Demirciler WPP	95.83%
Üçpınar WPP	98.43%	Sarıtepe WPP	94.30%



Portfolio Located in Turkey's Most Favorable Wind Sites

They are located in the Marmara and Aegean Regions, where the wind is the best in Turkey. Considering that the main factor in generating energy from wind is wind speed, the company's WPPs are located in regions where Turkey's average annual wind speed is high:

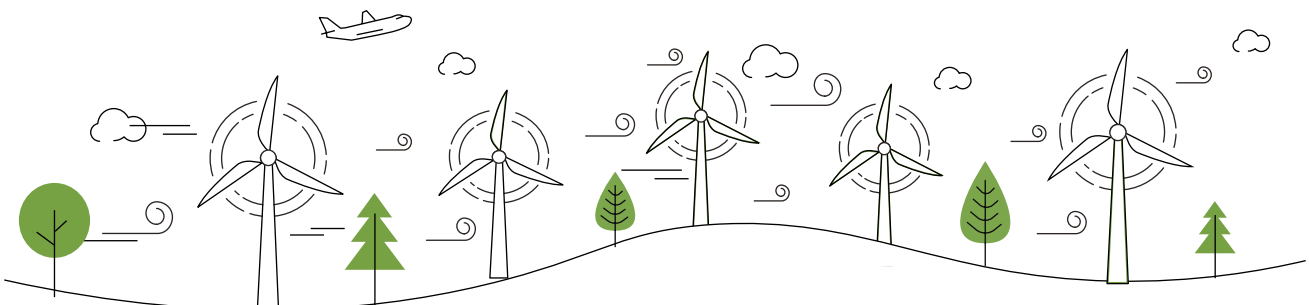


Source: Republic of Türkiye Ministry of Energy and Natural Resources

Average wind speeds of WPPs (m/sec)

The Company's WPPs are located in resource-efficient locations in Turkey and have achieved high capacity utilization rates.

WPP	Cities with Power Plant	Average Wind Speed (m/sec)		
		2022	2023	2024
Kocalar	Çanakkale	8.65	8.58	8.56
Üçpınar	Çanakkale	8.07	7.99	8.05
Hasanoba	Çanakkale	7.06	6.96	7.04
Denizli	Denizli	8.44	8.20	7.99
Sartepi	Osmaniye	7.06	6.93	7.18
Demirciler	Osmaniye	6.17	6.10	6.04





Wind Generation and Average Load Factor

In wind energy resources, which constitute a significant portion of the company's generation, load factor rates have been above the Turkish average, as in solar energy resources, and the company has succeeded in achieving optimum efficiency from its significant portfolio. The company's average load factor for the last 5 years has not fallen below 35%.

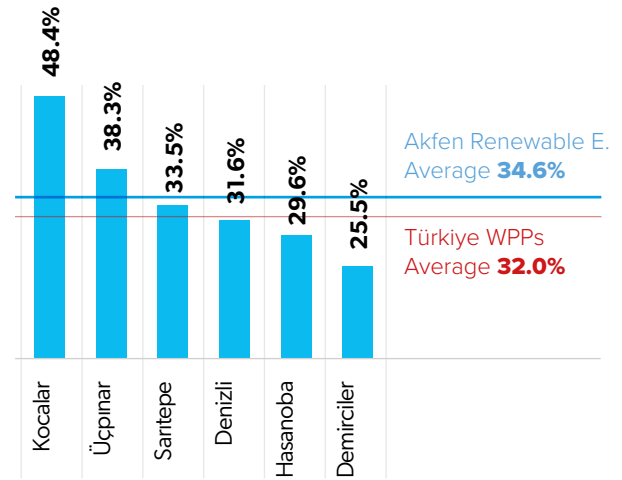
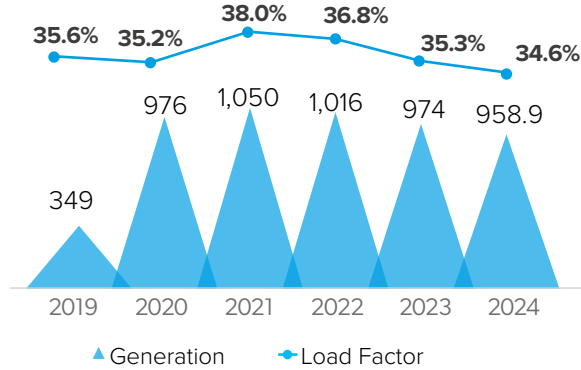


Load Factors of WPPs (2024)

Four of the WPPs in a total of 6 regions generated electricity with a capacity above the Turkish average. In 2024, the average load factor rate of Akfen Renewable Energy WPPs was realized as 34.6%. Turkey's average of the said rate is 32%.

The highest load factor in Akfen Renewables portfolio was Kocalar WPP in Çanakkale with 48.4%

Generation and Load Factor



Source: EPDK Electricity Market Development Report Dec.2024

Technical

Specifications	Üçpınar	Kocalar	Denizli	Hasanoba	Demirciler	Sarıtepe
Turbine Producer	Siemens Gamesa	Siemens Gamesa	Siemens Gamesa	Siemens Gamesa	General Electric	General Electric
Model	SWT-3.4-108	SWT-3.4-108	SWT-3.4-108	SWT-3.4-108	GE 2.85 -103 / GE 1.7 -103	GE 2.85 -103
Turbine Class	IEC Class IA	IEC Class IA	IEC Class IA	IEC Class IA	IEC Class S	IEC Class S
No. of Turbine	33 (3,4*33)	9 (3,4*9)	22 (3,4*22)	15 (3,4*15)	11 (2,85*4+7*1,7)	20 (2,85*20)
Tower Height (m)	80	80	80	80	80 (GE 1,7) / 85 (GE 2,85)	85
Rotor Diameter (m)	108	108	108	108	103	103



AKFEN'S WPP WITH THE HIGHEST INSTALLED CAPACITY

Üçpınar WPP

Installed Capacity

112.2

MW

Üçpınar
Hybrid WPP

Installed Capacity

39.94

MW





Electricity Wholesale

Akfen Electricity Power Wholesale, a subsidiary of Akfen Renewable Energy, obtained a supply license from EMRA on 16.03.2011 for a period of 20 years. The company is currently working on issues such as balancing and storage projects.



Carbon Credit Sales

Akfen Renewable Energy's power plants have carbon emission reduction certificates such as the Verified Carbon Standard (VCS) and Gold Standard.

Akfen Renewable Energy continues to invest in renewable energy with the aim of fulfilling its responsibilities to the environment and society through more than 30 renewable energy power plants operating in various provinces of Türkiye. The renewable energy power plants, where emission reduction certification efforts have been successfully carried out, hold carbon emission reduction certifications such as the Verified Carbon Standard (VCS) and Gold Standard.

As part of the transition to a low-carbon economy, these certificates, which are of great importance on a global scale, have been issued to power plants by international orga-

nizations (Verra, Gold Standard) with the approval of independent auditors. The voluntary carbon market is closely monitored by the company.

In December 2023, our company sold the carbon emission reduction credits for the years 2021-2026 from its wind power plants Hasanoba WPP, Kocalar WPP, Üçpınar WPP, and Denizli Wpp to the UK-based company EOS Climate&Energy.

Pursuant to the relevant agreement, sales will be made from both spot and forward (maturing by 2027) loans, which will provide our Company with approximately \$8.6 million in additional revenue on top of its main source of income from electricity generation using renewable energy sources.

Our company has completed carbon credit sales transactions totaling 94.3 million TL in 2024.



Power Plants Registered to Gold Standard (GS)

- ☞ Gelinkaya HEPP
- ☞ Kavakçalı HEPP
- ☞ Yağmur HEPP
- ☞ Sekiyaka HEPP
- ☞ Demirciler HEPP
- ☞ Solentegre SPP (Lisenced)
- ☞ Sarıtepe WPP
- ☞ Demirciler WPP

Power Plants Registered to Verified Carbon Standard (VCS)

- ☞ Sırma HEPP
- ☞ Otluca HEPP
- ☞ Saraçbendi HEPP
- ☞ Çamlıca III HEPP
- ☞ Doğançay HEPP
- ☞ Doruk HEPP
- ☞ Kocalar WPP
- ☞ Üçpınar WPP
- ☞ Hasanoba WPP
- ☞ Denizli WPP
- ☞ Denizli SPP
- ☞ İota SPP
- ☞ Yaysun SPP
- ☞ Me-Se SPP
- ☞ MT Doğal SPP
- ☞ Psi SPP
- ☞ Omicron SPP

PPs Registered to Global Carbon Council'e (GCC)

- ☞ Çalıkobası HEPP
- ☞ Amasya SPP
- ☞ Tokat SPP

Gold Standard



GLOBAL CARBON COUNCIL



Ongoing Investment Projects



Capacity
Expansion

86
MW

1. Hybrid SPP Investments

Articles stipulating the application for combined renewable electricity generation facilities in renewable energy sources at the license and preliminary license stages were added to the Electricity Market License Regulation by being published in the Official Gazette on 08.03.2020.

Akfen Renewable has applied for auxiliary resource (hybrid SPP) in terms of 6 WPPs (Denizli WPP, Kocalar WPP, Hasanoba WPP, Üçpınar WPP, Saritepe WPP and Demirciler WPP) and 1 HEPP (Doğançay HEPP). The total planned hybrid investment is 94.8 MW. Our applications were approved by TEİAŞ and EMRA and the capacity we requested was recorded in our licenses.

The investment process for our 86 MW hybrid SPP projects has been initiated, contracts for the turnkey construction of the projects have been signed and the construction process has started.

In December 2024, the first 3.95 MW section of the Saritepe Hybrid SPP project began commercial energy production. By the end of March 2025, a total of six hybrid solar power plants with a combined installed capacity of 75 MW have become operational.



2. WPP Capacity Expansion

Articles for capacity increase in renewable energy sources were added to the Electricity Market License Regulation by being published in the Official Gazette on 23.08.2019. Akfen Renewable applied for electrical and mechanical capacity increase in licensed power plants within the

scope of 5 WPPs (Denizli WPP, Kocalar WPP, Hasanoba WPP, Üçpınar WPP and Saritepe WPP) with a total of 19 turbine points and 92.4 MW.

Generation licences have been received from EMRA for the related projects and as of the reporting date, energy analysis studies for wind capacity increase projects have reached the final stage and tender negotiations have been initiated with turbine manufacturers.

In August 2024, all contracts for a total of 102 MW of additional SPP capacity increase projects were signed and construction processes were initiated.



3. Storage Facilities with Generation

Akfen Renewable Energy has made the necessary applications to EMRA in order to benefit from the amendments made in the electricity market legislation in 2021 and 2022 to encourage renewable energy investments.

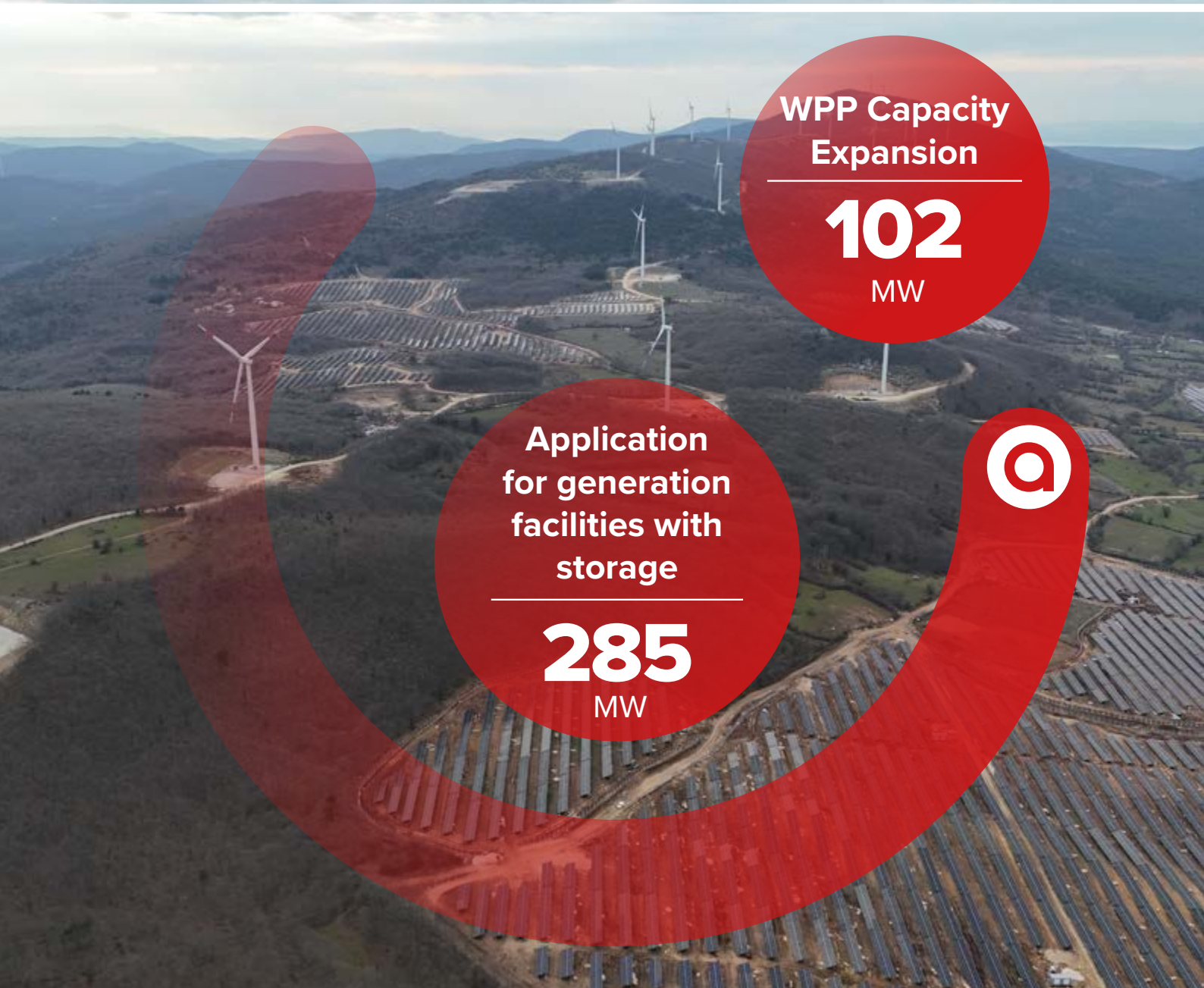
Within the scope of self-contained electricity storage facility applications, a total of 375 MW self-contained storage facility applications made by our company were approved by EMRA.

Based on the right granted to the

storage facility under Article 17 of the Electricity Market License Regulation, SPP and WPP pre-license applications with a total capacity of 285 MW were made.

In this context, a total of 285 MWe Storage + 285 MW Generation pre-licenses were received from EMRA for. The preliminary license processes of all our applications for generation facilities with storage have been completed. Necessary technical and financial studies for generation facilities with storage have been initiated.

Storage facility with generation	Storage	Generation type	Generation
Çanakkale Üçpınar	50 MW	WPP	50 MW
Erzurum	30 MW	SPP	30 MW
Amasya	30 MW	WPP	30 MW
Aydın	30 MW	WPP	30 MW
Osmaniye Saritepe	95 MW	WPP	95 MW
Van	50 MW	SPP	50 MW





04

Corporate Governance

- CORPORATE VALUES
- HUMAN RESOURCES
- BOARD OF DIRECTORS
- SENIOR MANAGEMENT
- BOARD OF DIRECTORS COMMITTEES
- CORPORATE GOVERNANCE POLICIES

Corporate Values and Future Outlook



Our Goal

Our goal is to meet Turkey's growing energy demand with sustainable resources and thus contribute to ensuring energy security, which is of strategic importance for our country, while supporting the reduction of the current account deficit in our country and keeping our environmental and social performance at the highest standards, to create a balanced portfolio by diversifying our renewable energy resources and to continue our success in the business areas in which we are experienced by realizing our investments in accordance with our long-term value creation strategy.



Our Strategy

- To grow our platform, which is composed entirely of domestic and renewable resources and which will produce sustainably in all areas of the energy sector, with the partnership of corporate investors from Turkey and around the world who want to invest in renewable energy.
- Creating long-term value by ensuring the implementation of best practices in environmental and social standards in corporate governance.
- To contribute to the development of Turkey's rich renewable energy resources.
- To create and maximize shareholder value.
- To improve revenues, growth and profitability, and optimize of our capital structure.



Corporate Values

With the building blocks of our corporate culture, i.e. our entrepreneurship, investment expertise and our quality of being a reliable business partner in business development, and with our responsible corporate citizen identity, we aim to make great contributions to the economy of our country, which aims to become a serious player in the global economy. The values we have adopted for this purpose:

- All tasks are important and all employees are valuable.
- We are dynamic and enterprising.
- Honesty is the symbol of our quality.
- Our investments are both material and spiritual.
- Our way is off the beaten tracks.
- We embrace our work and learn every day.
- Our identity is our reputation.



Our Principles

- To gather under the roof of Akfen Renewable Energy a participatory, dynamic and competent workforce that attaches importance to continuous development and creates value.
- To prioritize our understanding of quality and ethical values in all business processes and management.
- To complete the projects under our commitment on time and with the highest quality.
- To fulfill the promises made to our employees, business partners, shareholders and social stakeholders and to protect their interests.
- To sustain a transparent and honest approach to doing business.
- To manage risks with a unique and innovative business approach while evaluating new initiatives and opportunities.
- To invest in people and society through social-responsibility activities.



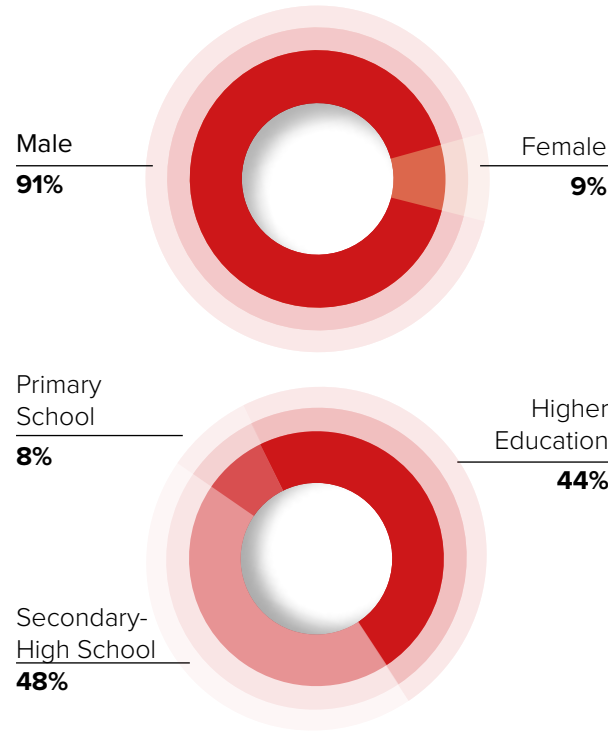


Akfen Renewable Energy is aware that success and securing the future depends on its employees. With the fundamental understanding that “all tasks are important and all people are valuable”, Akfen Renewables aims to develop a working environment where employees' ideas are valued, their participation is supported and everyone is provided with equal opportunities.

For Akfen employees who have adopted cooperation based on love, respect and tolerance under the roof of Akfen, and for subcontractor employees, too, we believe that the basic criterion for sustainable success is to work in an environment based on human rights principles, respecting all of their material and moral rights, and we attach importance to collaborations in which corporate values and ethical principles are shared.

Our HR Policy, which was created with this understanding, adopts approaches that protect the rights of employees and keep the sense of “Akfen Family” alive both within the organization and before all our stakeholders.

HR Management carries out human resources practices that are continuously developed in a dynamic structure in line with the strategic plans and targets of the company, taking into account the conditions of the day. In this context, ensuring that the skills and competencies of employees meet the requirements of the job, HR Management conducts the planning, selection, placement and development processes of human resources, job analyses, preparation of appropriate job descriptions according to changing conditions, performance and career planning activities, enhancement of work motivation and development of corporate culture.



Total Employee Number

234



Organizational Development

In order to ensure sustainable success and innovation, the organization, human resources, business processes and job descriptions are structured and systematically reviewed in line with needs.

Efforts are carried out to sustain, improve and expand target and competency-based human resources systems that support a high performance culture and continuous development.



Education Management

At Akfen Renewable Energy, continuous training is seen as an essential element of creating sustainable values and is recognized as a very important building block of the corporate culture.

In this context, various training environments are created to enrich the qualifications of the workforce and develop its intellectual capital. In addition to orientation and on-the-job training with its own know-how, a training program that includes soft skills and technical training is carried out with expert in-house and external partnerships and companies; training programs are handled in a process involving employees, and are reviewed every year according to demand and needs.



Career Management

Employees are offered horizontal and vertical promotion opportunities within the company or between subsidiaries in order to provide individual development opportunities while meeting corporate needs. Employee competencies are improved through practices such as job enrichment.



Selection and Placement

Akfen Renewable Energy carries out studies to recruit workforce that creates value, is sensitive to the environment, society and people, is open to innovation and change, is flexible, entrepreneurial, dynamic, fast, and aims to improve itself and its business; the competencies sought are determined by creating staff and job descriptions, and the workforce that best fits the job descriptions in the company staff is recruited.



Performance Management

A performance evaluation system consisting of individual, functional and managerial competency stages, where success is evaluated according to measurable criteria, is being developed in order to realize the career planning of value-creating workforce, to reward them and to identify aspects open to development.

While expectations from employees are set out concretely, it is aimed to define development programs that support the career paths of employees in line with the feedback of managers.



Employee Profile

Akfen Renewable Energy's employee profile is a human resource that is open to change and development, highly motivated for success, believes in teamwork and team spirit, uses its resources and time properly, and has a high sense of social responsibility.



Board of Directors

Hamdi AKIN Chairman of the Board of Directors

Hamdi Akin was born in 1954. He graduated from Gazi University, Department of Mechanical Engineering. In 1976 he founded Akfen Holding, whose main activity area is to invest in, manage and coordinate partnerships and subsidiaries active in infrastructure and superstructure construction, port management, marine transportation, water distribution and waste water services, energy and real estate sectors. In addition to serving as the Chairman of the Board of Directors at Akfen Holding, he is also the Chairman of Board at MIP (Mersin International Port), Akfen Renewable Energy (Akfen Yenilenebilir Enerji A.Ş.) and Akfen REIT (Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.). In 1997, he founded the TAV brand to build and operate Turkey's first high capacity airport in the aviation sector, one of the hardest sectors of the world, and he managed the company as Chairman of Board until 2017.

In addition to his private entrepreneurship, Mr. Akin realized projects in infrastructure, energy and investment in scope of privatization efforts. He also carried his dynamism and hard work in business to volunteer efforts and non-governmental organizations as a Manager and founder of many societies, foundations, chambers of com-

merce. He has served as Vice President of Fenerbahçe Sports Club (2000-2002), MESS-Metal Industrialists' Union President of Ankara Regional Representatives Council (1992-2004), President of TÜGİAD-Turkish Young Businessmen's Association(1998-2000), Board Member of TİSK-Turkish Confederation of Employers' Associations (1995-2001), Board Member of TÜSİAD-Turkish Industrialists' and Businessmen's Association President of Information Society and New Technologies Commission (2008-2009) and Board Member of Clean Seas Association/TURMEPA (2011-2018).

Hamdi Akin is a founder of the Contemporary Turkey Studies Chair at the London School of Economics. He is also the Founding Member and Honorary President of the Turkey Human Resources Foundation (TİKAV), founded in 1999 to provide Turkey with well-trained human resources. He is also member of the Board of Trustees at Support and Education Foundation for Basketball and Board Member of Bodrum Promotion Foundation (BOTAV).

Additionally, Hamdi Akin serves as the Vice Chairman of the Board of Fenerbahçe Sports Club and the Honorary Consul of Hungary, responsible for the provinces of Muğla and Denizli.



Selim AKIN

Vice Chairman
of the Board



Selim Akın, graduated from Surrey University, Business Administration Department in the United Kingdom, and after coming back to Turkey Mr. Akın started his professional career in the Akfen Holding Accounting Department and later served in the Project Development and Finance Departments.

The main projects in which he participated are the privatization and financing of Vehicle Inspection Stations, the privatization and financing of Mersin Port and Akfen Holding's public offering and bond issue. Besides his Chairman of the Board of Directors role at Akfen Altyapı Holding A.Ş., Akfen İnşaat ve Turizm A.Ş., Mr. Akın also serves as the Vice Chairman of the Board of Directors and CEO at Akfen Holding and its various subsidiaries.

Mr. Akın has become a member of the Turkish Young Businessmen's Association. Mr. Akın is a member of TÜSiAD and Turkish Tourism Investors Association (TTYD). Also, he is Vice Chairman of Young Businessmen Association of Turkey (TÜGiAD) and he has also been serving as DEİK representative since 2018.

Pelin AKIN ÖZALP

Board Member



After graduating from Surrey University, UK, in 2010, Pelin Akın Özalp started her career in Deutsche Bank. Following her return to Turkey, she attended the MT Program of TAV Airports Holdings. Later moving on to the parent company, she has been serving as a Board Member in Akfen Holding as of 2012.

She is an active member of the Board of Trustees and the Board of Directors at TİKAV (Turkish Human Resources Education and Health Foundation) and Vice President of The Duke of Edinburgh's International Award-Türkiye National Committee. She is also Chairwoman at the Advisory Board of the Contemporary Turkish Studies Chair founded in London School of Economics since 2010.

She has been serving in DEİK(Foreign Economic Relations Board of Turkey) as a Board Member in Spanish, British and US Business Councils. She is also a Board Member of Turkish Tourism Investors Association (TTYD), Turkey Business Women's Association (TIKAD), the Marine Environment Protection Association (TURMEPA) and American Turkish Society (ATS) Boards and in Steering Committee Member of Inclusive Capitalism at the moment.

Previously, her experience entails different Board Memberships in various networks such as Association of Family Businesses (TAİDER) and Turkey Union of Chambers and Commodity Exchanges (TOBB) Young Entrepreneurs Advisory Councils, Association of Women in Board of Directors (YKKD). She was elected as the youngest deputy board member in TUSIAD in 2014.

Currently serving as Board Member of Akfen Holding, and Board of Directors Member of Akfen Renewable Energy, Akfen REIT, Istanbul Sea Buses (İDO) and Travellex.



Hasan KÖKTAŞ

Independent
Member of the Board



Hasan Köktaş was born in 1963 in Trabzon. In 1988, he graduated from Middle East Technical University, Faculty of Economics and Administrative Sciences, Department of Public Administration. He started his career at Türkiye İş Bankası. He worked in Family Finance between 1990- 1994 in various positions, and served as a member of the Board of Directors at Vakıfbank between 1996-1997 and as the General Manager of Belko between 1994 and 1999.

Between 2003 and 2008, he served as the Vice President of the Privatization Administration of Turkey. He also served as Deputy Chairman of the Board of Directors of Erdemir between 2004 and 2006, and Chairman and Vice Chairman of the Board of Directors of Türkiye Petrol Rafinerileri A.Ş. (TÜPRAŞ) between 2003 and 2008.

During his career in the Privatization Administration, he took part in the privatization and public offering of Turkey's largest companies such as Tüpraş, Erdemir, Halkbank, Esgaz, Bursagaz and also harbors and mining companies. Hasan Köktaş worked as the Vice President of Privatization Administration in charge of oil, natural gas and electricity sectors, and served as the Chairman of Energy Market Regulatory Board (EMRA) between 2008 and 2014.

Hasan Köktaş, who has been serving as the Chairman of the Board of Directors and Chairman of the Board of Trustees of the Turkish Energy Foundation (TENVA) since 2014, has been a Member of the Board of Directors of Aydem Energy Holding since 2017 and Chairman of Board of Directors of ACC Energy Investment & Consultancy Co since 2019. Köktaş has training certificates in various fields and participated in many national and international meetings on energy. Hasan Köktaş speaks English; he is married and has 3 children.

Yusuf TÜLEK

Independent
Member of the Board



Born in 1962 in Denizli, Yusuf Tülek graduated from Karadeniz Technical University Mechanical Engineering in 1983 and started to work as an engineer at the Turkish Electricity Authority Zonguldak Çatalağzı Thermal Power Plant.

He worked as the Deputy Manager of 1200 MW Trakya Natural Gas Power Plant between 1986-1994. Afterwards, he worked as the Project and Power Site Manager at Çukurova Elektrik A.Ş. between 1994-1996, Assistant General Manager at Rumeli Holding A.Ş. between 1996-1998, Energy Projects Coordinator at Asna Holding A.Ş. between 1998- 2000, Consultant at McD Consulting Office between 2000-2001, and Energy Project Supervisor at Esnida Ltd. between 2001-2003.

Yusuf Tülek served as the Board Member and Assistant General Manager of Türkiye Elektrik Ticaret Taahhüt A.Ş. (TETAŞ) between 2003 and 2004, and he was appointed to the EMRA Board with the Appointment Decision published in the Official Gazette of 3 January 2004, and he worked as an EMRA Board Member until 2010. He has been serving as the Founder Shareholder of TB Enerji Yatırım Danışmanlık Ltd since 2012, and he is an Independent Board Member at Lokman Hekim Engürüsağ A.Ş. since 2021.



Management Team

Mustafa Kemal GÜNGÖR

General Manager

Graduated from the Department of Electrical and Electronics Engineering at Middle East Technical University in 1998, Mustafa Kemal Güngör took his master's degree on Power Systems at the same university and the same department in 2003. Graduating from the Executive MBA program at Bilkent University in 2020, Güngör's entire career since 1998 was in the energy sector.

Güngör's career started in the field of energy transmission as he was employed in the construction projects on high voltage energy transmission lines and transformer substations. Later during his business life, he worked on renewable energy generation power plant projects and took part in Turkey's first private sector wind power plant and first licensed solar power plant projects.

He was a part of the team who initiated the investments on hydroelectric power plants at Akfen Renewable Energy, the firm he joined in July 2007. As the company grows, he further engaged in development of solar and wind power projects, company takeovers, technical due-diligence process prior to entering into the EBRD and IFC partnership and power trade efforts.

Güngör acts as the General Manager and Member of the Board at the SPVs affiliated with the company, as well as holds the position of General Manager at Akfen Renewable Energy. As of today, he is responsible for the entire technical, commercial and strategic management of the portfolio with an installed capacity of approximately 800 MW.





Mustafa Rifat BAĞBAŞLIOĞLU / Deputy General Manager / Legal

Mustafa Rifat Bağbaşıoğlu, who graduated from Ankara University Faculty of Law in 1999, started his career as a Lawyer at Medical Innovation Group in 2001. He worked as a Lawyer at SA-RA Energy between 2003-2006. Besides his position also worked as a Contract Manager in Syria and Bosnia-Herzegovina projects of the company.

Between 2006-2011, He worked as a Chamber Counsel in PTT General Directorate, and besides his duties in PTT, He served as an Expert Reporter in the Turkish Superior Board of Arbitration between 2008- 2011.

He continued his career as a General Counsel&Compliance Officer and BoD member at Enerjisa Energy Distribution Companies between 2011-2022.

As of 2022, he is responsible as a Deputy General Manager / Law, and he is executing corporate law and litigation in Akfen Renewable Energy and the companies in its portfolio. Rifat Bağbaşıoğlu provides consultancy to the departments in compliance with the regulation and corporate correspondence, He is also coordinating and executing in relation to Labor Law, Commercial Law and Contract Law.

Özgür UZUNOĞLU / Deputy General Manager / Finance

Özgür Uzunoglu graduated from the Department of Business Administration at Boğaziçi University in 2000. He began his professional career as a corporate finance analyst at Global Investment. Between 2006 and 2009, he served as a senior investment banker at NBK Capital. Later, he joined Burgan Investment (formerly known as EFG Istanbul) and served as Co-Head of Corporate Finance until 2015.

In 2016, he joined Akfen Renewable Energy Inc. ("ARE") as corporate finance director and has held the position of Deputy General Manager in charge of Financial Affairs since 2017. Over the past 7 years at ARE, he took an active role in coordinating and executing various mergers and acquisitions, project financing, and initial public offering transactions, with a total transaction volume of approximately 1 billion USD.

Celal Öztop / Deputy General Manager / Construction and Operations

Celal Öztop was born in 1977 in Ankara. He graduated as a high honor student from the Department of Electrical and Electronics Engineering at Gazi University in 2001. He completed his master's degree in Electrical and Electronics Engineering at METU (Middle East Technical University) in 2005 and is currently continuing his doctoral studies in the same field. Between 2004 and 2008, he obtained a second bachelor's degree from the Department of Business Administration at Anadolu University.

Öztop began his professional career in the energy sector, taking on various critical roles in projects related to power system stability analysis, equipment selection and installation

for renewable energy plants, and hydroelectric and thermal power plant projects. He has also gained experience in areas such as planning investments for distribution companies and operating smart grid systems.

He has held various senior management positions in leading companies such as Yıldızlar Group, Türkerler Holding, Energy Tech Engineering, IC İçtaş Energy Production and Trade, and Thrace Electricity Distribution A.Ş. In these roles, he has achieved significant success in various areas of the energy sector and has gained a wide range of experience. As of November 2023, he is serving as the Deputy General Manager at Akfen Renewable Energy.



Board of Directors Committees



Three committees were established with the decision of Akfen Renewable Energy Board of Directors dated 25.01.2023 and numbered 2023/09: Audit Committee, Early Detection of Risk Committee and Corporate Governance Committee.

- To appoint Hasan Köktaş as the Chairman of the Early Detection of Risk Committee and Selim Akın as a members,
- To appoint Hasan Köktaş as the Chairman of the Audit Committee and Yusuf Tülek as a member,
- To appoint Yusuf Tülek as the Chairman of the Corporate Governance Committee and Pelin Akın Özalp and Aylin Çorman, who was appointed as members.



1. Audit Committee

The purpose of the Audit Committee is to oversee the functioning and effectiveness of the company's accounting system, public disclosure of financial information, independent auditing and the company's internal control and internal audit system.

The Audit Committee will consist of at least two members and all members will be independent board members.

At least one of the Audit Committee members must have 5 years of experience in audit/accounting and finance. The Committee convenes at least four times a year, at least quarterly, and the results of the meetings are recorded in the minutes and the decisions taken are submitted to the board of directors. The members of the Audit Committee are determined by the board of directors and disclosed on PDP.



2. Early Detection of Risk Committee

The purpose of the Early Detection of Risk Committee is to detect early the risks that may jeopardize the existence, development and continuity of the company, to take the necessary measures against the risks identified and to manage the risks.

The Early Detection of Risk Committee must consist of at least two members. In case it consists of two members, both of them, and in case it has more than two members, the majority of the members must be non-executive members of the Board of Directors.

The chairman of the Early Detection of Risk Committee is elected among the independent board members. Specialists who are not board members may be members of the committee.

The Early Detection of Risk Committee convenes as often as deemed necessary and records all its activities in writing. The Committee submits reports containing information on its activities and meeting results to the board of directors. The members of the Early Detection of Risk Committee are determined by the board of directors and disclosed on PDP.



3. Corporate Governance Committee

The main purpose of the Corporate Governance Committee is to determine whether the corporate governance principles are being implemented in the company and if not, to determine the reasons thereof and the conflicts of interest arising from the failure to fully comply with these principles, to make recommendations to the board of directors to improve corporate governance practices and to oversee the work of the investor relations department.

As made possible by the Corporate Governance Principles, the Corporate Governance Committee also fulfills the duties of the nomination and remuneration committees specified in the Corporate Governance Principles, since a separate nomination committee and remuneration committee have not been established due to the structure of the company's board of directors.

The Corporate Governance Committee must consist of at least two members. If it consists of two members, both of them, and if it has more than two members, the majority of the members must be non-executive board members. The chairman of the committee is elected among the independent members of the board of directors. Specialists who are not board members may be members of the committee.

The Committee convenes as often as it deems necessary and keeps a written record of all its activities. The members of the committee are determined by the board of directors and disclosed on PDP. The manager of the investor relations department must be appointed as a member of the committee.



Corporate Governance Policies

The Board of Directors of Akfen Renewable Energy has determined the remuneration, information, profit distribution and donation and aid policies with its decision dated 20.01.2023 and numbered 2023/10. As required, the policies were submitted to the opinion, evaluation and approval of the shareholders at the first general assembly meeting after the public offering. The contents of the policies are as follows:



Remuneration Policies

The remuneration policy regulating the principles of remuneration of the company's Board of Directors and executives with administrative responsibilities is determined by taking into consideration the Company's long-term goals.

In accordance with the remuneration policy, the board of directors determines the remuneration of board members and executives with administrative responsibilities by conducting self-criticism and performance evaluation for both the board, members and executives with administrative responsibilities. The remuneration of executives with administrative responsibilities is determined by a resolution of the board of directors and the remuneration of board members is determined by a resolution of the general assembly.

Care is taken to ensure that the remuneration to be paid to the independent members of the Board of Directors is at a level to protect the independence of the member, and within the framework of Corporate Governance Principles, dividends, share options or payment plans based on the company's performance cannot be used.



Disclosure Policy

The purpose of the disclosure policy is to ensure an active, effective and transparent communication with all stakeholders, including shareholders, investors, employees, customers and relevant authorized institutions, by sharing all kinds of information that are not trade secrets simultaneously in a complete, fair, accurate, timely, understandable, low-cost and easily accessible manner.

The company carries out this policy in compliance with the regulations to which it is subject and the provisions of its articles of association.

The board of directors is authorized and responsible for monitoring, supervising, developing and updating the company's public disclosure and information policy. Disclosures are made through financial statements, independent auditor's report and declarations, annual reports, the company's website (www.akfenren.com.tr), material event disclosure forms, announcements made through the Turkish Trade Registry Gazette (TTRG) and daily newspapers, and communication tools such as telephone, e-mail and fax. Prior to or simultaneously with the public disclosure of the matters subject to material events, a disclosure is also made on PDP and the relevant disclosure is also included on the company's website.



Dividend Policy

The purpose of the dividend distribution policy is to determine the company's dividend distribution principles and to enable shareholders to foresee the procedures and principles of distribution of the company's future profits. The company carries out this policy in accordance with the regulations to which it is subject and the provisions of the articles of association.

In dividend distribution, the company pays utmost attention to establish a balance between the interests of the shareholders and the interests of the company. The Board of Directors is authorized and responsible for monitoring, supervising, developing and making necessary updates to the company's Dividend Distribution Policy.

In principle, as long as the relevant regulations and financial means allow, dividend distribution is decided by taking into consideration a number of factors including but not limited to market expectations, long-term corporate strategy, capital needs of the company's subsidiaries and affiliates, investment and financing policies, profitability and cash position, indebtedness, changes and developments in the relevant legislation and national and global economic conditions.

Cash distribution policy

In a way that does not result in a violation of commitments regarding profit distribution limitations within the scope of project finance agreements regarding the company's subsidiaries, and with the stipulation that the first payment will be done related to the first financial year in which the net distributable profit occurs in the company, and based on the distributable period profit calculated within the framework of TCC, capital markets legislation and other relevant legislation and regulations, the principle is to distribute at least 50% of the cash surplus, which will be determined by taking into account the company's cash flow, current and planned investment

expenditures, new investments and investment strategy, including all kinds of loan and financing repayments, as cash dividends.

Subject to and without prejudice to the provisions of this paragraph, dividends may be distributed to shareholders in cash or as bonus shares by adding the profit to the capital, or may be distributed partially in cash and partially as bonus shares.

There are no shares with dividend privileges

Dividends are distributed equally to all shares existing as of the date of distribution, regardless of their issue and acquisition dates. There are no shares with dividend privileges in Akfen Renewable Energy. Unless the reserves required to be set aside in accordance with the Turkish Commercial Code and the dividend determined for the shareholders in the articles of association or dividend distribution policy are set aside, no decision can be made to set aside other reserves, to transfer profit to the following year or to distribute dividends to the members of the board of directors, employees and persons other than shareholders, and no dividend can be distributed to these persons unless the dividend determined for the shareholders is paid in cash.

Dividend distribution shall be made following the General Assembly meeting, provided that it shall commence no later than the end of the accounting period in which the General Assembly meeting at which the distribution decision is made is held. The General Assembly decides on the date of dividend distribution. The General Assembly or the Board of Directors, if authorized, may decide to distribute dividends in installments in accordance with the capital markets legislation.

The Board of Directors may distribute advance dividends provided that it is authorized by the General Assembly and complies with capital markets legislation.



Donations and Aid Policy

The purpose of the donation and aid policy is to determine the donation and aid guidelines of the company. The Board of Directors is authorized and responsible for monitoring, supervising, developing and updating the company's donation and aid policy. The company implements this policy in accordance with the regulations to which it is subject and the provisions of the articles of association.

Article 3 of the company's Articles of Association stipulates that the upper limit of donations will be determined by the General Assembly. The company avoids making donations and aid that would distract from the principle of protecting the rights of shareholders. Within the framework of the company's social responsibility approach, donations and aid deemed appropriate by the Board of Directors may be made in a manner that will not hinder the purpose and subject of the company. Donations and aid are subject to

the criterion of being in compliance with the provisions of the capital markets legislation and the company's policies and practices.

Donations and payments made by the company are disclosed to the public in accordance with Article 3 of the company's Articles of Association and within the framework of the CMB's regulations on public disclosure of material events. Shareholders are informed about the amount and beneficiaries of all donations and aid made and about policy changes with a separate agenda item at the general assembly meeting.

Donations and aid are required to be submitted for the information of shareholders at the ordinary general assembly meeting. The provisions of the relevant legislation, particularly the CMB's regulations on the prohibition of disguised profit transfer and the mandatory corporate governance principles, are complied with regarding donations and aid.



'Our Digital Footprint' Project



05

Sustainability

- SUSTAINABILITY IN AKFEN RENEWABLE ENERGY
- CDP CLIMATE CHANGE SCORE
- FULL COMPLIANCE WITH INTERNATIONALLY RECOGNIZED ENVIRONMENTAL AND SOCIAL MANAGEMENT SYSTEMS
- ENVIRONMENTAL AND SOCIAL MANAGEMENT
- ENVIRONMENT
- CSR PROJECTS AND LOCAL ECONOMY SUPPORT MECHANISM
- RURAL REGION SEMINARS
- SOCIAL SUPPORT ACTIVITIES CARRIED OUT IN THE POWER PLANT REGIONS IN 2024

Sustainability

in Akfen Renewable Energy

In the environmental and social governance and sustainability report prepared by Moody's, Akfen Renewable Energy ranked first in Asia and Europe and 29th among 4,886 companies in the world with a score of 70.

Akfen Renewable Energy's sustainability vision is based on minimizing the environmental impact of the energy sector, ensuring the efficient and effective use of natural resources, and acting with social responsibility. The company takes an integrated approach to economic, environmental, and social dimensions when implementing renewable energy projects, adopting as a fundamental principle the goal of leaving future generations with a clean, reliable, and sustainable energy future.

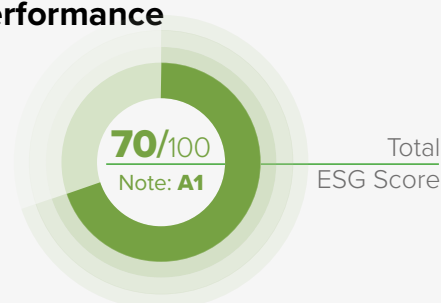
In this regard, it prioritizes sustainability principles not only in its current projects but also in all its future investments and operations, aiming to ensure high standards in the areas of Environment, Social, and Governance (ESG).

Akfen Renewable Energy aims to create a sustainable working environment and integrate sustainability principles into all business processes, combining this approach with corporate strategy, daily operations, and decision-making mechanisms. The company's understanding of sustainability is clearly demonstrated in its human resources management, occupational health and safety, environmental practices, and social responsibility projects.

The protection of natural resources, environmental sustainability, consideration of social and socio-economic impacts, and the needs of future generations are among the company's core sustainability values.

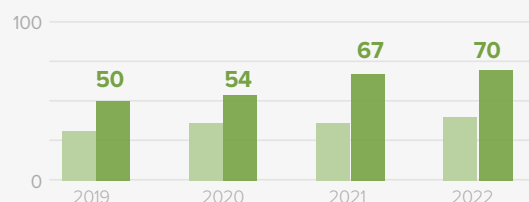
Akfen Renewable Energy gives great importance to measuring and continuously improving its sustainability performance in line with international standards. In this context, since 2018, the company's

Environmental, Social and Governance (ESG) Performance

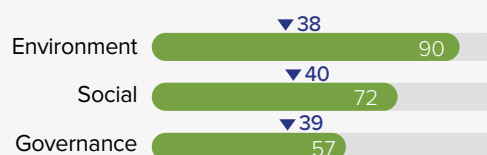


Sector Ranking	1/52
Region Ranking	1/845
World Ranking	29/4.886
Company Reporting Rate	95%
Sector Average	71%
Highly Controversial	NO

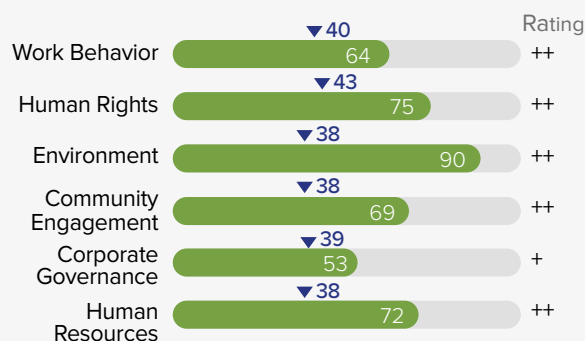
Historical Performance



ESG Performance



6 Sphere of Influence Performance





environmental and social management system performance has been evaluated by the international credit rating agency Moody's.

In 2021, the company earned an A1 rating, the highest possible score, with an overall score of 67 points in a sustainability assessment published by Vigeo Eiris, which operates under Moody's and aims to inform investors about sustainability issues. This achievement was the result of a comprehensive analysis that systematically evaluated numerous criteria, including environmental and social performance, governance practices, operational efficiency, legal security, human capital management, and corporate reputation. This strong performance continued in 2022 with a steadfast commitment to sustainability.

In the ESG assessment conducted by the international credit rating agency Moody's, Akfen Renewable Energy ranked first among electricity sector companies in the European and Asian markets with an overall score of 70 points. Additionally, the company has risen to 29th place in the ranking, which evaluates 4,886 companies from various sectors worldwide, successfully entering the top 30. The Moody's report highlights the company's integrated management approach to sustainability and its high standards in environmental and social impact areas.



Akfen Renewable Energy has adopted the goal of operating in line with the European Green Deal and the Paris Agreement. Among the core objectives of the company's green growth strategy are increasing investments in renewable energy and minimizing emissions by evaluating scenario analyses to contribute to the goals of the Paris Climate Change Agreement.

Akfen Renewable Energy integrates its environmental responsibilities into all its operational processes with a vision of "clean energy for a sustainable future." In this regard, under the "Zero Waste" certification process coordinated and approved by the Ministry of Environment, Urbanization, and Climate Change, it has earned the "Zero Waste Certificate" for all its hydroelectric (HEPP), solar (SPP), and wind energy plants (WPP) as well as its headquarters as of 2021.

Not content with merely obtaining the certificate, Akfen Renewable Energy has adopted a zero-waste approach as an integral part of its environmental sustainability strategy. Within this framework, waste sources generated at its power plants are analyzed in detail, preventive measures are implemented to reduce waste volume, and recycling processes are managed effectively.



Akfen Renewable Energy has adopted the goal of operating in line with the European Green Deal and the Paris Agreement. Among the core objectives of the company's green growth strategy are increasing investments in renewable energy and minimizing emissions by evaluating scenario analyses to contribute to the goals of the Paris Climate Change Agreement.



Following the certification process, comprehensive systems and practices were implemented to further improve waste management. In particular, an effective waste separation and collection system was established to separate waste at source and collect it efficiently. In addition, operational processes became more resource efficient by switching to digital document management systems to reduce paper consumption and promote digitization.

We remain committed to combating the climate crisis and creating a positive impact on the climate with our sustainable energy solutions. Since 2022, as part of our efforts to understand our environmental impact and set sustainability goals, we have been calculating direct and indirect emissions from our business operations in accordance with the ISO 14064-1: 2018 Corporate Carbon Footprint Standard and the GHG (Greenhouse Gases) protocol.

In 2024, the carbon footprint calculations of all our businesses were carried out in accordance with the ISO 14064-1: 2018 Corporate Carbon Footprint Standard and verified by an independent organization.



Data obtained as of 2024 clearly shows that the company bases its sustainability principle not only on its current operations but also on its growth and investment processes.

In 2024, total greenhouse gas emissions amounted to 17,089.97 tons of CO₂e. The main reason for this increase is that many new projects entered the construction phase during the same year. This development has led to an increase in Scope 3 emissions in particular, with the Scope 3 value rising from 4,122.07 tons of CO₂e in 2023 to 15,851.45 tons of CO₂e in 2024. However, this increase is not due to a direct deterioration in carbon intensity but rather stems from a dynamic investment period during which the foundations for future renewable energy infrastructure were laid.

However, our Scope 1 emissions decreased to 977.91 tons of CO₂e compared to 2023, while our Scope 2 emissions decreased significantly to 260.61 tons of CO₂e due to low-carbon energy consumption. As of 2024, our emissions intensity stands at 0.01 tCO₂/MWh.

Greenhouse Gas Emissions (tCO₂e)

	2022 Emission	2023 Emission	2024 Emission
Scope 1	2,048.41	1,012.94	977.91
Scope 2	716.51	646.02	260.61
Scope 3	6,195.47	4,122.07	15,851.45
TOTAL EMISSION (tCO₂e)	8,960.39	5,781.03	17,089.97

Emission Intensity	2022	2023	2024
Emission Intensity (tCO ₂ / MWh)	0.005098	0.003483	0.010680



Water Footprint



Akfen Renewable Energy has calculated its water footprint for 2024 in order to better assess its impact on water consumption and water resources, and to achieve its environmental sustainability goals. These calculations provide a critical basis for the company's efforts to use water resources efficiently, reduce environmental impact and manage water consumption sustainably. Water footprint calculations also reinforce the company's environmental responsibility and transparency.

Water footprint calculations have been made in accordance with internationally recognized standards such as ISO 14046 Water Footprint Standard and Water Footprint – Principles, Requirements and Guidelines, and the accuracy and reliability of the calculations have been verified through an independent verification process.

The findings obtained from the water footprint calculations for 2024 are as follows:

- **Blue Water Footprint:** 15,026.35 m³/year
- **Grey Water Footprint:** 12,021.08 m³/year
- **Total Water Footprint:** 27,047.43 m³/year

Additionally, considering water usage and environmental impacts at hydroelectric power plants, the total amount of water withdrawn and returned to the environment (recharge) for 2024 was calculated as 2,935,373,800.71 m³/year.

These calculations play an important role as part of Akfen Renewable Energy's efforts to use water resources more efficiently and minimize its environmental impact. Water footprint data has enabled the company to better understand its impact on water consumption and has formed an important basis for shaping the decisions it will take in this direction.



CDP Climate Change Rating



Akfen Renewable Energy participated in the CDP - Carbon Disclosure Project for the first time in 2023, and as a result of its climate change reporting, its rating was announced as “B Management Level.”

CDP is a London-based international non-profit organization working to change the way business operates in order to mitigate the effects of climate change and protect natural resources. CDP facilitates reporting by publicly traded companies to investors on how they use natural resources and natural capital, how their activities affect the regeneration of limited resources, and how they manage risks in this area.

Akfen Renewable Energy achieved significant success in the 2024 climate change and water security assessment conducted by CDP. According to the assessment, Akfen Renewable Energy earned a B rating, the highest rating in the Climate Change category for SMEs. This achievement is significant in demonstrating companies' strong approach to environmental management and their commitment to sustainability.

The company has implemented the following measures to ensure full compliance with internationally recognized environmental and social management systems.

- Used ESG scores to evaluate environmental, social, and corporate governance performance.
- Acted in compliance with applicable laws and international standards related to environmental protection.
- Reported that it acted in accordance with corporate governance principles and reported on corporate governance disclosures.
- Fulfilled social responsibilities.
- Established collaborative initiatives to strengthen environmental, social, and corporate governance capacities.



Full Compliance with Internationally Recognized Environmental and Social Management Systems



The company began developing and operating power plants in 2007. Some foreign loans were used to finance the projects, and creditors were informed about, among many other issues, labor and working conditions, resource efficiency, pollution prevention and control, health, safety, and security, land acquisition, protection of biological diversity and sustainable management of living natural resources, local peoples, cultural heritage, information sharing, and stakeholder participation; and audits were conducted in accordance with local legal requirements as well as international standards.

As a result of the successful completion of all audits, the projects have been put into operation, and no problems have been encountered in the process of the relevant production companies using the loans

Standards following the EBRD and IFC partnership

By July 2016, IFC and EBRD had become shareholders in Akfen Renewable Energy. IFC and EBRD have the highest standards of environmental and social management systems in international markets. As part of the partnership, Akfen Renewable Energy has begun to apply all of these standards across its entire portfolio.

An environmental and social management system has been established at the corporate level within the scope of the environmental and social action plan, which is an annex to the partnership agreement and has been committed to. Akfen Renewable Energy prepares an annual monitoring report to evaluate the environmental and social performance of its businesses and to report on the actions taken to improve this performance. Environmental and social management plans, procedures, and policies established in line with this system are presented in the annual monitoring reports.

In WPP and SPP projects that have been put into operation in the last three years and have used international credit, in addition to the IFC and EBRD, creditors have audited the projects with independent audit firms within the scope of the environmental and social management system. In WPP projects where loans were used, Golder Associates Inc. (an international company providing consulting, design, and construction services in the fields of soil, environment, and energy) conducted audits on behalf of the lenders, while in SPP projects, Arup companies (a UK-based architecture, planning, and engineering services company) carried out audits on behalf of the lenders.

The company has implemented the following items to ensure full compliance with internationally recognized environmental and social management systems.

Used ESG score to assess environmental, social and corporate governance performance.



Complied with effective laws and international standards on environmental protection.



Reported its compliance with corporate governance principles and corporate governance disclosures



Fulfilled social responsibilities



Established collaborative initiatives to strengthen environmental, social and corporate governance capacities.





As of 2018, the company's environmental and social management system performance evaluation process is conducted by Moody's, whose independence is recognized in the international market. As a result of the continuous performance improvement in 2018, 2019, 2020, 2021 and 2022, in the environmental and social governance and sustainability report prepared by Moody's for companies who demanded to be evaluated and ranked, the company ranks among the top 30 companies worldwide in all sectors (29th among 4,886 companies worldwide), while ranking first in the Asian and European markets with 70 points. The company also secured the top spot globally in the electricity and natural gas services sector ranking. As in 2021, it once again ranked first among companies participating in the evaluation.

Under the environmental and social management system implemented by the Company and in line with international standards, no employee working on the Company's payroll has been diagnosed with an occupational disease in the last five years as a result of the high-level safety measures taken.

Akfen Holding, the majority shareholder of the Company, signed the United Nations Global Compact on July 2, 2002, with the aim of contributing to the creation of a common culture in the business world within the framework of universal prin-

ciples. Akfen Holding is the first holding company in Türkiye to sign the Global Compact.

The articles supporting human rights within the scope of the Global Compact are specified in the Human Resources Procedure and the Akfen Code of Ethics document, and importance is given to the promotion of these articles while conducting company activities.

Within this framework, corporate policies, objectives, and targets have been determined in accordance with the Global Compact, the Global Goals for Sustainable Development, ISO 20121 Sustainability, ISO 26000 & SA 8000 Social Responsibility standards. Within the framework of quality, environmental, social, occupational health and safety, and energy efficiency standards, 15 main procedures have been created and in line with these procedures, a detailed integrated management system consisting of plans and instructions for each power plant has been established. This system is supported by software infrastructure to ensure its effectiveness. The management system has been certified by ICIM Spa, a member of the IQNet and the CISQ Federation, following an audit program conducted by this international certification body. The continuity of the certification is ensured through regular interim audits conducted annually.



Management System	Management System Name	Certification Date	Recertification Date
ISO 9001:2015	Quality management systems	25.01.2017	20.09.2024
ISO 14001:2015	Environmental management systems	25.01.2017	20.09.2024
ISO 45001:2018	OHS management systems	1.02.2017	20.09.2024
ISO 50001:2018	Energy management systems	1.02.2017	20.09.2024
ISO 27001:2013	Information security man. sys.	26.01.2022	31.05.2024
ISO 26000:2020	Social Responsibility man. sys	23.11.2022	26.11.2024
ISO 14064-1: 2018	Reporting of greenhouse gas emissions systems	01.01.2024-31.12.2024	-
ISO 14046:2014	Water footprint, Principles requirements and guidelines	01.01.2024-31.12.2024	-

* OHSAS 18001 *OHSAS 18001 standard was withdrawn in 2018 (validity period is 3 years after the date of withdrawal) and ISO 45001:2018 standard was established instead. The integrated management system has been updated in this context. Document revisions were carried out on 29.10.2021.

**EN ISO 50001:2011 standard was revised in 2018 (validity period is 3 years after the revision date) and EN ISO 50001:2018 standard was established. The integrated management system has been updated in this context. Document revisions were carried out on 15.10.2021.

The plans and instructions prepared/revised for each power plant by taking into account the integrated management system, IFC and EBRD performance requirements are listed below:

- Instructions for Combating Corona
- External Personnel, Visitor, Auditor Admission Instructions
- Energy & Global Resource Conservation Instruction
- Power Plant Security Plan
- Instructions for Creating Personnel File
- Planned Actions Instruction
- Social Impact Assessment Procedure
- Stakeholder Engagement Plan and Grievance Procedure
- Incentive System
- Community Health and Safety Man. Plan
- Traffic Management Plan
- Environmental & Social Management Plan
- Instruction on Recording of Non-Compliance Situations
- Emergency Response Plan
- Instructions for Response to Emergencies Affecting the Environment
- Waste Management Plan
- Plant Communication Instructions
- Occupational Health and Safety Instruction
- Off-Plant Emergency Action Instruction
- Akfen Renewable Training Program
- Human Resources Management Procedure
- Performance Management Procedure



Environmental and Social Management



Akfen Renewable Energy effectively manages integrated quality management systems through experienced and competent staff in order to apply environmental and social sustainability principles at the same standard across all its operations. Within the company, expert teams with the knowledge and experience to manage environmental and social management system procedures are assigned to maintain a consistent, measurable, and continuously improving structure in the field of sustainability.

With the aim of continuously improving the sustainability governance model, a significant step was taken in 2022 and following the update of the sustainability management structure, Akfen Sustainability Committee, which reports to the Akfen Holding Board of Directors, was established. This committee is responsible for monitoring, evaluating, and improving the sustainability performance of Akfen Holding and its subsidiaries, and reports directly to the Akfen Holding Board of Directors on its activities.

In the last quarter of 2022, four separate subcommittees were established under the committee to further advance sustainability performance and achieve long-term goals. These subcommittees, which operate under the titles of management, planet, people, society, and investment, include employees from Akfen Renewable with diverse areas of expertise actively participating. This participation ensures that the company's sustainability vision is strongly represented across the group.

In addition, sustainability working groups that implement Akfen Renewable Energy's sustainability efforts in the field and support internal processes also play an active role within the organization. Covering critical areas such as energy and carbon markets, public relations and corporate sustainability, risk management, occupational health and safety and



quality, human resources, procurement, and administrative affairs, these groups provide strategic contributions to the company's sustainability goals.

The company has established a multifaceted structure that encompasses both internal resources and expert services to ensure the effective implementation of its environmental and social management system. In this context, professional consulting support is obtained from external sources in areas such as occupational health and safety, ecological monitoring, ornithological observation, hazardous and non-hazardous waste management, special security services, integrated quality management, operational performance control, and technical operational auditing. The 112 specialized companies directly and indirectly involved in these activities have taken an active role as implementers of environmental and social responsibility principles on-site.

Akfen Renewable Energy has carried out comprehensive training activities throughout 2024 to improve the skills of its employees and strengthen the culture of sustainability across the organization. Throughout the year, 5,400 employee-hours of training were conducted in the Environmental, Social, and Governance (ESG) field, and 5,308 employee-hours of training were conducted in the Occupational Health and Safety (OHS) field. The average training duration per employee was 39.7 hours. The ESG training program covered topics such as Code of Ethics, Environmental Management, Sustainability Principles and Compliance, Environmental Emergencies, Biodiversity, Energy Efficiency, Climate Change, Greenhouse Gas Management, Stress Management, Incentive-Penalty System, and QGRC software. These programs play a significant role in helping the company achieve its sustainability goals by enhancing employees' environmental and social awareness levels.



For all WPPs within the framework of legislation, ornithological studies such as bird and bat monitoring, carcass scanning, etc. continue routinely



	Employees				Contractor/Subcontractor Employees*			
EDUCATION INDICATORS	2021	2022	2023	2024	2021	2022	2023	2024
Total OHS Training Hours	5.928	8.430	5.488	4.140	1.724	2.836	1.264	1.168
Akfen Renewable Energy								
Total ESG Training Hours (*)	4.296	2.305	3.184	4.310	1.678	1.314	788	1.090
Number of Employees								
Receiving Training	205	247	189	201	133	75	95	69
TOTAL TRAINING HOURS	-	10.735	8.672	8.450	-	4.150	2.052	2.258

*The 2024 Contractor Company/Subcontractor Employees information does not include details of construction projects.



Environment



The Environmental Law contains the basic regulations on environmental issues and in addition to the Environmental Law, there are various secondary legislations including the EIA Regulation, Environmental Permit and License Regulation and Waste Man. Regulation. The Environmental Law contains general provisions on environmental protection obligations and the consequences of violations of these obligations. The EIA Regulation, on the other hand, regulates the content of documents such as EIA reports or project introduction dossiers prepared within the scope of the EIA process, as well as the procedures and principles regarding the administrative and technical issues to be subject to this process.

Facilities subject to environmental impact assessment are specified in the EIA Regulation. All of the Company's power plants comply with the EIA Regulation. There are;

- (i) EIA Positive,
- (ii) EIA Not Required or
- (iii) EIA Out of Scope decisions for all power plants.

The power plants do not carry out any activities that fall within the scope of air pollution, environmental noise, wastewater discharge and deep sea water discharge topics regulated by the Environmental Permit and License Regulation. Therefore, the power plants are not subject to the permits and licenses required under the Environmental Permit and License Regulation.

No power plants are included in the high risk group

Environmental and social due diligence reports were prepared for all projects by the creditors' consultants prior to the investment decision.



Within the scope of these reports, no power plant project was included in the high risk group. In these reports, the impacts of the power plants on bird migration routes were examined, protected areas were examined, stakeholder interviews were conducted, and ecosystem endemic species were examined. All potential risks during construction and operation have been examined and analyzed. No major risk assessment was identified in any project.

For all WPPs, ornithology studies such as bird and bat observation and carcass scanning continue routinely within the framework of the legislation. Additionally, flora and fauna monitoring activities continue routinely in WPP and SPP projects.

Currently, there is no major environmental risk that will affect the general condition of the power plants. During the operation period, the relations between the ecosystem and the power plants are monitored and observed together. The reports submitted for monitoring and observation studies are inspected twice a year by the General Directorate of Nature Conservation and National Parks. The studies will continue until the observation studies are finalized as a result of the review processes.

Flora and fauna monitoring activities continue routinely in WPP and SPP projects. Currently, there is no major environmental risk that will affect the general condition of the power plants.



Assessment process for fish passages

In our HEPP projects, we apply a rigorous identification and evaluation process specific to regulators and fish passages. All fish passages exhibit high standards of operational performance. At the regulators, the environmental flow released by the flow observation stations is regularly checked. The functionality of these current observation stations has been examined and no inappropriate situation has been encountered.

Within the scope of Çamlıca III HEPP project, fish capture, transportation and release activities were carried out in June and October 2024. Fish capture, transportation and release processes were carefully planned and implemented to protect the ecosystem balance in the water resources of the project.



Compliance with international standards on climate and environmental issues

Akfen Renewable Energy is aware of its responsibility in combating the climate crisis and conducts all its activities in line with environmental sustainability principles and international standards. Within this scope, the company's Integrated Management System, which covers the areas of environment, energy, quality, occupational health and safety, information security, and social responsibility, is successfully implemented across all its power plants. This system is certified in accordance with ISO 14001:2015, ISO 50001:2018, ISO 9001:2015, ISO 45001:2018, ISO 27001:2013, and ISO 26000:2020 standards. All these certifications are kept up to date through annual independent audits, ensuring the effectiveness and continuity of the management systems. One of the cornerstones of the company's green growth strategy is to increase investments in renewable energy to contribute to the Paris Climate Agreement targets and shape roadmaps for reduc-

ing greenhouse gas emissions.

Akfen Renewable Energy has achieved significant success in the Carbon Disclosure Project (CDP) Climate Change Program, one of the world's most respected environmental reporting platforms, which it participated in for the first time in 2023. In the 2024 assessment, the company achieved a "B- Management Level" rating in the category for small and medium-sized enterprises (SMEs), demonstrating a performance two levels above the global average of "C-Awareness Level."

The CDP Climate Change Survey has guided the development of strategic plans for sustainable energy transformation by enabling the company to more effectively measure, manage, and improve its environmental impact. Akfen Renewable Energy is focusing on developing international climate targets by shaping its business plans in line with the 1.5°C Global Warming Scenario.



Priority is given to the sustainable management of water resources

Akfen Renewable Energy prioritizes the sustainable management of water resources and carries out activities aimed at reducing its environmental impact. Process water is not used in its operations, so there is no industrial water consumption or associated industrial wastewater generation. All power plants focus on the efficient use of water and prefer irrigation systems that save water and are suitable for local climate conditions. Drinking water is sourced from private companies, while utility water is supplied through municipal water, transported water, or well water. To ensure water quality, periodic analysis reports are requested for the water sourced, and water usage is not permitted without verification of these reports.

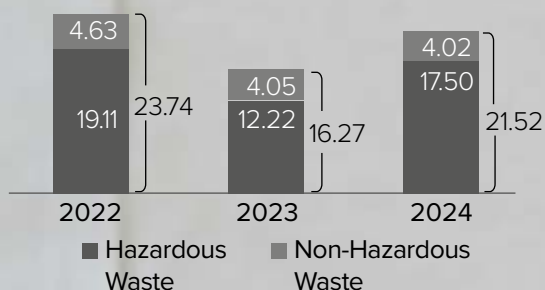
Domestic wastewater generated by power plant employees is collected in leak-proof septic systems and, when the fill rate reaches 80%, it is pumped out by licensed companies using vacuum trucks and sent to wastewater treatment plants.

The 2024 water footprint studies were independently verified based on the ISO 14046 standard and other internationally recognized methodologies, and the Company's total water footprint was calculated as 27,047.43 m³/year. Of this value, 15,026.35 m³/year is blue water and 12,021.08 m³/year is gray water footprint. Additionally, for hydroelectric power plants specifically, it has been calculated that a total of 2,935,373,800.71 m³ of water was withdrawn and returned to the natural environment (recharged) during the year.

All power plants focus on the efficient use of water and prefer irrigation systems that save water and are suitable for local climate conditions.



Waste Amount (tons)



Strategic cooperation with waste management companies

Akfen Renewable Energy implements an effective and legally compliant waste management system to minimize the environmental impact of waste generated from its activities. All waste generated at power plants is classified in accordance with the Waste Management Regulation, and the code and hazard characteristics of each type of waste are carefully determined. Hazardous waste is stored in temporary storage areas for a maximum of six months, while non-hazardous waste is stored for a maximum of one year. These temporary storage areas are structured in accordance with standards at all power plants, ensuring the safe and orderly management of waste.

Waste disposal and recovery processes are carried out within the framework of strategic partnerships with waste management companies licensed by the Ministry of Environment, Urbanization and Climate Change. Collection, transportation, and disposal activities are planned in an integrated manner, and environmental impacts are minimized through coordination with municipalities and authorized companies.

Industrial Waste Management Plans prepared for all power plants and approved by the relevant Provincial Directorates cover all processes from waste reduction at source to recycling, disposal, and transportation. Within this scope, Hazardous Substances and Hazardous Waste Mandatory Financial Liability Insurance is also taken out regularly for all power plants within the company every year.

In addition, waste declarations for all power plants are made through the Integrated Environmental Information System – Waste Management Application. These declarations contain detailed information on waste types, quantities, and treatment methods, contributing to the monitoring of environmental impacts.



Nature-friendly environment at power plants

Akfen Renewable Energy meticulously implements environmental protection and development plans from the project development stage through construction and beyond. The Company takes care not to develop projects in natural and cultural heritage sites and sensitive areas, and conducts detailed environmental assessments with expert teams prior to every investment. Through additional rehabilitation and local landscaping efforts implemented after construction, the Company creates living spaces in harmony with nature, with the protection of biodiversity and the consideration of social benefits among its top priorities.

As part of its social responsibility approach, the Company continues to contribute to projects that support environmental sustainability. In this context, within the framework of the Company's Donation and Aid Policy, a meaningful contribution was made in 2023 to support the reforestation of the region following the forest fires in Çanakkale.

As part of the "Akfen 100th Anniversary Memorial Forest" project established in Çanakkale in commemoration of the 100th anniversary of the Republic of Türkiye, a total of 100,000 trees are planned to be planted in a memorial forest. Akfen Renewable Energy has supported this project by planting 20,000 trees in 2024.

Akfen Renewable Energy, in collaboration with the Çanakkale Forestry Directorate, is not only contributing to the protection of natural life through its reforestation project, but also embracing the goal of leaving a green legacy for future generations. This project, which aims to reduce the effects of forest fires and play an active role in combating the climate crisis, is also a concrete demonstration of social solidarity and the company's strong commitment to sustainability.





Occupational Health and Safety

Akfen Renewable Energy is subject to various national and international OHS regulations. Local regulations governing the Company's activities primarily include risk assessment, emergencies, OHS trainings, and OHS management regulations. The company has always prioritized employee health and safety issues with international practices included in the performance criteria of IFC and EBRD due to its previous partnership structure.

The company implements ISO 45001:2018 Occupational Health and Safety Management System standards at all its power plants, adopting employee health and safety as one of its top priorities. At power plants classified as "Highly Hazardous," all processes aimed at preventing risks are carried out with the utmost care, and a proactive approach is taken to identify and eliminate potential hazards. Occupational Health and Safety Unit services are provided at all facilities, with monthly inspections conducted regularly by in-house experts, as well as annual site inspections and monthly documentation reviews carried out by third-party consulting firms.

In order to prevent potential workplace accidents within the company, we continuously update our occupational health and safety awareness and regularly provide our employees with training on risk assessment, emergency situations, first aid, electricity, defensive and advanced driving techniques, fire safety, and various training programs such as working at heights on wind turbines and working in high-voltage electrical installations in accordance with the standards of the Global Wind Organization for working at heights on wind turbines and working in high-voltage electrical installations.

In 2024, a total of 4,140 employee-hours of training was provided to company employees and 1,168 employee-hours of training was provided to contractor personnel within the scope of occupational health and safety, contributing to the strengthening of a safe working culture. Specific accident data for all of the Company's power plants is shown in the tables below.

Annual work accident statistics for employees directly employed by the company:

Annual occupational accident statistics for directly employed worker

	2017	2018	2019	2020	2021	2022	2023	2024
Total Recordable Incident Rate (TRIR)	0	0	0	0.49	0.42	0.54	0.39	4.03
Lost Time Incident Rate (LTIR)	0	0	0	0	0	0.33	0	0.18

Annual occupational accident statistics for contractor employees

	2017	2018	2019	2020	2021	2022	2023	2024
Total Recordable Incident Rate (TRIR)	0.94	0.51	0.66	0.34	0.64	0.77	0	4.28
Lost Time Incident Rate (LTIR)	0.23	0.3	0.47	0.34	0	0	0	2.08

* Data for 2024 does not include details regarding construction projects.

In the tables above, (i) Total Recordable Accident Frequency Rate is calculated as Total Number of Accidents x 200,000 / Total Man Hours, (ii) Lost Time Accident Frequency Rate is calculated as Number of Lost Time Accidents x 200,000 / Total Man Hours.

The Company regularly monitors occupational health and safety practices with 10 OHS specialists, 19 occupational physicians and 10 other health personnel, as well as 9 different joint health and safety units for its workplaces and enterprises. The Company organizes monthly OHS committee meetings with elected committee members, including employees and management representatives.



Corporate Social Responsibility Projects and Local Economy Support Mechanism



The company aims to provide reliable and clean energy and to improve and develop the communities and the environment in which it operates, especially the regions where its businesses are located. In line with this goal, the company prioritizes the employment of local people in the location of the enterprise and starts the supply chain locally within the scope of procurement instructions, for the purpose of contributing to the local economy.

The company supports the training of people in need of local jobs to become technical personnel and provides them with the necessary certificates. The company uses all possible means to support local employment, first in the village where the facility is located, then in the district, and then in the province.

The company aims to implement social responsibility projects in order to develop the regions where its power plants are located. It considers local stakeholders as its neighbors and establishes good relations with that awareness.

The company carries out its corporate social responsibility projects in two main categories, realizing projects in cooperation with TİKAV, a subsidiary of Akfen Holding, and also providing direct support to local stakeholders on a company basis.





Rural Region Seminars

with TİKAV and Akfen Renewable Energy

Face-to-face training was provided to **7,000 women** in the "Rural Regional Seminars" launched in 2017 under the financing of Akfen Renewable Energy and the coordination of TİKAV. The project received an award in the "Sustainability Communication - Women's Empowerment" category at the Sustainable Business Awards 2023 event.



Since 2017 Akfen Renewable Energy, under the coordination of TİKAV, has been providing training to women living in the regions where the company's power plants are located. To date, 7 thousand women have been provided with face-to-face training opportunities through different projects carried out under the name of "Rural Training Seminars".

To date, 7,000 women have received face-to-face training through the "School at Home", "Health First", "Hygiene is Health", and "Saving at Home, Future in Our Hands" projects carried out in villages where Akfen Renewable Energy has 27 power plant investments. The number of people reached indirectly through these projects has exceeded 28 thousand. The activities carried out so far in the Rural Regional Training Seminars that started in 2017 can be summarized as follows;

In 2017, 1,000 women participated in workshops for the development of children between the ages of 0 and 6 with the project **"School at Home"**,

In 2018, the "Health First" project provided training on first aid, basic health, cancer screening, gynecological diseases and organ donation to 1,500 women,

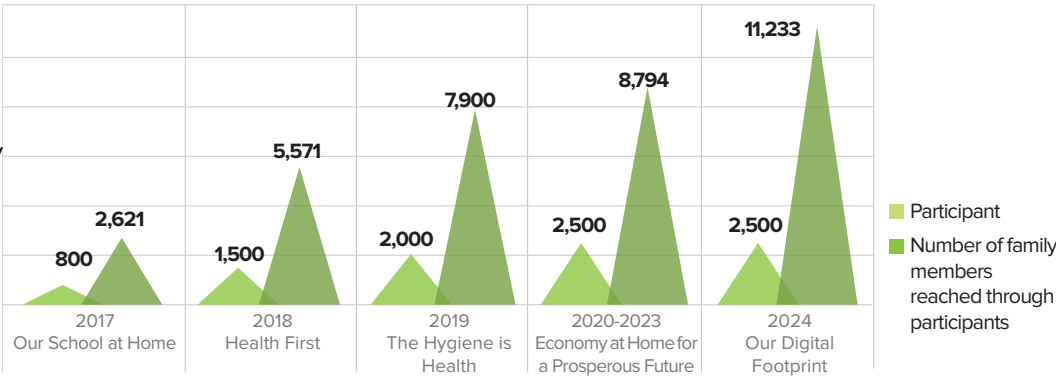
In 2019, the "Hygiene is Health" project was launched to train 2,000 women who engage in physical labour on food, body and living space hygiene,

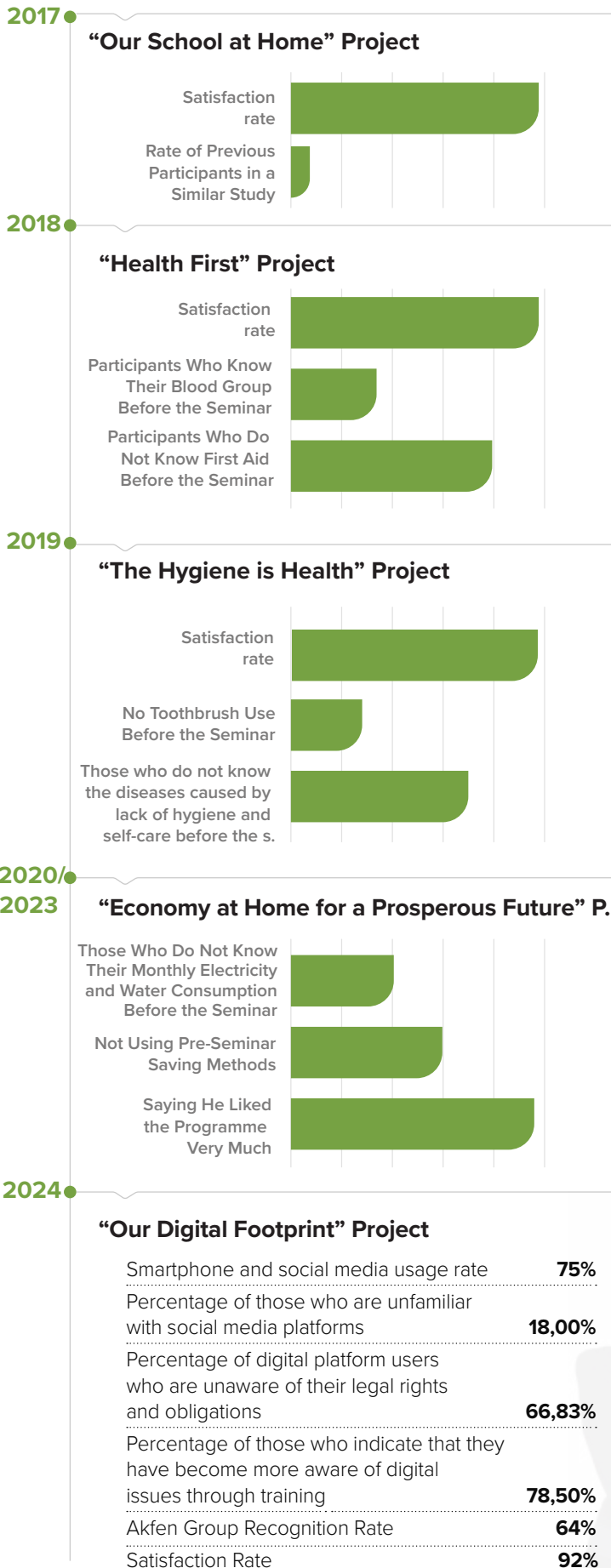
2,500 women were trained with the "Saving at Home, Future in Our Hands" project, with 23 projects initiated in 2020 but suspended due to the pandemic.

With the "Our Digital Footprint" project implemented in 2024 aims to raise awareness about the beneficial and correct use of digital platforms and to support the prevention of problems (cognitive crimes, psychological, physical) that both participating women and their family members may experience by addressing the problems that may arise as a result of unconscious use of digital platforms.

The training seminars, which spread to every region of Turkey, helped the project receive yet another award. The project received an award in the "Sustainability Communication - Women's Empowerment" category at the Sustainable Business Awards 2023 event.

Number of People Directly Participating in the Project and Indirectly Reached





Number of awards increased to three

With the award won in 2023, the number of awards in the project carried out jointly by Akfen Renewable Energy and TİKAV increased to three.

The awards received in previous years were as follows:

- The "Health First" project was awarded the Social Responsibility Award at the 9th Turkey Energy Summit in 2018, winning the first prize, and was also a finalist in its category in the competition organized by the Doctor Club in 2018.
- The "Hygiene is Health" project received the Grand Prize for Social Responsibility Projects at the 3rd Energy and Natural Resources Summit in 2019.

Project in line with the United Nations Sustainable Development Goals

The Rural Training Seminars are also in direct alignment and commitment with the United Nations Sustainable Development Goals (SDGs). The projects support SDG-3 (Health and Quality of Life), SDG-4 (Quality Education), SDG-5 Gender Equality, SDG-6 (Clean Water and Sanitation), SDG-10 (Reducing Inequalities), SDG-12 (Responsible Production and Consumption).

The education and empowerment of rural women contributes significantly to the goals of gender equality and quality education, while the project's position in the renewable energy sector and the way it is implemented promotes the use of clean energy and is an important step towards achieving sustainability goals.

"We are committed to expanding our project"



TİKAV Board Member Pelin Akin Özalp stated that they are proud that the project won another award in 2023 and said, "We are committed to expanding our project further and creating more opportunities to improve women's quality of life starting next year when TİKAV will celebrate its 25th anniversary."



Rural Area Education Seminars with Akfen Renewable

'Our Digital Footprint' Project



TİKAV, founded by Akfen Holding and aiming to support different segments of society through social responsibility projects, provided training on the beneficial and proper use of digital platforms to women and their families living in rural areas throughout 2024 as part of Akfen Renewable Energy's 'Our Digital Footprint' project, which aims to empower women in rural areas.

- With financial support from Akfen Renewable Energy, the project raised awareness about the digital world among women living in rural areas around solar, wind, and hydroelectric power plants in 18 provinces and 27 different locations across Turkey.
- The “Our Digital Footprint” project focused on the beneficial and proper use of digital platforms throughout 2024, raising awareness among women and their families living in rural areas about the legal, social, physiological, and psychological problems that can arise from the senseless use of digital platforms. The project reached approximately 2,500 people through 24 training sessions.

Literacy Rate	81%
Number of Children	
No children	2.5%
1 child	2.1%
2 children	15.4%
3 children	27.0%
4 children and above	53.0%
Occupational Distribution	
Housewife	81.6%
Agriculture	8.9%
Other	9.4%
Those who are unaware of social media platforms	18.00%
Digital platform users who are unaware of their legal rights and obligations	66.83%
Those who state that they have become more aware of digital issues through training	78.50%
Those who have been positively affected by digitalization/internet use	32.50%
Those who use smartphones, social media platforms, etc.	75.00%
Those who have had negative experiences with social media use & experienced conflict within their families	12.00%
Akfen Company Recognition Rate	64.00%
Percentage of Participants Who Have Participated in Previous Projects	56.00%
Satisfaction Rate	92.00%

The program to be organized in 2024 with the participation of women aged 18 and over is as follows:

Amasya SPP	Kutu Köyü, Boyalı Mevkii, Amasya
Sırma HEPP	Bozdoğan, Aydın
Denizli WPP	Karacasu, Aydın
Üçpınar WPP & Kocalar WPP	Lapseki İlçesi Üçpınar Köyü, Çanakkale
Hasanoba WPP	İntepe Köyü, Çanakkale
Denizli SPP	Acıpayam, Denizli
Demirciler HEPP	Kale, Denizli
Elazığ SPP	Şahinkaya Köyü Merkez İlçesi, Elazığ
Gelinkaya HEPP	Aziziye, Erzurum
Doruk HEPP	Dereli, Giresun
Çalıkobası HEPP	Bulanak, Giresun
Çamlıca HEPP	Yahyalı, Kayseri
Me-Se SPP	Sarayönü İlçesi Karatepe Köyü, Konya
Yaysun & MT SPP	Ereğli İlçesi Zengen Köyü, Konya

İota M. Fırıncı SPP	Battalgazi İlçesi Fırıncı Köyü, Malatya
Otluca HEPP	Anamur, Mersin
Sekiyaka HEPP	Seydikemer, Muğla
Kavakçalı HEPP	Ula, Muğla
Demirciler WPP & Sarıtepe WPP	Kaman Köyü Bahçe, Osmaniye
Doğançay HEPP	Geyve, Sakarya
Saraçbendi HEPP	Gemerek, Sivas
Tokat SPP	Turhal İlçesi Kuşoturağı Köyü, Tokat
Yağmur HEPP	Kahramanlar Köyü Sürmene, Trabzon
Omicron SPP	Edremit Kıyıcak Köyü, Van



Rural Area Education Seminars with Akfen Renewable

'Saving at Home, Future in Our Hands' Project



In 27 different locations in Turkey, seminars were organized in the neighborhoods/villages in the region where Akfen's power plants are located with the "Savings at Home, Future in Our Hands Project" implemented under the coordination of TİKAV and financed by Akfen Renewable Energy. In these seminars, it was aimed to contrib-

ute to both the home economy and the ecological balance of the country and the world by informing women living in rural areas about the wise and conscious use of electrical energy, which has a high cost among energy types, and water, our basic resource that cannot be substituted.

Number of Project Locations

23

Number of People Reached

2,500



The program to be organized in 2023 with the participation of women aged 18 and over is as follows:

Amasya SPP	Boyalı Mevkii, Amasya	Hasanoba WPP	İntepe Köyü, Çanakkale
Otluca HEPP	Anamur, Mersin	Üçpınar WPP & Kocalar WPP	Lapseki İlçesi, Üçpınar Köyü, Çanakkale
Sırma HEPP	Bozdoğan, Aydın	Me-Se SPP	Sarayönü, Konya
Sekiyaka HEPP	Seydikemer, Muğla	Yaysun & MT SPP	Ereğli İlçesi, Konya
Denizli WPP	Karacasu, Aydın	Omicron SPP Engil&Enciş	Edremit, Van
Demirciler HEPP	Kale, Denizli	PSİ SPP	Edremit, Van
Doğançay HEPP	Geyve, Sakarya	Yağmur HEPP	Köprübaşı, Trabzon
Kavakçalı HEPP	Ula, Muğla	Çalıkobası HEPP	Bulancak, Giresun
Gelinkaya HEPP	Aziziye, Erzurum	Yeşilvadi SPP	Acıpayam, Denizli
Saraçbendi HEPP	Gemerek, Sivas	Solentegre SPP	Şahinkaya Köyü, Elazığ
Çamlıca HEPP	Yahyalı, Kayseri	Tokat SPP	Turhal, Tokat
Doruk HEPP	Dereeli, Giresun		



Rural Area Education Seminars with Akfen Renewable

'Hygiene is Health' Project



In 2019, "Hygiene is Health Project" was carried out under the coordination of TİKAV and financed by Akfen Renewable Energy Inc. which has active Solar, Wind and Hydroelectric Power Plant operations in 26 different locations

in Turkey. In these seminars, it was aimed to raise awareness of women living in rural areas and engaged in physical labor on the issues of body and food hygiene, which are necessary for them to lead healthy lives.

Number of Project Locations

23

Number of People Reached

2,000



The program to be organized in 2019 with the participation of women aged 18 and over is as follows:

Amasya SPP	Boyalı Mevkii, Amasya
Otluca HEPP	Anamur, Mersin
Sırma HEPP	Bozdoğan, Aydın
Sekiyaka HEPP	Seydikemer, Muğla
Denizli WPP	Karacasu, Aydın
Demirciler HEPP	Kale, Denizli
Doğançay HEPP	Geyve, Sakarya
Kavakçalı HEPP	Ula, Muğla
Gelinkaya HEPP	Aziziye, Erzurum
Saraçbendi HEPP	Gemerek, Sivas
Çamlıca HEPP	Yahyalı, Kayseri
Doruk HEPP	Dereli, Giresun

Hasanoba WPP	İntepe Köyü, Çanakkale
Üçpınar WPP & Kocalar WPP	Lapseki İlçesi, Üçpınar Köyü, Çanakkale
Me-Se SPP	Sarayönü, Konya
Yaysun & MT SPP	Ereğli İlçesi, Konya
Omicron SPP Engil&Enciş	Edremit, Van
PSİ SPP	Edremit, Van
Yağmur HEPP	Köprübaşı, Trabzon
Çalıkobası HEPP	Bulancak, Giresun
Yeşilvadi SPP	Acıpayam, Denizli
Solentegre SPP	Şahinkaya Köyü, Elazığ
Tokat SPP	Turhal, Tokat



Rural Area Education Seminars with Akfen Renewable

'Health First' Project



The "Health First Project", which was implemented in 2018 under the coordination of TİKAV and financed by Akfen Renewable Energy, was implemented in 17 different locations in Turkey. These locations consist of rural areas where Akfen Renewable Energy's active Hydro Power Plants and Solar Power Plants are located. Within the scope of the project, women over the age of 18 living in rural areas were given a practical seminar on first aid, basic health, cancer screening, physical examination routines, gynecological diseases and organ donation in order to increase the awareness of women, who are the foundation of the family. Additionally, it was aimed to prevent erroneous health interventions



performed by non-professionals in our country, to break prejudices against physical examinations and to support taking necessary precautions in a timely manner, especially in gynecological diseases.

No. of Project Locations

17

No. of People Reached

1,500

The program to be organized in 2018 with the participation of women aged 18 and over is as follows:

Amasya SPP	Boyalı Mevkii, Amasya	Saraçbendi HEPP	Gemerek, Sivas
Çalıkobası HEPP	Bulancak, Giresun	Sekiyaka HEPP	Seydikemer, Muğla
Çamlıca HEPP	Yahyalı, Kayseri	Sırma HEPP	Bozdoğan, Aydın
Demirciler HEPP	Kale, Denizli	Solentegre SPP	Şahinkaya Köyü, Elazığ
Doğançay HEPP	Geyve, Sakarya	Tokat SPP	Turhal, Tokat
Doruk HEPP	Dereli, Giresun	Yağmur HEPP	Köprübaşı, Trabzon
Gelinkaya HEPP	Aziziye, Erzurum	Yaysun & MT SPP	Ereğli İlçesi, Konya
Kavakçalı HEPP	Ula, Muğla	Yeşilvadi SPP	Acıpayam, Denizli
Otluca HEPP	Anamur, Mersin		



Rural Area Education Seminars with Akfen Renewable

'School at Home' Project



Launched in 2017 in cooperation with TİKAV and Akfen Renewable Energy, the "School at Home Project" aims to inform parents about methods of supporting the physical, psycho-motor, social-emotional, mental and language development of children aged 0-6 at home and to raise awareness about the importance of preschool education.

The project focused on the importance of spending quality time with children at home in order to raise healthier individuals rather than leaving education to school. Within the scope of the project, mothers were informed about the health screenings of children aged 0-6 and a workshop was organized on spending quality time with children and home activities that can support their developmental processes.

Number of Project Locations

15

Number of People Reached

1,000



The program to be organized in 2017 with the participation of women aged 18 and over is as follows:

Otluca HEPP	Anamur, Mersin	Çamlıca HEPP	Yahyalı, Kayseri
Sırma HEPP	Bozdoğan, Aydın	Doruk HEPP	Dereli, Giresun
Sekiyaka HEPP	Seydikemer, Muğla	Yağmur HEPP	Köprübaşı, Trabzon
Demirciler HEPP	Kale, Denizli	Yeşilvadi SPP	Acıpayam, Denizli
Kavakçalı HEPP	Ula, Muğla	Yaysun & MT SPP	Ereğli İlçesi, Konya
Gelinkaya HEPP	Aziziye, Erzurum	Solentegre SPP	Şahinkaya Köyü, Elazığ
Saraçbendi HEPP	Gemerek, Sivas	Doğançay HEPP	Geyve, Sakarya



Social Support Activities Carried Out in the Power Plant Regions in 2024

OTLUCA HEPP	- In March, a food aid package was prepared at the request of the Anamur Municipality. - In July, support was provided for the culture and tourism festival organized by the Anamur Municipality. - In December, a sound system was provided for the mosque in the Çaltıbükü neighborhood.
	In April, support was provided for the traditional keşkek charity event in Sırma Neighborhood.
	- In October, in line with a request from the Seydikemer District Governor's Office, assistance was provided to the Turkish Police Force Strengthening Foundation for the purchase of police vehicles. - In October, in line with a request from the Seydikemer District Governor's Office, support was provided to the Gendarmerie Security Foundation for the purchase of gendarmerie vehicles.
KAVAKÇALI HEPP	- In October, the heating system at Kavakçalı Primary School was repaired. - In December, support was provided for staff condolence house needs.
GELİNKAYA HEPP	In October, aid was provided to the Gelinkaya Village Association.
DORUK HEPP	In March, food aid packages were prepared for needy families in the villages of Tamdere, Kızıldaş, Aksu, Tepeköy, and Sarıyakup.
YAĞMUR HEPP	- In March, electrical supplies were provided for the Gündoğan Neighborhood Mosque. - In April and May, food aid packages were prepared for families in need in Gündoğan and Kahraman Neighborhoods. - In August, a camera system was installed in Kahraman Neighborhood.
	- In August, training equipment was provided for athletes at the Trabzon Olympic Training Center. - In August and December, coal was provided to the Doğançay Neighborhood Mosque to meet its heating needs. - In August, a sound system was provided to the Örencik Neighbourhood Mosque. - In December, the facade painting work of the Dereköy Mosque was carried out to meet maintenance and renovation needs. - In December, construction material support was provided to the Geyve District Gendarmerie Command. - In December, an entertainment event was organized for the students of the Geyve Special Education School to contribute to their education and social development. - In December, printer support was provided to Karaçam Primary School to make the educational process more efficient. - In December, a television was provided to the Kızılkaya Neighborhood Council to increase the neighborhood's access to information and strengthen community awareness. - In December, a sound system was provided to the Örencik Neighborhood Mosque.
DOĞANÇAY HEPP	


**SARAÇBENDİ
HEPP**

- In March, food aid packages were prepared for families in need in the Gemerek District.

ÇAMLICA III HEPP

- In November, support was provided for local infrastructure and needs in the Çavdaruşağı neighborhood.

**ÇALIKOBASI
HEPP**

- In March and April, food aid packages were prepared for families in need in Tandır Village.
- In May, fuel support was provided for road repair work in Tandır Village to make transportation safer and easier.
- In December, support was provided for the construction of a water line to ensure clean and continuous access to water in Tandır Village.

**OMİCRON ENGİL
208 SPP**

- In March, food aid packages were prepared for families in need in the Kiyıcak neighborhood.
- In October, printer support was provided to Kiyıcak Elementary School to make the educational process more efficient.

PSI ENGİL 207 SPP

- In March, food aid packages were prepared for families in need in Bakımlı Neighborhood.
- In October, furniture was provided to the Bakımlı village office to enable it to serve citizens more effectively.
- In October, printer support was provided to Bakımlı Primary School to make the educational process more efficient.

IOTA SPP

- In March, food aid packages were prepared for families in need in Fırıncı Village.
- In February, the remaining water installation materials were procured in order to complete the water supply infrastructure in Üçpınar Village.

ÜÇPINAR WPP

- In February, fuel support was provided to ensure the operational continuity of the tractor serving in the village house in Üçpınar Village.
- In February, the necessary electrical components were procured to strengthen the lighting system in the village square in Üçpınar Village.



ÜÇPINAR WPP

- In March, basic materials necessary for local organizations and community events were procured for the Üçpınar Village Council.
- In March, a CCTV camera system was installed at the village entrances and exits in Üçpınar Village to increase security.
- In March, machinery support was provided in Üçpınar Village as part of sustainable infrastructure development efforts.
- In August, machinery services were provided in Çamyayla Village to supply the water needed for agricultural irrigation.
- Internet access was provided to Üçpınar Village in line with local needs, and 12 transmitters were installed to strengthen the communication infrastructure throughout the village.
- In October, an excavator was purchased to meet the service needs of Umurbey Municipality.
- In November, necessary improvements were made to increase the safety of the electrical infrastructure at the Üçpınar Village Mosque.

KOCALAR WPP

- In March, April, May, June, July, August, September, and October, machinery support was provided in Çamyayla Village as part of sustainable infrastructure development efforts, and the necessary fuel support was provided during this process.
- In March, a CCTV camera system was installed at the village entrances and exits in Harmancık Village to enhance security.
- In October, a solar energy system was installed in Harmancık Village for the village's water drilling project.

HASANOBA WPP

- In October, support was provided to the Erenköy Village Council for the laying of electrical cables to strengthen the village's electrical infrastructure.

06

Financial Statements

- INDEPENDENT AUDIT REPORT
- CONSOLIDATED STATEMENT OF FINANCIAL POSITION
- CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
- CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
- CONSOLIDATED STATEMENT OF CHANGES IN CASH FLOWS
- NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



AKFEN YENİLENEBİLİR ENERJİ A.Ş.

Consolidated Financial Statements as of and for the year ended
31 December 2024 With the Independent Auditor's Report

CONVENIENCE TRANSLATION OF THE INDEPENDENT AUDITOR'S REPORT
ORIGINALLY PREPARED AND ISSUED IN TURKISH TO ENGLISH

To the Board of Directors of Akfen Yenilenebilir Enerji Anonim Şirketi

A) Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Akfen Yenilenebilir Enerji Anonim Şirketi ("the Company") and its subsidiaries (together will be referred to as "the Group "), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

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 Audit of the Consolidated Financial Statements 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 principles regarding independent audit of consolidated 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.



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.

Hedge accounting

Refer to Note 2.iii and 2.v to the consolidated financial statements for summary of significant accounting policies and significant accounting estimates and assumptions for hedge accounting.

The key audit matter	How the matter was addressed in our audit
As of 31 December 2024, the Group uses its investment loans amounting to USD 211.138 thousand as a hedging instrument against the foreign exchange risk due to USD-based sales revenues made within the scope of the Renewable Energy Resources Support Mechanism ("YEKDEM"), and as a result of the effectiveness tests carried out in this context, the cash flow applies hedge accounting. For hedge accounting to be implemented in accordance with TFRS 9 Financial Instruments, the criteria to be met include defining the hedging relationship, documenting the hedging objective, and conducting a regular effectiveness test. Hedge accounting has been identified as one of the key audit matters because hedge accounting has a complex structure, effectiveness tests include important management estimations and assumptions such as future cash flows and require technical calculations.	We have performed the following audit procedures to be responsive to this area: Considering the objectives of hedge accounting and compliance with TFRS 9 Financial Instruments standard, Management's review of hedging effectiveness testing and assessment of compliance of related accounting records with TFRS 9, Documentation and appropriateness of hedging relationships of cash flow hedge transactions have been identified, Involving financial services specialists to assist in evaluating the appropriateness of cash flow hedging models. Evaluating the adequacy of disclosures in the consolidated financial statements regarding the hedge accounting.

Revaluation of Power Plants

Refer to Notes 2.iii and 2.v to details of accounting policies and significant accounting estimates and assumptions used for the revaluation of power plants.

The key audit matter	How the matter was addressed in our audit
The Group measures its power plants using the revaluation method in its consolidated financial statements. Therefore, the Group management makes various estimations and assumptions to determine the fair value of the power plants. The fair values of the power plants are determined by valuation reports prepared by independent valuation companies. The basic assumptions and estimations used in the valuations include the estimation and discounting of future cash flows prepared by considering the relevant risks. Valuation of power plants is considered as a key audit matter, because the valuation methods applied in power plant valuations include important estimates and assumptions and the carrying values of power plants are important for the consolidated financial statements.	We have performed the following audit procedures to be responsive to this area: Evaluation of the appropriateness of inputs and important assumptions such as price and production estimates and discount rate used in the valuation, which are used by independent valuation experts and the Group management during the valuation of the power plants and which constitute the basis for the revalued amounts of the power plants, Involving the corporate finance specialists in order to check the compatibility of the estimates and assumptions used in the valuation reports of the said power plants with the market data, to evaluate the acceptability of the applied methods and their compliance with the valuation methodology, In addition, evaluating the appropriateness and adequacy of the disclosures in the footnotes of the financial statements, including the explanations about the basic estimates and assumptions regarding the revaluation of power plants, within the scope of TFRSs.

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 TFRS, 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***Responsibilities of auditors in an audit are as follows:***

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 auditor's 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 Standards on Auditing issued by POA 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 Standards on Auditing issued by POA, 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 auditor's 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 auditor's 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of audit work performed for purposes 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

B) Other Legal and Regulatory Requirements

- 1) Pursuant to the fourth paragraph of Article 398 of Turkish Commercial Code ("TCC") numbered 6102; the Independent Auditor's Report on System and Committee of Early Identification of Risks is presented to the Board of Directors of the Company on 11 March 2025.
- 2) Pursuant to the fourth paragraph of Article 402 of the TCC; no significant matter has come to our attention that causes us to believe that for the period between 1 January 2024 and 31 December 2024, the Company's bookkeeping activities and consolidated financial statements are not in compliance with TCC and provisions of the Company's articles of association in relation to financial reporting.
- 3) Pursuant to the fourth paragraph of Article 402 of the TCC; the Board of Directors provided us the necessary explanations and required documents in connection with the audit.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi

Nesrin Tuncer,
Partner
11 March 2025
Istanbul, Turkey

**Consolidated Statement of Financial Position As of 31 December 2024**

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

		Current Period Audited	Prior Period Audited
ASSETS	References	31 December 2024	31 December 2023
Current Assets		2,447,843	2,461,093
Cash and cash equivalents	4	1,158,806	1,647,612
Trade receivables		478,594	675,213
- Trade receivables from third parties	6	478,594	675,213
Other receivables		69	300
- Other receivables from third parties	6	69	300
Prepaid expenses	13	706,823	124,556
Current tax assets	25	22,825	1,366
Inventories		1,632	1,632
Other current assets	15	79,094	10,414
Non-Current Assets		47,170,622	47,464,965
Trade receivables		-	3,862
- Trade receivables from third parties	6	-	3,862
Other receivables		31,298	25,605
- Other receivables from third parties	6	31,298	25,605
Financial investments		1,316	918
Prepaid expenses	13	350,765	336,650
Derivative financial instruments	16	-	157,457
Property, plant and equipment	8	42,211,636	42,385,870
Intangible assets		3,644,289	3,745,341
Goodwill	9	225,817	225,817
Other intangible assets	9	3,418,472	3,519,524
Right of use assets	10	846,669	714,016
Deferred tax assets	25	-	17,046
Other non-current assets	15	84,649	78,200
Total assets		49,618,465	49,926,058

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

**Consolidated Statement of Financial Position As of 31 December 2024**

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

	References	Current Period	Prior Period
		Audited	Audited
LIABILITIES		31 December 2024	31 December 2023
Short-term liabilities		2,895,776	4,536,941
Short term financial borrowings		1,624,427	3,467,423
-Short term portion of long-term bank loans	5	1,551,954	3,439,747
-Leasing payables	5	72,473	27,676
Trade payables		967,170	592,034
-Trade payables to related parties	7-27	40,857	28,366
-Trade payables to third parties	7	926,313	563,668
Other payables		65,186	72,802
-Other payables to third parties	7	65,186	72,802
Obligation for employee benefits		8,364	6,453
Current tax liabilities	25	-	2,935
Short term provisions		10,935	11,677
- Provision for employee benefits	11	10,935	11,677
- Other short term provisions	14	219,694	383,617
Long-term liabilities		10,403,788	15,888,971
Long term financial borrowings		6,460,488	10,740,538
-Long term bank loans	5	5,960,127	10,379,122
-Leasing payables	5	500,361	361,416
Long term provisions		56,875	63,499
- Provision for employee benefits	11	49,339	54,810
- Other long term provisions	11	7,536	8,689
Deferred tax liability	25	3,886,425	5,084,934
Equity		36,318,901	29,500,146
Total equity attributable to equity holders of the parent		36,219,473	29,412,957
Paid in capital	17	1,196,962	1,016,032
Share capital adjustments	17	10,555,759	10,551,847
Share Premium	17	7,198,008	4,164,755
Shareholder contribution	17	142,917	142,917
Other accumulated comprehensive income that will not be reclassified to profit or loss		537,812	368,850
- Revaluation fund	17	527,497	361,451
- Gains/(losses) on remeasurement of defined benefit plans	17	10,315	7,399
Other accumulated comprehensive income that will be reclassified to profit or loss		(7,296,360)	(10,558,463)
- Hedge Reserve fund	17	(7,296,360)	(10,558,463)
Restricted reserves separated from profit	17	109,782	109,782
Retained earnings		23,617,237	17,048,956
Net profit for the period		157,356	6,568,281
Non-controlling interests		99,428	87,189
Total equity and liabilities		49,618,465	49,926,058

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



Consolidated Statement of Profit or Loss and Other Comprehensive Income As of and for the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

		Current Period	Prior Period
		Audited	Audited
	References	January 1- 31 December 2024	January 1- 31 December 2023
Profit or loss from continuing operations			
Revenue	18	5,097,377	6,299,589
Cost of sales (-)	19	(3,103,578)	(3,122,898)
Gross profit		1,993,799	3,176,691
General administrative expenses (-)	20	(253,871)	(201,614)
Other operating income	22	970,890	2,972,622
Other operating expense (-)	22	(2,336,519)	(175,310)
Operating income		374,299	5,772,389
Revenues in investment operations	23	-	64,788
Expenses from investment operations	23	(82,995)	-
Operating profit before financial income		291,304	5,837,177
Financial income	24	220,377	129,049
Financial expense (-)	24	(2,324,396)	(2,975,453)
Monetary gains	29	754,428	1,952,908
Profit/Loss before tax		(1,058,287)	4,943,681
Loss before tax from continuing operations		1,227,882	1,626,103
- Current period tax expense	25	(9,902)	(15,188)
- Deferred tax income	25	1,237,784	1,641,291
Net profit/loss for the period		169,595	6,569,784
Attributable to			
Equity holders of the parent		157,356	6,568,281
Non-controlling interests		12,239	1,503
Earnings/(loss) per share			
Basic earnings per share	26	0,15	6,46
Diluted Earnings/(loss) per share	26	0,15	6,46
Other comprehensive income		3,431,065	896,569
Other comprehensive income that will not be reclassified to profit or loss			
- Actuarial loss arising from employee benefits		166,046	361,451
- Revaluation fund			
Other comprehensive income that will be reclassified to profit or loss			
- Hedge Reserve fund		3,262,103	514,787
Total comprehensive income		3,600,660	7,466,353
Attributable to			
Equity holders of the parent		3,588,421	7,464,850
Non-controlling interests		12,239	1,503

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

Consolidated Statement of Changes in Equity for the year ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

	Paid in capital	Share capital adjustment	Share premium	Restricted reserves	Shareholder contribution	Other Comprehensive Income and Expenses That Will Be Reclassified in Profit or Loss	Other Accumulated Comprehensive Income and Expenses That Will Be Reclassified in Profit or Loss	Retained Earnings	Total	Non-controlling interests	Total equity
						Gains-(losses)on remeasurements or defined benefit plans	Revaluation fund	Retained earnings/(losses)	Net profit/(loss) the period		
Balances as of Jan. 1, 2023	1,016,032	10,551,847	4,164,755	109,782	142,917	(12,932)	-	19,324,953	(2,275,997)	85,686	22,033,793
Transfers	-	-	-	-	-	-	-	(2,275,997)	2,275,997	-	-
Other comprehensive income	-	-	-	-	-	20,331	361,451	-	6,568,281	1,503	7,466,353
Balances as of Dec. 31, 2023	1,016,032	10,551,847	4,164,755	109,782	142,917			17,048,956	6,568,281	87,189	29,500,146
Balances as of Jan. 1, 2024	1,016,032	10,551,847	4,164,755	109,782	142,917	7,399	361,451	17,048,956	6,568,281	87,189	29,500,146
Capital increase (Not 17)	180,930	3,912	3,033,253	-	-	-	-	-	-	-	3,218,095
Transferler	-	-	-	-	-	-	-	6,568,281	(6,568,281)	-	-
Other comprehensive income	-	-	-	-	-	2,916	166,046	-	157,356	12,239	3,600,660
Balances as of Dec. 31, 2024	1,196,962	10,555,759	7,198,008	109,782	142,917	10,315	527,497	23,617,237	157,356	99,428	36,318,901

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

Consolidated Statement of Changes in Cash Flows at and for the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

		Current Period	Prior Period
		Audited	Audited
		January 1-	January 1-
	References	31 Dec. 2024	31 Dec. 2023
A. Cash Flows from Operating Activities		1,004,413	2,060,784
Profit for the period		169,595	6,569,784
Adjustments to reconcile profit		1,341,758	(3,194,576)
Adjustments for depreciation and amortization	8-9-10	1,160,501	1,086,897
Adjustments for tax expenses/(income)	25	(1,227,882)	(1,626,103)
Adjustments for provisions			
- Adjustments for provisions related with employee benefits	11,1	(6,213)	12,624
- Regulations on litigation	11,2	1,518	791
- Adjustments to provisions for receivables	23,2	4,223	13,533
Adjustments related to fair value losses of financial assets	23	1,257,281	(2,741,558)
Adjustments related to fair value losses of derivative financial instruments	23	-	58,294
Adjustments for impairment/(appreciation) of property, plant and equipment	24	(42,376)	(7,034)
Adjustments for (gain) / loss on sale of property, plant and equipment	23	82,995	(6,495)
Adjustments for interest income	24	(170,526)	(120,021)
Adjustments for interest expenses	24	1,016,295	1,485,256
Adjustments for unrealized foreign exchange		26,065	559,689
Adjustments for monetary gains		(760,123)	(1,910,449)
Changes in working capital		(504,035)	(785,530)
Adjustments for decreases/(increases) in trade receivables		231,191	504,138
Adjustments for increases in other receivables related with operations		(5,462)	17,507
Adjustments for (decreases)/increases in other assets related with operations		(692,972)	106,045
Adjustments for decreases in trade payables		138,840	(1,191,838)
Adjustments for decreases in other liabilities related with operations		(20,189)	(16,022)
Adjustments for other increases/(decreases) in working capital		(155,443)	(205,360)
Cash flows from operations		1,007,318	2,589,678
Payments related with provisions for employee benefits	11,1	(6,583)	(4,312)
Tax payments		(17,775)	(13,615)
Other ^(*)		21,453	(510,967)
B. Cash Flows used in Investment Operation		(1,979,810)	(210,239)
Cash outflows from the purchase of PPE	8	(1,976,930)	(210,234)
Cash outflows from the purchase of intangible assets	9	(4,945)	(5)
Cash inflows from the sale of tangible fixed assets		2,065	-
C. Cash Flows (used in)/from Financing Activities		640,356	(2,475,129)
Cash inflows from capital advances		3,218,095	-
Cash inflows from borrowing	5	3,814,426	-
Cash outflows related to debt payments	5	(5,600,804)	(1,820,023)
Interest paid	5	(874,579)	(615,966)
Interest received		52,598	10,730
Cash outflows related to debt payments arising from lease agreements	5	(141,716)	(49,870)
Cash inflows from derivative instruments	16	172,336	-
Net decrease in cash and cash equivalents before effect of exchange rate changes (A+B+C)		(335,041)	(624,584)
Impact of foreign exchange translation differences on cash and cash equivalents		374,128	412,969
Net increase/(decrease) in cash and cash equivalents		39,087	(211,615)
Cash and cash equivalents at the beginning of the period ^(*)	4	145,641	515,802
Inflation effect on cash and cash equivalents		(44,767)	(158,546)
Cash and cash equivalents at the end of the period	4	139,961	145,641

(*) Cash & cash equivalents at the beginning and end of the period do not include project, reserve and assignment accounts. Changes in the project, reserve and assignment accounts are presented in the Other Cash Outflows item under the cash flows from operations.

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

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

1. ORGANIZATION AND NATURE OF ACTIVITIES

AkfenHes Yatırımları ve Enerji Üretim Anonim Şirketi (AkfenHes) was incorporated on 12 January 2007 to construct and operate hydroelectric power plants in different regions of Turkey. AkfenHes acquired 14 hydroelectric energy production companies in 2007.

Within the ongoing restructuring in the renewable energy portfolio of Akfen Holding ("Akfen"), Akfenres Rüzgar Enerjisi Yatırımları A.Ş. ("Akfen RES") was merged with AkfenHes and AkfenHes's corporate name was changed into "Akfen Yenilenebilir Enerji A.Ş." ("Akfen Renewable") on 19 January 2016. Within this restructuring the transfer of the Akfen's subsidiary Akfen Elektrik Enerjisi Toptan Satış A.Ş. ("Akfen Toptan") to Akfen Renewable was completed on 25 January 2016.

Akfen Renewables and its consolidated subsidiaries will be collectively referred to as the "Group". The ultimate parent of the Company is Akfen Holding.

Karine Enerji Üretim ve Sanayi A.Ş. ("Karine GES") which was previously owned 100% by Selim Akin, BOD member of Akfen, has been acquired by Akfen for a consideration of USD 24,000,000 and Karine GES was merged with Akfen Renewable on 9 March, 2016.

On 14 December 2015, a partnership agreement was signed between Akfen and European Bank for Reconstruction and Development ("EBRD"). According to the provisions of this agreement, Akfen RES, Akfen Toptan, Akfen HES and Karine GES, following its transfer to Akfen, would be consolidated under one roof, thus, it is planned to create a renewable energy company and the EBRD will hold a 20% stake in this Group at a cost of USD 100 million. The contract signed with the EBRD was revised on 22 June 2016, so that both the EBRD and International Finance Corporation ("IFC") acquired 16,667% shares of the Group, each paying USD 100 million.

On 15.12.2022, a Share Transfer Agreement was concluded regarding the transfer of (i) shares belonging to EBRD and corresponding to 17.10% of the Company's issued capital and (ii) shares belonging to IFC corresponding to 15.99% of the Company's issued capital to Akfen Holding. The approval from the Competition Board, which is a prerequisite for share transfers according to the Share Transfer Agreement, was received on 06.01.2023. The mentioned share transfers were carried out on 18.01.2023 and Akfen Holding became the owner of all shares of the Company.

The Capital Markets Board approved the public offering of Group's shares (B) with a nominal value of TL 340,370,703, owned by Akfen Holding in Akfen Renewable's capital, on 02.03.2023. Group B shares with a nominal value of TL 340,370,703 were offered for sale between 08.03.2023 and 10.03.2023 and the Company's shares with a total nominal value of TL 340,370,703 (33.5% of the capital ratio) were offered to the public.

Within the scope of increasing the issued capital of the Company, which is TL 1,016,031,947 within the registered capital ceiling of TL 20,000,000,000, by TL 180,930,499 according to the share sales price of TL 17.41 determined within the framework of Borsa İstanbul A.Ş.'s "Procedure on Wholesale Purchase and Sale Transactions", to TL 1,196,962,446, with an increase of TL 180,930,499, all of the issued shares with a nominal value of TL 180,930,499 were sold to Akfen International Holding B.V. on November 28, 2024 as a private placement, and the Company's issued capital has been increased to TL 1,196,962,446 accordingly.

Akfen Renewables was established to generate electricity from renewable resources. The Group continues to generate electricity with hydroelectric power plants ("HEPP"), wind power plants ("WPP") and solar power plants ("SPP") installed at different points in Turkey.

The Group's business segments are as follows:

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

1. ORGANIZATION AND NATURE OF ACTIVITIES (CONT'D)**HEPP Companies of the Group**

As of 31 December 2024; the Group's subsidiaries, namely Bt Bordo Elektrik Üretim Dağıtım Pazarlama Sanayi ve Ticaret A.Ş. ("Bt Bordo"), Elen Enerji Üretimi Sanayi ve Ticaret A.Ş. ("Elen"), HHK Enerji Elektrik Üretim A.Ş. ("HHK") and Yeni Doruk Enerji Elektrik Üretim A.Ş. ("Yeni Doruk").

As of December 31, 2024, production is continuing at 12 plants with an installed capacity of 228.7 MW (31 December 2023: 228.7 MW) in HEPP Companies. Plant details of HEPP Companies are as follows:

Station	License	City	Established power (MW)	Receipt Date	YEKDEM Finish date
Sırma HEPP	Licensed	Aydın	6.66	23.05.2009	31.12.2019
Çamlıca-III HEPP	Licensed	Kayseri	28.48	1.04.2011	31.12.2021
Saraçbendi HEPP	Licensed	Sivas	26.28	6.05.2011	31.12.2021
Otluca HEPP	Licensed	Mersin	48.77	7.04.2011	31.12.2021
Demirciler HEPP	Licensed	Denizli	8.7	3.08.2012	31.12.2022
Yağmur HEPP	Licensed	Trabzon	9.19	27.11.2012	31.12.2023
Kavakçalı HEPP	Licensed	Muğla	11.45	29.03.2013	31.12.2023
Gelinkaya HEPP	Licensed	Erzurum	7.08	14.06.2013	31.12.2023
Doğançay HEP	Licensed	Sakarya	31.61	29.08.2014	31.12.2024
Doruk HEPP	Licensed	Giresun	28.89	19.09.2014	31.12.2024
Sekiyaka II HEPP	Licensed	Muğla	3.53	17.01.2014	31.12.2025
Çalıkobası HEPP	Licensed	Giresun	18.11	2.06.2017	31.12.2027
Total HEPP group			228.75		

WPP Companies of the Group

As of 31 December 2024, the Group's subsidiaries İmbat Enerji A.Ş. (İmbat), Kanat Enerji A.Ş., Pruva Enerji A.Ş., Derbent Enerji Üretim Paz.İth.ve İhr.A.Ş., Isider Enerji Üretim Paz.İth. ve İhr.A.Ş., Korda Enerji Üretim Paz.İth. ve İhr.A.Ş. ve Kovancı Enerji Üretim Paz.İth. ve İhr.A.Ş. (together "WPP Companies") WPP constitute these companies.

Among the WPP Companies, pursuant to the contract signed between İmbat Energy A.Ş. ("İmbat Energy") and Zorlu Enerji Elektrik Üretim A.Ş. , all of the shares representing 100% of the capital of Zorlu Rüzgar Enerjisi Elektrik Üretimi A.Ş. ("Zorlu Rüzgar") were purchased by İmbat Enerji on 5 February 2020, with the permission and approval of the relevant institutions and organizations. Zorlu Rüzgar owns Saritepe WPP (57 MW) and Demirciler WPP (23.3 MW) wind power central with a total installed capacity of 80,3 MW. On 21 April, 2020, Zorlu Rüzgar was merged with İmbat Energy. In addition, the first part of Saritepe hybrid solar power plant with an installed capacity of 3.95 MW was put into operation on 26.12.2024. As of 31 December 2023, production continues in 6 power central with a total installed capacity of 352.8 MW (31 December 2023: 348,9 MW). WPP Companies central details are as follows:

Station	License	City	Established power (MW)	Receipt Date	YEKDEM Finish date
Saritepe WPP	Licensed	Osmaniye	57	17.06.2016	31.12.2026
Saritepe Hybrid WPP	Licensed	Osmaniye	3.95	26.12.2024	31.12.2026
Demirciler WPP	Licensed	Osmaniye	23.3	22.07.2016	31.12.2026
Kocalar WPP	Licensed	Çanakkale	30.6	15.03.2019	31.12.2029
Üçpınar WPP	Licensed	Çanakkale	112.2	11.05.2019	31.12.2029
Hasanoba WPP	Licensed	Çanakkale	51	2.08.2019	31.12.2029
Denizli WPP	Licensed	Denizli	74.8	13.09.2019	31.12.2029
Total WPP Group (Hybrid WPP included)			352,85		

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

1. ORGANIZATION AND NATURE OF ACTIVITIES (CONT'D)**SPP Companies of the Group**

As of 31 December 2024, the Group's subsidiaries Ayna Enerji A.Ş., Bahçe Enerji A.Ş., Bahçeli Enerji A.Ş., Batikent Enerji A.Ş., Beysukent Enerji A.Ş., Çekirdek Enerji A.Ş., Cihangir Enerji A.Ş., Dalga Enerji A.Ş., Devir Enerji A.Ş., Düzey Enerji A.Ş., Farez Elektrik Üretim San.ve Tic. A.Ş., Gökada Elektrik Üretim Sanayi ve Tic. A.Ş., Günova Elektrik Üretim San. ve Tic. A.Ş., Hazine Enerji A.Ş., İota Güneş Enerji Elektrik Üretim ve Tic. A.Ş., Jupiter Enerji A.Ş., Kizilay Enerji A.Ş., Komsun Enerji Tarım Hayvan. İnş. San. ve Tic. A.Ş., Me-Se Enerji Elektrik Üretim Sanayi ve Tic. A.Ş., Mt Doğal Enerji Üretim A.Ş., Murel Elektrik Üretim San. ve Tic. A.Ş., Neptün Enerji A.Ş., Omicron Güneş Enerjisi Elektrik Üretim ve Tic. A.Ş., Plüton Enerji A.Ş., Psi Güneş Enerjisi Elektrik Üretim ve Tic. A.Ş., Radon Elektrik Üretim Sanayi ve Ticaret A.Ş., Solentegre Enerji Yatırımları Tic. A.Ş., Uranüs Enerji A.Ş., Yaysun Elektrik Üretim Sanayi ve Tic. A.Ş., Yeşildere Elektrik Üretim A.Ş., Yeşilvadi Elektrik Üretim A.Ş., Zengen Enerji A.Ş., Zincir Enerji A.Ş. (together "SPP Companies") constitute group's SPP companies. As of 31 December 2024, SPP Companies continues its operations with a portfolio of 121.4 MW total installed capacity with 26 MW of unlicensed and 95.4 MW of licensed projects. There are 33 project companies, with Akfen Renewable Energy holding 100% of shares in all but two (Me-Se Elektrik Üretim A.Ş. ("Me-Se") - 80%, Solentegre Enerji Yatırımları Tic. A.Ş. ("Solentegre") - 90%).SPP Companies power plant details are as follows:

Station	License	City	Established power (MW)	Receipt Date	YEKDEM Finish date
Solentegre SPP (Licensed)	Licensed	Elazığ	9.06	14.10.2016	31.12.2026
Omicron Engil 208 SPP	Licensed	Van	12.1	20.09.2018	31.12.2028
Omicron Erciş SPP	Licensed	Van	12.09	21.09.2018	31.12.2028
Me-Se SPP	Licensed	Konya	12.1	27.09.2018	31.12.2028
Mt Doğal SPP	Licensed	Konya	12.08	27.09.2018	31.12.2028
Yaysun SPP (Licensed)	Licensed	Konya	12.08	27.09.2018	31.12.2028
Psi Engil 207 SPP	Licensed	Van	12.97	25.07.2019	31.12.2029
İota SPP	Licensed	Malatya	12.97	13.08.2020	31.12.2030
Yaysun SPP (Unlicensed)	Unlicensed	Konya	0.62	17.02.2014	16.02.2024
Denizli SPP	Unlicensed	Denizli	7.42	25.05.2015	24.05.2025
Solentegre SPP (Unlicensed)	Unlicensed	Elazığ	0.56	15.02.2017	14.02.2027
Karine SPP	Unlicensed	Elazığ	0.56	26.08.2017	25.08.2027
Amasya SPP	Unlicensed	Amasya	11.22	12.08.2017	11.08.2027
Tokat SPP	Unlicensed	Tokat	5.58	19.10.2017	18.10.2027
Total SPP Group			121.41		

Incentives utilized by the Group within the scope of its sales

All of the HEPP Companies projects in Akfen Renewable's portfolio, with the exception of Sirma HEPP, Çamlıca-III HEPP, Saraçbendi HEPP, Otluca HEPP and Demirciler HEPP, are within the scope of The Law On The Utilization Of Renewable Energy Resources For The Purpose of Generating Electrical Energy. Projects included in this scope have the right to benefit from the government's guarantee of purchasing a minimum of 7,3 USD cents/kWh from generation for 10 years from the date commissioning, if they obtain a Renewable Energy Resources Certificate and complete their investments by 30 June 2021.

It was regulated that Renewable Energy Resources ("YEK") certified generation license holders that are subject to Renewable Energy Resources Support Mechanism ("YEKDEM") which was to be put into operation from 1 January 2021 to 30 June 30 2021, with the President's decision numbered 2949 and dated September 17, 2020, that was published and entered into force on the same day in the Official Gazette numbered 31248 on 18 September 2020, can benefit from the incentives regulated in Article 6/B of the Law on the Use of Renewable Energy Resources for the Purpose of Electricity Generation ("Law") until 31 December 2030.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

1. ORGANIZATION AND NATURE OF ACTIVITIES (CONT'D)

In the case before the decision entered into force, the incentives for the YEK Support Mechanism would only be applied to the YEK certified generation license holders that would go into operation before 31 December 2020. Within the scope of the aforementioned support mechanism, WPP portfolio can benefit a purchasing guarantee over 7,3 USD cents/kWh while the SPP portfolio can benefit a purchasing guarantee of 13,3 USD cents/kWh if the investments are completed by 30 June 2021.

Within the scope of the same law, there are various domestic contribution additions in case of domestic equipment being used in the production facility. As of October 19, 2017, the application for Solentegre SPP project under Solentegre within the "Regulation on Supporting Domestic Parts Used in Facilities Producing Electric Energy from Renewable Energy Sources" has been evaluated positively and it was entitled a domestic contribution of 0,44 USD cent/kWh starting from 1 January 2018. However, the other licensed SPP in the Akfen Renewable portfolio are Me-Se, MT, Engil 208, Erciş and Yaysun, as of 1 January 2019, Engil 207 as of 1 January 2020, with 0,44 USD cent / kWhs and licensed WPP projects, as of 1 January 2020, Kocalar, Hasanoba, Üçpınar and Denizli have been entitled to receive a domestic contribution of 0,60 USD cent/kWh. The period of benefiting from the addition of domestic contribution ends at the end of the 5th year of the YEKDEM period of the relevant power plant.

Akfen Toptan

Akfen Toptan obtained a procurement license for 20 years from the Energy Market Regulatory Authority ("EMRA") on 16 March 2011.

The address of the Group's head office is as follows :

Galip Erdem Cad. No: 3 Çankaya-Ankara. As at 31 December 2024, the Group has 234 employees (31 December 2023: 230).

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS**Laws affecting the subject of activity / Regulations**

Depending on the electricity generation and sales activities has carried out by the Group, it is subject to the regulations and communiqués published by the Energy Market Regulatory Authority ("EMRA"), as well as the Electricity Market Law dated 14 March 2013 and numbered 6446, which entered into force with the Official Gazette No. 28603 on 30 March 2013.

i. Basic principles of presentation

The accompanying consolidated financial statements have been prepared in accordance with the provisions of the "Communique on the Principles of Financial Reporting in the Capital Markets" ("Notification"), Series II, numbered 14.1, published in the Official Gazette dated 13 September 2013 and numbered 28676 of the Capital Markets Board ("CMB"). Companies reporting in accordance with the SEC regulations apply the Turkish Accounting Standards / Turkish Financial Reporting Standards and their annexes and interpretations ("TAS/ TFRS") published by the Public Company Accounting Oversight and Auditing Standards Authority ("PCAOA") in accordance with Article 5 of the notification. The consolidated financial statements are presented in accordance with "Announcement regarding with TFRS Taxonomy" which was published on 15 April 2019 by POA and templates defined in the Illustrative Financial Statements and User Guide published by CMB.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**i. Basic principles of presentation (continued)**

The consolidated financial statements are presented in Turkish Lira ("TL") of the Group. The consolidated financial statements have been prepared on the historical cost basis, except for power plants that are measured by the revaluation model and classified as property, plant and equipment.

These consolidated financial statements are prepared on a historical cost basis, adjusted for the effects of inflation on the Turkish Lira at the reporting date, excluding monetary assets and liabilities and assets and liabilities measured at fair value, in accordance with Turkish Accounting Standard ("TAS") 29 "Financial Reporting in Hyperinflationary Economies".

Financial Reporting in Hyperinflationary Economies

With the "Announcement on the implementation of TAS 29 Financial Reporting in Economies with High Inflation and FRS for LMSE Chapter 25 Financial Reporting in Economies with High Inflation" made on 23 November 2023 by POA, the financial statements of the enterprises applying TFRS for the reporting periods ending on or after 31 December 2023 will be subject to "Turkish Accounting Standard 29 Financial Reporting in High Inflation Economies" standard. POA explained that it should be presented in accordance with the principles of inflation and adjusted for the effect of inflation. In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, CMB decided that issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards will apply inflation accounting comply with the provisions of TAS 29. The implementation will start with the annual financial reports for the accounting periods ending as of 31 December 2024.

As a result, the financial statements of enterprises whose functional currency is TL are adjusted in accordance with TAS 29 according to the changes in the general purchasing power of the Turkish Lira as of December 31, 2024. The correction is calculated with the consumer price index correction coefficients published by Turkish Statistical Institute, derived from Turkey in general.

The indices and adjustment coefficients for the last three years used in the restatement of consolidated financial statements are as follows:

Date	Index	Conversion Factor
31 December 2024	2,684.55	1.00000
31 December 2023	1,859.38	1.44379

TFRS requires that the financial statements of an entity whose functional currency is hyperinflationary, whether prepared according to the historical cost or current cost approach, be restated in accordance with the requirements of TAS 29 and applied retrospectively, assuming that there has always been high inflation in the economy in which the currency is located. The basic principle in TAS 29 is that the financial statements of an entity reporting in the currency of a hyperinflationary economy must be reported in the measurement unit current at the reporting date. Comparative figures for the previous period are rearranged to the same current unit of measurement.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**i. Basic principles of presentation (continued)****Financial Reporting in Hyperinflationary Economies (continued)**

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 amounts for comparative periods have been rearranged by applying the index change from the relevant comparative period to 31 December 2024.

In a reporting period in which the Group determines that the functional currency is the currency of a hyperinflationary economy and there was no hyperinflation in the previous period, the Group applies the requirements of TAS 29 as if the economy had always been hyperinflation. Therefore, in respect of non-monetary items measured at historical cost, the opening statement of financial position at the beginning of the earliest period presented in the Group's consolidated financial statements should be restated to reflect the effects of inflation from the date on which assets were acquired and from the date on which liabilities were recognized or assumed. For non-monetary items shown at their current amounts in the opening statement of financial position, this adjustment should reflect the effect of inflation from the date their current values were determined to the end of the reporting period.

The Group applied TAS 29 in the opening statement of financial position dated 1 January 2022 and rearranged the relevant amounts to reflect the effect of inflation from the date the assets were acquired and liabilities and equity were assumed, excluding retained earnings/losses, until the end of the reporting period.

Approval of Consolidated Financial statements

Consolidated financial statements have been approved by the Company Management on March 11, 2025. The General Assembly of the Company has the right to change these consolidated financial statements, and the relevant regulatory authorities have the right to demand that they be changed.

Functional and reporting currency

The functional currency of the Company and its Subsidiaries are Turkish Lira (TL), and all financial information presented in Turkish Lira (TL) in the accompanying consolidated financial statements and footnotes has been rounded to the nearest thousand TL unless otherwise stated.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**i. Basic principles of presentation (continued)**

During the preparation of the Group's consolidated financial statements, transactions in foreign currencies (currencies other than TL) are recorded based on the exchange rates at the date of the transaction. Monetary assets and liabilities in foreign currencies in the consolidated statement of financial position are translated into TL using the exchange rates prevailing on the date of the statement of financial position. Among the non-monetary items that are accounted with their fair value, those whose fair value is calculated in foreign currency are translated into TL based on the exchange rates on the date of the statement of financial position where the fair value is determined. Income or expense arising from adjustments or translations of foreign currency items is included in the statement of profit or loss and other comprehensive income.

As of 31 December 2024 and 31 December 2023, EUR/TL and USD/TL rates are as follows:

	EUR		Average	
	Asset	Liability	Asset	Liability
31 December 2024	36.7362	36.8024	35.2803	35.3438
31 December 2023	32.5739	32.6326	29.4382	29.4913

Fees for Services Received from Independent Auditor / Independent Audit Firms

As of 31 December 2024 and 2023, the independent audit fees are as follows:

	1 January – 31 December 2024	1 January – 31 December 2023
Audit and assurance fee	10,754	6,480
Tax consulting fee	4,529	2,228
Other assurance services fee	712	1,491
Total	15,995	10,199

Consolidation principles

The Group controls the investee only if all of the following indicators are present;

- Has power over the investee
- It is exposed to or entitled to variable returns from its involvement with the investee.
- It has the ability to use its power over the investee to influence the amount of returns it will receive.

If circumstances indicate a change in one or more of the three elements of control, the Group reassesses whether it controls the investee. Consolidation of a subsidiary begins when the Group has control over the subsidiary and ends when the Group loses control of the subsidiary. The assets, liabilities, income and expenses of the subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group takes control to the date the Group loses control of the subsidiary.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**i. Basic principles of presentation (continued)**Business Combinations

The Group accounts for business combinations using the purchasing method when the entire group of acquired activities and assets meets a business definition and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group considers whether the set of activities and assets has two key elements: inputs and processes applied to those inputs. However, for a set of activities and assets to be considered a business, it must, at a minimum, include an essential process that contributes significantly to its ability to generate inputs and outputs together.

The consideration transferred on the acquisition is generally accounted for at fair value, as is the case with identifiable net assets purchased. The resulting goodwill is tested for impairment annually. The gain or loss from the bargain purchase is recognized immediately in profit or loss. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred. Purchase price; Does not include amounts related to closing existing relationships. These amounts are generally recognized in profit or loss. Any contingent consideration payable is recognized at its fair value at the acquisition date. If contingent consideration that meets the definition of a financial instrument is classified as an item of equity, it is not remeasured and is recognized in equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

Elimination of transactions in consolidation

Unrealized income and expenses resulting from intra-group balances and transactions and intra-group transactions are eliminated. Unrealised gains arising from equity transactions are eliminated in proportion to the group's shares in the investment. In the absence of any impairment, unrealized losses are eliminated in the same manner as unrealized gains.

Non controlling interest

Non-controlling interests are measured at the proportionate share of the net assets of the acquirer at the date of acquisition. Changes in the group's share of subsidiaries are accounted for as equity operations without losing control.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Subsidiaries

Subsidiaries are companies under the control of the Group. Control; The Group has the authority to govern a company's financial and operating policies in order to derive benefits from its activities. The Group controls an investee when it is exposed to or has rights to variable returns and has the ability to affect those returns through its power over the investee. Potential enforceable voting rights are taken into account when assessing control. The financial statements of the subsidiaries are reflected in the consolidated financial statements, covering the period from the beginning of the control to the day it ends.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**i. Basic principles of presentation (continued)**

The HEPP Group, the SPP Group, the WPP Group companies and Akfen Toptan were consolidated on the basis of Akfen Renewable Energy. The number of subsidiaries is 46 as of 31 December 2024. (31 December 2023: 45)

As of 31 December 2024 and 31 December 2023, the subsidiaries included in the consolidation are as follows:

Company Name	Scope	Major activity	As of 31 Dec. 2024 Ownership (%)	As of 31 Dec. 2024 Ownership (%)
Bt Bordo Elektrik Ür. Dağ. Paz. San. ve Tic. A.Ş.	HEPP	Energy Production	100	100
Elen Enerji Üretimi San. Tic. A.Ş.	HEPP	Energy Production	100	100
H.H.K Enerji Elektrik Üretim A.Ş.	HEPP	Energy Production	100	100
Yeni Doruk Enerji Elektrik Üretim A.Ş.	HEPP	Energy Production	100	100
Ayna Enerji A.Ş.	SPP	Energy Production	100	100
Bahçe Enerji A.Ş.	SPP	Energy Production	100	100
Bahçeli Enerji A.Ş.	SPP	Energy Production	100	100
Batıkent Enerji A.Ş.	SPP	Energy Production	100	100
Beysukent Enerji A.Ş.	SPP	Energy Production	100	100
Çekirdek Enerji A.Ş.	SPP	Energy Production	100	100
Cihangir Enerji A.Ş.	SPP	Energy Production	100	100
Dalga Enerji A.Ş.	SPP	Energy Production	100	100
Devir Enerji A.Ş.	SPP	Energy Production	100	100
Düzey Enerji A.Ş.	SPP	Energy Production	100	100
Farez Elektrik Üretim San.ve Tic. A.Ş.	SPP	Energy Production	100	100
Gökada Elektrik Üretim Sanayi ve Tic. A.Ş.	SPP	Energy Production	100	100
Günova Elektrik Üretim San. ve Tic. A.Ş.	SPP	Energy Production	100	100
Hazine Enerji A.Ş.	SPP	Energy Production	100	100
İota Güneş Enerji Elektrik Üretim ve Tic. A.Ş.	SPP	Energy Production	100	100
Jupiter Enerji A.Ş.	SPP	Energy Production	100	100
Kızılay Enerji A.Ş.	SPP	Energy Production	100	100
Komsun Enerji Tarım Hayvan. İnş. San. ve Tic. A.Ş.	SPP	Energy Production	100	100
Me-Se Enerji Elektrik Üretim Sanayi ve Tic. A.Ş.	SPP	Energy Production	80	80
Mt Doğal Enerji Üretim A.Ş.	SPP	Energy Production	100	100
Murel Elektrik Üretim San. ve Tic. A.Ş.	SPP	Energy Production	100	100
Neptün Enerji A.Ş.	SPP	Energy Production	100	100
Omicron Güneş Enerjisi Elektrik Üretim ve Tic. A.Ş.	SPP	Energy Production	100	100
Plüton Enerji A.Ş.	SPP	Energy Production	100	100
Psi Güneş Enerjisi Elektrik Üretim ve Tic. A.Ş.	SPP	Energy Production	100	100
Radon Elektrik Üretim Sanayi ve Ticaret A.Ş.	SPP	Energy Production	100	100
Solentegre Enerji Yatırımları Tic. A.Ş.	SPP	Energy Production	90	90
Uranüs Enerji A.Ş.	SPP	Energy Production	100	100
Yaysun Elektrik Üretim Sanayi ve Tic. A.Ş.	SPP	Energy Production	100	100
Yeşildere Elektrik Üretim A.Ş.	SPP	Energy Production	100	100
Yeşilvadi Elektrik Üretim A.Ş.	SPP	Energy Production	100	100
Zengen Enerji A.Ş.	SPP	Energy Production	100	100
Zincir Enerji A.Ş.	SPP	Energy Production	100	100
Sunway Energy S.R.L.	SPP	Energy Production	85	-
İmbat Enerji A.Ş.	WPP	Energy Production	100	100
Kanat Enerji A.Ş.	WPP	Energy Production	100	100
Pruva Enerji A.Ş.	WPP	Energy Production	100	100
İsıder Enerji Ürt. Paz. İth. ve İhr. A.Ş.	WPP	Energy Production	100	100
Korda Enerji Ürt. Paz. İth. ve İhr. A.Ş.	WPP	Energy Production	100	100
Dorbent Enerji Ürt. Paz. İth. ve İhr. A.Ş.	WPP	Energy Production	100	100
Kovancı Enerji Ürt. Paz. İth. ve İhr. A.Ş.	WPP	Energy Production	100	100
Akfen Elektrik Toptan Satış A.Ş.	Wholesale	Energy Supply	100	100

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**ii. Changes and errors in accounting policies**

The accompanying financial statements are prepared comparatively with the previous period in order to determine the Group's financial position, performance and cash flow trends.

Accounting policy changes resulting from the first application of a new TFRS are applied retrospectively or prospectively in accordance with the transition provisions of the relevant TFRS, if any. Changes that do not include any transition provisions, optional significant changes in accounting policies or identified accounting errors are applied retrospectively and the previous period financial statements are restated.

Changes in accounting estimates are applied prospectively in the current period when the change is made, if they are related to only one period, in both the period when the change is made and in future periods if they are related to future periods.

The Group has not made any significant changes in accounting estimates in the current year.

iii. The new and revised standards, amendments and interpretations**New standards, amendments and interpretations effective as of 31 December 2024:*****Amendments that have become effective and have been adopted***

Changes that have become effective and have been adopted for annual periods beginning on or after 1 January 2024:

- Classification of Liabilities as Current or Non-current (Amendments to TAS 1) for SMEs Accounting Standard – International Tax Reform – Pillar Two Model Rules
- Lease Liability in a Sale and Leaseback – Amendments to TFRS 16 Leases
- Amendments to TAS 7 Statement of Cash Flows and TFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements
- International Tax Reform – Pillar Two Model Rules- Amendments to IAS 12: The IASB has amended IAS 12 to introduce a temporary mandatory relief from accounting for deferred tax that arises from legislation implementing the Global Anti-Base Erosion Model Rules ("the GloBE model rules"). Under the relief, companies are effectively exempt from providing for and disclosing deferred tax related to top-up tax. However, they need to disclose that they have applied the relief.
- The relief is effective immediately and applies retrospectively in accordance with IAS 8. It will apply until the IASB decides either to remove it or to make it permanent.
- This amendment is published by POA by amending TAS 12.

Standards, amendments and interpretations issued but not yet effective and not early adopted

- Loss of Exchangeability - Amendments to IAS 21 Effects of Changes in Exchange Rates

New standards, amendments and interpretations that are issued by the IASB but not issued by POA

- TFRS 17 – Insurance Contracts
- Initial Application of TFRS 17 and TFRS 9 - Comparative Information
- Amendments to TAS 1 - Classification of Liabilities as Current or Non-current
- Amendments to TFRS 16 Leases - Lease Liability in a Sale and Leaseback
- Amendments to TFRS 4 - Applying TFRS 9 Financial Instruments with TFRS 4 Insurance Contracts
- Amendments to TAS 7 Statement of Cash Flows and TFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements

The Group does not expect that these standards, amendments and interpretations will have significant impact on its consolidated financial statements.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting policies****Related Parties**

A related party is a person or entity that is related to the entity that is preparing its financial statements.

(a) A person or a close member of that person's family is related to a reporting entity if that person:

- (i) has control or joint control over the reporting entity;
- (ii) has significant influence over the reporting entity; or
- (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.

(b) An entity is related to a reporting entity if any of the following conditions applies:

- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

The transaction with the related party is the transfer of resources, services or liabilities between the entity and the related party, regardless of whether or not it is for a fee.

The Group has determined its senior management staff as board members, general manager and assistant general managers.

Property, Plant and Equipment**Fair value measurement**

Group have chosen revaluation method among the accounting policies as allowed under TAS 16 with respect to measurement and disclosure of its power plant at fair value, commencing from 31 December 2020.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Property, Plant and Equipment (continued)****Recognition and measurement**

The Group has obtained a valuation report for the power plants from an independent valuation firm authorized by the CMB on 31 December 2024 and has taken the fair values determined in its working as a basis. The discount rate used to calculate the discounted cash flows included in the valuations and impairment calculations of power plants is 10,3%, which is the after-tax Weighted Average Cost of Capital (WACOC).

Increases in property, plant and equipment as a result of revaluation are credited after the deferred tax effect is netted on the revaluation fund account in the equity group in the statement of financial position. The difference between the depreciation calculated over the carrying values of the revalued assets (depreciation charged to the profit or loss statement) and the depreciation calculated over the acquisition cost of these assets is transferred from the revaluation fund to the accumulated profit/loss after the deferred tax effect is netted each year. The same applies to disposal of property ,plant and equipment.

The revaluation gap is recognized in the statement of profit or loss, except that it offsets the current increase on the same asset recognized in the item of property, plant and equipment revaluation increases. Normal maintenance and repair expenses incurred on a property, plant and equipment are recognized as an expense. Investment expenditures that increase the capacity of the tangible fixed asset and increase the future benefit from it are added to the cost of the tangible fixed asset and depreciated over the remaining estimated useful life of the tangible fixed asset.

Other tangible fixed assets are recognized at cost after deducting accumulated depreciation, if any, and accumulated impairment losses, if any. An item of property, plant and equipment, and a significant portion of it initially recognized, is derecognised after disposal (ie, when the buyer gains control) or when no future economic benefits are expected from use or disposal. Net gains on derecognition of the asset (calculated as the difference between net proceeds on disposal and the carrying amount of the asset) are included in the statement of profit or loss when the asset is derecognised.

Power plants consist of groups of assets with similar characteristics used in the Group's operations and include land, buildings, machinery, equipment, furniture and fixtures.

Depreciation

Tangible fixed assets are depreciated and accounted under profit or loss after the estimated surplus value is deducted by using the straight-line method of depreciation on the basis of the date of purchasing or installation according to the estimated useful lives of assets.

Since lands have an indefinite useful life, they are not subject to depreciation. The estimated useful lives of property, plant and equipment are as follows:

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Property, Plant and Equipment (continued)**

Tangible fixed asset type	Useful life
Buildings	50 years
Power plants	At the end of the license expiration
Machinery and equipment	2-50 years
Motor vehicles	5 years
Furniture and fixtures	3-49 years
Leasehold improvements	10 years

Intangible assets**Accounting and measurement**

Intangible assets acquired within the limited economic period of the Group are carried at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditures

Other subsequent expenditures may be capitalized if they can increase the future economic benefit of the said intangible fixed asset. All other expenses within the enterprise including those related to goodwill and trademarks are indicated under profit or loss as they arise.

Amortization

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Goodwill is not depreciated.

The estimated useful lives of current and prior periods are as follows:

Intangible assets	Useful lives
Rights	49 years
Other intangible assets	3 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary.

Goodwill

Goodwill arising from the acquisition of subsidiaries is measured at cost less accumulated impairment losses. For purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that the Group expects to benefit from the synergies of the combination.

A cash-generating unit to which goodwill is allocated is tested for impairment annually or more frequently when there is an indication that the unit is impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is first allocated to the other assets of the unit to reduce the carrying amount of the goodwill allocated to the unit, then the amount of each asset in the unit on a book basis. Impairment losses are recognized in profit or loss. It is distributed first, which will reduce the carrying amount of any goodwill distributed to the CGU, and then reduced by the carrying amount of the other assets in the CGU.

An impairment loss recognized for goodwill is not reversed.

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(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Impairment of Tangible and Intangible 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 that have an indefinite useful life and that are not ready for use are tested for impairment at least once a year or if there is an indication of impairment. The recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use. Value in use is the present value of the expected future cash flows from an asset or cash-generating unit. In calculating value in use, a pre-tax discount rate is used, which reflects the value in use of money according to the current market assessment and the asset-specific risks that are not taken into account in estimating future cash flows. When the recoverable amount of an asset (or cash-generating unit) is less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. In cases where the relevant asset is not measured with the revaluation model, the impairment loss is directly recognized in profit/loss. In this case, the impairment loss is considered as a revaluation loss.

If there are conditions indicating that there is impairment in tangible fixed assets, an examination is made to detect a possible impairment, and at the end of this examination, if the registered value of the tangible asset is more than its recoverable value, its registered value is reduced to its recoverable value by recognising a provision. The recoverable value is considered to be the higher of the net cash flows from the current use of the relevant tangible asset and the net sales price.

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 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.

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(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Financial assets**Classification

The Group classifies its financial assets in three categories of financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit of loss (FVTPL). The classification of financial assets is determined considering the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Group classifies its financial assets on the date of their acquisition. Financial assets are not reclassified after initial recognition, except where the business model that the Group uses in the management of financial assets has changed; In case of a change in business model, the financial assets are reclassified on the first day of the following reporting period.

Recognition and Measurement

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

Derecognition

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.

Impairment

Impairment of the financial and contractual assets measured by using "Expected credit loss model" (ECL). The impairment model applies for amortized financial and contractual assets. Credit losses are measured as below;

- Lifetime ECL: results from all possible default events over the expected life of financial instrument.

If the credit risk of the financial asset has a low credit risk at the reporting date, the Group can determine that the credit risk of the financial asset does not increase significantly. However, lifetime ECL measurement (simplified approach) is always valid for trade receivables and contract assets without significant funding element.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Financial assets (continued)****Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

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.

Financial Liabilities

Financial liabilities are measured at fair value at initial recognition. Transaction costs directly attributable to the underwriting of the relevant financial liability are also added to the said fair value. The Group's financial liabilities consist of borrowings, trade payables and other payables.

Borrowings

Loans are initially recorded at fair value after deducting transaction costs incurred. Borrowings are measured at amortized cost. The difference between revenues (less transaction costs) and amortization is recognized in profit or loss over the borrowing period using the effective interest method. Fees paid for the establishment of the loan facility are recognized as the transaction cost of the loan if it is probable that some or all of the loan will be retired. In this case, the fee will be delayed until the draw takes place. If there is no evidence that some or all of the loan will be retired, the fee is capitalized as a prepayment for liquidity services and amortized over the term of the relevant loan.

Borrowing costs

Financing costs arising from loans are included in the cost value of qualifying assets if they are related to the acquisition or construction of qualifying assets. Qualifying assets refer to assets that take a long time to be used or sold as intended. Other borrowing costs are recognized in the profit or loss statement in the period in which they are incurred.

Trade payables and other debts

Trade payables and other debts are initially recognized at fair value and then measured at amortized cost using the effective interest method.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Financial Liabilities (continued)****Derecognition**

The Group derecognises a financial liability only when the liability for that liability is eliminated or canceled. In addition, the Group derecognises a financial liability in the event of a material change in the terms or cash flows of an existing financial liability. Instead, it requires the recognition of a new financial liability at its GUD based on the modified terms.

On derecognition of a financial liability, the difference between its carrying amount and the amount paid for that liability (including any non-cash assets transferred or any liabilities assumed) is recognized as profit or loss.

Offsetting of financial assets and liabilities

The Group offsets its financial assets and liabilities and presents the net amount in its financial statements only when it has a legal right to offset and it intends to settle the transaction on a net basis or to realize the asset and settle the liability simultaneously.

Derivatives and hedging instruments

Derivative instruments are initially recorded at their acquisition cost, which reflects their fair value at the contract date, and are valued at their fair value in the following periods. Derivative instruments of the Group mainly consist of forward foreign currency purchase and sale contracts and foreign currency and interest rate swap transactions. Although these derivative instruments provide an effective protection against risks for the Group economically, if they do not meet the necessary conditions for risk accounting, they are accounted for as trading derivatives in the consolidated financial statements and the fair value changes related to them are reflected in the consolidated profit or loss statement.

Foreign currency risk management

Foreign currency transactions cause foreign currency risk.

The Group has foreign currency risk, due to the fluctuations in exchange rates used in foreign currency transactions. The foreign currency risk arises from future trade transactions and the difference between recorded assets and liabilities. Under such circumstances, the group controls this risk by netting off the foreign currency assets and liabilities. The management analyses the Group's foreign currency position and takes necessary precautions when needed.

In order to ensure that the effect of foreign exchange gains and losses arising from changes in foreign exchange rates on the Group's financial statements is reflected within the scope of the periodicity principle of accounting; Hedging Accounting is applied within the scope of TFRS 9 of the Group. The Group uses the foreign currency based investment loan as a hedging instrument against the USD/TL spot currency risk, which is exposed due to its highly probable estimated USD income. As a result of the effectiveness test carried out in this context, the Group determined that the entire transaction was effective and applied cash flow hedge accounting. As of 31 December 2024, foreign exchange loss of investment loans amounting to TL 7,296,360 (31 December 2023: TL 10,558,463) is accounted in account "Hedge reserve fund" under shareholders' equity until the cash flows of the item subject to hedging are realized and does not have an impact on the current period profit.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Effects of currency change**

The financial statements of each business of the Group are presented in the currency of the main economic environment in which they operate (the functional currency). The financial status and operating results of each business are expressed in TL, which is the functional currency of the Company and the presentation unit for the consolidated financial statements. During the preparation of the financial statements of each enterprise, transactions in foreign currencies (currencies other than TL) are recorded based on the exchange rates on the date of the transaction. Monetary assets and liabilities indexed to foreign currency in the balance sheet are translated into Turkish Lira using the exchange rates prevailing on the balance sheet date. Among the non-monetary items that are followed at fair value, those recorded in foreign currency are translated into TL based on the exchange rates at the date of determination of the fair value. Foreign currency non-monetary items measured at historical cost are not reconverted.

Exchange differences are recognized in profit or loss in the period in which they occur, except as follows:

- Exchange differences related to assets under construction for future use and included in the cost of such assets, treated as an adjustment to interest costs on foreign currency denominated liabilities,
- Exchange differences arising from transactions carried out to provide financial hedging against foreign currency risks (accounting policies for financial hedging are explained below).

Earnings/ Losses Per Share

Earnings per share disclosed in the accompanying consolidated statement of profit or loss is determined by dividing net income by the weighted average number of shares in existence during the year concerned.

Companies in Turkey can increase their capital through "bonus shares" that they distribute to their shareholders from retained earnings. Such "bonus share" distributions are treated as pre-issued shares in earnings per share calculations. Accordingly, the weighted average number of shares used in these calculations has been calculated by taking into account the retrospective effects of the aforementioned share distributions.

If the number of ordinary or potential ordinary shares outstanding increases as a result of capitalization, bonus issues, or splits, or decreases as a result of a share merger, the calculation of basic and diluted earnings per share for all periods presented is adjusted retrospectively.

Subsequent event

Events after the reporting period are those events that occur between the balance sheet date and the date when the financial statements are authorized for issue, even if they occur after an announcement related with the profit for the year or public disclosure of other selected financial information. The Group adjusts the amounts recognized in its financial statements if adjusting events occur after the balance sheet date.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Provisions, Contingent Assets and Liabilities**

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Segment Reporting

Operating segments are segments of the Group which engage in operating activities from which the Group can reap revenues and through which it can make expenditures, the operating results of which are regularly reviewed by the chief operating decision maker of the Group for allocating resources and assessing performance of the operating segments, and for which there are separate financial information.

Taxes Calculated on Corporate Earnings

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

In Turkey, the corporate tax rate applied to the legal tax base, which is calculated by adding expenses that are not accepted as deductible according to the tax laws to the commercial earnings of corporations and deducting the exemptions included in the tax laws, was applied as 20% after January 1, 2021. However, with Article 11 of the Law No. 7316 on the Collection Procedure of Public Receivables and the Law on Amendments to Certain Laws, which was published in the Official Gazette dated April 22, 2021 and numbered 31462 and entered into force, and the Temporary Article 13 added to the Corporate Tax Law No. 5520, the corporate tax rate was regulated as 25% for corporate earnings for the 2021 taxation period and 23% for corporate earnings for the 2022 taxation period. This change became valid for the taxation of corporate earnings for the periods starting from January 1, 2021, starting from the declarations that should be submitted as of July 1, 2021. In accordance with Article 21 of the "Law on the Establishment of Additional Motor Vehicle Tax for Compensation of Economic Losses Caused by the Earthquakes Occurring on 6/2/2023 and Amendment of Certain Laws and Legislative Decree No. 375" published in the Official Gazette dated July 15, 2023 and numbered 32249, with the amendments made to Article 32 of the Corporate Tax Law No. 5520 regulating the corporate tax rate; it has been stipulated that the general rate applied in corporate tax will be increased from 20% to 25%, and the rate of 25% for banks and financial institutions will be increased to 30%. With the same article (Article 21) of the said law, the corporate tax rate, which was applied with a 1 point discount exclusively to the earnings of exporting institutions in order to encourage exports, will be applied with a 5 point discount. The amendment in question will be applied to the profits of the corporations to be obtained in 2023 and the following tax periods, starting from the declarations that must be submitted as of October 1, 2023. The tax rate was applied as 25% in 2024. With the Law on Amendments to Tax Laws No. 7524 and Certain Laws and Legislative Decree No. 375, published in the Official Gazette dated August 2, 2024, a 10% domestic minimum corporate tax was introduced with the addition of subparagraph c to Article 32 of the Corporate Tax Law, with an effective date of January 1, 2025.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Taxes Calculated on Corporate Earnings (continued)**Deferred tax

Deferred tax is recognized on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognized as in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity.

Tax Risk

While determining the period tax expense and deferred tax expense amounts, the Group considers uncertain tax positions and whether there is any additional tax and interest liability to be paid. This assessment may include many judgments about future events and is based on guesswork and assumptions. In the event that new information emerges that will change the adequacy and judgment of the Group's current tax liability, this change in tax liability will affect the tax expense for the period in which this situation is determined. The Group has no ongoing tax audit as of the reporting date.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Employee Benefits****Severance pay**

Pursuant to Article 25 / II of the Turkish Labor Law, the Group is obliged to make lump-sum payments to employees whose employment is terminated due to retirement or reasons other than resignation or misconduct. The liability is not funded and therefore there are no plan assets as there are no funding requirements for defined benefits. The amount payable consists of one month's salary for each year of service. This right is limited to TL 46,655 for each year of service as of 31 December 2024 (31 December 2023: TL 35,058). As of 31 December 2024, the probability of employees leaving the Group is 4.4% (31 December 2023: 3.2%).

For post-retirement benefits, the cost of benefits is determined using the projected compensation method and actuarial valuation is made at the end of each reporting period. The severance pay liability recognized in the statement of financial position represents the present value of the specified indemnity obligation. There are no funding requirements for the specified compensation obligation. The Group recognizes actuarial gains and losses in the other comprehensive income statement in accordance with the revised IAS 19, apart from the consolidated statement of income.

Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

	31 December 2024	31 December 2023
GeExpected interest rates in the coming years %	28.6	30.8
Expected inflation in the coming years %	23.3	27.0
Expected probability of leaving without compensation in the coming years	4.4	3.2

All actuarial losses or gains are recognized in other comprehensive income and expense.

Unused vacation liability

A liability is recorded for leave wages earned by employees as a result of past service. In case of termination of employment of its employees, the Group is obliged to pay an amount equal to the number of days earned but not used multiplied by the total of the daily gross wage at the date of termination of the employment contract and other contractual benefits. In this cotext, the Group records it as a short-term employee benefit obligation as a leave provision.

The leave allowance is a short-term employee benefit obligation that is measured without discounting and is expensed in profit or loss as the related service is performed.

Fees and deductions

Wages, salaries and social security contributions are the amounts owed to the employees during the period. These amounts are reflected in the personnel expenses in the period they accrue.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Statement of Cash Flows**

In statement of cash flow, cash flows are classified according to operating, investing and financing activities.

Cash flows from operating activities reflect cash flows generated from electricity sales of the Group.

Cash flows from investing activities express cash used in investment activities (direct investments and financial investments) and cash flows generated from investment activities of the Group. Cash flows relating to financing activities express sources of financial activities and payment schedules of the Group.

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.

Share Capital and Dividends

Common shares are classified as equity. Dividends on common shares are recognised in equity in the period in which they are approved and declared.

Income and expenses

The accrual basis is applied in determining the income and expense items. Accordingly, revenue, income and profits are accounted for in comparison with the cost, expenses and losses of the same period. Interest income is accrued based on the effective interest rate. In case of unpaid interest accrual prior to the acquisition of a security that includes interest; subsequently, interest is allocated to pre-acquisition and post-acquisition periods and only the portion of the post-acquisition period is recognized as income in the financial statements.

Revenue

The Group carries out its activities in accordance with the Electricity Market Law No. 6446, the Electricity Market License Regulation of EMRA, the Electricity Market Balancing and Settlement Regulation ("EMBSR") and other relevant legislation. The subsidiaries that the Group is registered to EMM within the scope of EMBSR are as follows with their user code:

Company	User code
Me-Se Enerji Elektrik Üre. San. ve Tic. A.Ş.	11714
Mt Doğal Enerji Üretim A.Ş.	11713
Omicron Güneş Enerjisi Elektrik Üretim ve Tic. A.Ş.	11637
PSİ Güneş Ene. Ele. Üre. Tic. A.Ş.	12298
Solentegre Enerji Yat. Tic. A.Ş.	10335
Yaysun Elektrik Üre San ve Tic. A.Ş.	11659
İota Güneş En. Ele. Üre ve Tic. A.Ş.	14239
Elen Enerji Üretimi Sanayi Ticaret A.Ş.	7902
Bt Bordo Elektrik Üretim Dağ.Paz.San.Ve Tic.A.Ş.	5710
Yeni Doruk Enerji Elektrik Üretim A.Ş.	7901
H.H.K. Enerji Elektrik Üretim A.Ş.	10894
Derbent Enerji Üretim Pazarlama İthalat ve İhracat A.Ş.	11918
İsider Enerji Üretim Pazarlama İthalat ve İhracat A.Ş.	11835
Kovancı Enerji Üretim Pazarlama İthalat ve İhracat A.Ş.	12297
Korda Enerji Üretim Pazarlama İthalat ve İhracat A.Ş.	12317
İmbat Enerji A.Ş.	14240

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Revenue (continued)**

Electricity sales are recognized as revenue during electricity distribution on an accrual basis. In the case of YEKDEM revenues, electricity sales are recorded according to the service rendered at the rates specified under YEKDEM. In case of income other than YEKDEM, electricity sales are recorded based on the service delivered, but at market rates and prices.

The Group has defined the sale of electricity as a performance obligation. Since the billed amounts reasonably represent the value to customers of the performance obligations fulfilled to date, the identified performance obligations were evaluated and determined to be fulfilled over time and eligible for billing. The transaction price is based on the actual price per mega-watt output. In licensed projects, sales subject to YEKDEM are generally invoiced on the 15-20th day of the following month, and the collections consisting of the difference between the YEKDEM sales price and the market clearing price are collected on the 25-30th day of the following month. In non-licensed projects, sales subject to YEKDEM are generally invoiced on the 15-20th day of the following month. All sales are collected on the 5th-8th day of the following month..

General accounting principles

In accordance with TFRS 15 "Revenue from contracts with customers", the Group's performance obligations consist of electricity wholesale and ancillary services related to electricity sales. The sold electricity is transmitted to the customer over transmission lines and the customer consumes the benefit obtained from the performance simultaneously. Revenue from electricity sales and ancillary services related to electricity sales are recognized at the moment of delivery.

The Group recognizes revenue when it fulfills its performance obligation by transmitting the electricity service to the customer.

The Group recognizes revenue in line with the following 5 basic principles:

- a) Determination of customer contracts
- b) Determination of performance obligations in contracts
- c) Determination of the transaction price in the contracts
- d) Allocating the transaction price to the performance obligations in the contracts
- e) Recognition of revenue when each performance obligation is met.

The Group recognizes a contract with a customer as revenue if all of the following conditions are met:

- a) The parties to the contract have approved the contract (written, verbal or in accordance with other commercial practices) and have committed to fulfill their own obligations,
- b) The rights of each party regarding the goods or services to be transferred can be defined.
- c) Payment terms for the goods or services to be transferred can be defined,
- d) The contract is commercial in nature,
- e) It is probable that the Group will collect a consideration for the goods or services to be transferred to the customer. The Group considers only the customer's ability and willingness to pay the consideration in due time when assessing whether a charge is likely to be collectible.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****General accounting principles (continued)**

At the beginning of the contract, the Group evaluates the services it has committed in the contract with the customer and defines each commitment to the customer as a separate performance obligation. The Group also determines, at the inception of the contract, whether it has fulfilled each performance obligation over time or at a particular moment in time. The Group takes into account the contractual terms and trade practices to determine the transaction price. Transaction price is the amount the Group expects to be entitled in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, some sales taxes).

Leases**Group - as a lessee**

At the inception of a contract, the Group assesses whether the contract is or contains a lease. If the contract transfers the right to control the use of the identified asset for a specified period of time, the contract is or includes a lease. After these assessments, the Group reflects a right-of-use asset and a lease liability to its financial statements at the commencement date of the lease.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (for example, as of the date the asset is available for use). Right-of-use assets are calculated at cost less accumulated depreciation and impairment losses, and this figure is adjusted if lease liabilities are remeasured.

The Group presents right-of-use assets in right-of-use assets and lease liabilities in "Lease liabilities" in the statement of financial position.

Short term leases and low value leases

The Group has chosen not to recognize right-of-use assets and lease liabilities for short-term leases of machinery with lease terms of 12 months or less, and leases of low-value assets, including IT equipment. The Group has recognized the lease payments related to these leases as an expense on a straight-line basis over the lease term.

The cost of the right-of-use asset includes:

- a) the initial measurement amount of the lease liability
- b) the amount of all lease payments made on or before the commencement date of the lease, less any lease incentives received
- c) All initial direct costs paid by the group,
- d) Estimated costs incurred by the lessee in dismantling and relocating the underlying asset, restoring the site in which it is located, or restoring the underlying asset to the condition required by the terms and conditions of the lease (except where these costs are incurred to produce inventory).

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the right-of-use asset indicates that the lessee will exercise a call option, the right-of-use asset is depreciated from the date the lease actually began to the end of the useful life of the underlying asset. In other cases, the right-of-use asset is depreciated over the shorter of the useful life of the asset or the lease term, starting from the actual commencement date of the lease. In addition, the value of the right-of-use asset is periodically reduced, less any impairment losses, and adjusted for remeasurement of the lease liability.


Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)
iv. Significant accounting polics (continued)
Leasing Obligations

The Group measures its lease liability over the present value of the lease payments that were not paid at the commencement date. Lease payments are discounted using the Group's alternative borrowing interest rate since the implied interest rate in the lease cannot be easily determined.

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

- a) The amount obtained by deducting all kinds of lease incentive receivables from fixed payments
- b) Variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date of the lease,
- c) Amounts expected to be paid by the Group within the scope of residual value commitments,
- d) If the Group is confident that it will exercise the call option, the exercise price of this option,
- e) Fine payments for termination if the lease term indicates that the Group will exercise an option to terminate the leasing.

After the lease actually commenced, the group measures the lease liability as follows:

- a) Increases the book value to reflect the interest on the lease liability,
- b) Decreases book value to reflect lease payments made.
- c) It remeasures the book value to reflect any reassessments and restructurings. The Group reflects the remeasurement amount of the lease liability as an adjustment to the right-of-use asset in its financial statements.

Significant assumptions and estimates regarding options to extend or terminate the lease:

The lease liability is determined by taking into account the extension and early termination options in the contracts. The majority of the extension and early termination options in the contracts consist of options that can be applied jointly by the Group and the lessor. The Group determines the lease term by including such extension and early termination options in the lease term, if the Group is at the discretion of the relevant contract and the exercise of the options is reasonably certain. If there is a material change in the conditions, the assessment is reviewed by the Group.

Financing revenues and financing costs

The Group's financing income and financing costs include the following:

- interest income
- interest expenses
- loss from derivative transactions
- rediscount interest income
- commission expenses
- foreign exchange gains and expenses on financial assets and financial liabilities
- interest expenses from leasing transactions

Interest income is shown until the end of maturity using the effective interest rate and the effective interest rate is taken into account.

Interest income is included in finance income in the statement of profit or loss and comprehensive income.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**iv. Significant accounting polics (continued)****Determination of fair values**

The Group has to determine the fair values of financial and non-financial assets and liabilities according to various accounting policies and footnote explanations currently available. Fair value is determined by the following methods for the purpose of the valuation or disclosure. If appropriate, the assumptions used in determining fair value are disclosed as additional information in the footnotes of the related assets or liabilities. Valuation methods according to levels are defined as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: Data other than recorded prices in Level 1 that are directly (through prices) or indirectly (derived from prices) observable data in terms of assets or liabilities;

Level 3: Data on assets or liabilities that are not based on observable market data (non-observable data).

v. Going Concern

As of 31 December 2024, the Group has made a net profit of TL 157,356 TL thousand in the current period. The Group's short-term liabilities exceed current assets by TL 447,931. Group Management foresees that the repayments of financial debts, which constitute the majority of short-term liabilities in the consolidated financial statements, can be made in the future, as in previous years, with the collections to be obtained as a result of the revenues obtained from the power plants that produce foreign currency indexed production due to Renewable Energy Resources Support Mechanism ("YEKDEM").

All of the Group's power plants have achieved a high rate of availability and strong production since the date they were commissioned.

The Group foresees that its power plants can continue their production as long as there is no adverse effect on climatic conditions, there is no issue that may affect the continuity of the business, and therefore it can continue its activities to ensure the continuity of the business in the foreseeable future while preparing its consolidated financial statements.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**vi. Significant accounting judgments, estimates and assumptions**

In the process of applying the accounting policies specified in the summary of significant accounting policies and evaluation methods section, management made the following comments that have a significant impact on the amounts recognized in the consolidated financial statements:

Deferred tax

Deferred tax assets can only be recognized if it is probable that sufficient taxable profit will be generated in future periods. Where tax advantage is probable, deferred tax asset is calculated over previous year losses. As of 31 December 2024, the Group has recognized the deferred tax asset because it is highly probable that sufficient profit will arise that will result in tax liabilities that can be offset in subsequent periods. However, the Group reduces the carrying value of the deferred tax asset to the extent that it is not probable that a financial profit will be obtained to allow the benefit of some or all of the deferred tax asset (Note 25).

Derivative financial assets held for cash flow hedges

In order to ensure that the effect of foreign exchange gains and losses arising from changes in foreign exchange rates on the Group's financial statements is reflected within the scope of the periodicity principle of accounting; Hedging Accounting is applied within the scope of TFRS 9 of the Group. The Group uses the foreign currency based investment loan as a hedging instrument against the USD/TL spot currency risk, which is exposed due to its highly probable estimated USD income. As a result of the effectiveness test carried out in this context, the Group determined that the entire transaction was effective and applied cash flow hedge accounting.

Goodwill impairment assessment studies

Goodwill amounts associated with cash-generating units are assessed for impairment once a year or more frequently when conditions indicate impairment, as indicated in Note 2 iii. The recoverable value of cash generating units has been determined based on the value in use or fair value calculations less cost to sell. As a result of the impairment tests performed on the basis of cash generating units, detailed below, no impairment has been detected in the goodwill amounts as of 31 December 2024.

Imbat Energy Inc.

Imbat Energy Inc.'s operations are considered as separate cash generating units and the recoverable values of these cash generating units have been determined according to fair value calculations. Fair value calculations include cash flow projections to be realized throughout the license life, and the projections determined in USD are based on long-term plans prepared by the Group management. Goodwill impairment: In the evaluation of goodwill impairment, estimations and assumptions used in the fair value calculations of power plants are used. These estimates and assumptions are explained in the "revaluation of power plants" section.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)**vi. Significant accounting judgments, estimates and assumptions (continued)**

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Revaluation of power plants

The Group has chosen the revaluation model, one of the application methods in TAS 16, as its accounting policy in order to present the power plants with their fair values. As of 31 December 2024, the Group obtained a valuation report from an independent valuation company and brought its plants to their revalued values.

In the valuation, “income reduction method- FNA Analysis” was applied. Income reduction method- The most basic assumptions affecting the valuation within the framework of “DNA Analysis”; (i) the weighted average cost of capital ratio (discount rate) used to discount expected future cash flows to the present; average YEKDEM and market electricity sales price and (iii) electricity production amount. The values of these assumptions used in the valuation study are as follows. In the period subject to YEKDEM, the larger of the YEKDEM and the market electricity sales were taken into account.

- Discount rate: 10.3%.
- Average market electricity sales price (USD c /kWh, nominal): 7.66. (The average price in the average period of the first five projection years) (Average annual price in 2029 and after was increased by 3.1%.
- YEKDEM electricity sales price range (USD c /kWh, real): 7.3 – 13.74.
- Total annual electricity generation: 1,970 GWh (first year of projection).

If the weighted capital cost ratio used in the models increases or decreases by 10%, assuming all other variables are constant, the fair value of the power plants accounted for in the consolidated financial statements will decrease by TL 5,521,635 thousand or increase by TL 6,062,460 thousand.

If the electric sales prices used in the models increases or decreases by 10%, assuming all other variables are constant, the fair value of the power plants accounted for in the consolidated financial statements will decrease by TL 4,640,430 thousand or increase by TL 5,527,196 thousand.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

3. SEGMENT REPORTING

Financial information for tangible fixed assets is provided to senior management members, who form the Group's decision-making mechanism on a plant basis. This information provided includes fair valuation gains/losses. Hydroelectric power plants, power plants producing Electricity from Wind Energy and power plants producing Electricity from Solar Energy, Wholesale Electricity sales and other constitute the basis of reporting according to sections. Divisions with similar structures are reported together on the basis of electricity generation source. The Group considers segment reporting to be the most useful presentation to measure the financial performance of segments.

As the segments are affected by different economic conditions and different activities in terms of risk and return, they are managed separately. The reporting of operating segments has been arranged in such a way as to ensure uniformity with the reporting made to the decision-making authorities of the enterprise. The chief operating decision maker of the enterprise is responsible for making decisions regarding the resources to be allocated to the division and evaluating the performance of the division.

Since the Group has companies operating in various categories in this market, it reports according to departments in order to provide objective and transparent information to the reader of the financial statements.

The Group management monitors the reportable parts of the Group on the basis of power generation plants. Decisions regarding the distribution of financial resources and the departments that will be associated with the needs are made by the management according to these departments. Accounting policies applied for each reportable segment are in line with the consolidated financial statements prepared in accordance with IFRS. Detailed information on the reportable segments of the Group is presented below. The segment assets and liabilities of the Group for the periods ended 31 December 2024 and 31 December 2023 and the profit or loss statement information as of 31 December 2024 and 31 December 2023 are as follows on the basis of operating segments:

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

3. SEGMENT REPORTING (CONT'D)

31 December 2024	HEPP Group	SPP Group	WPP Group	Electric Wholesale	Other (*)	Total	Consolidation Adjustment and Classification	Consoli- dated Total
Revenue	1,172,225	990,124	2,941,897	257	118,478	5,222,981	(125,604)	5,097,377
Cost of sales (-)	(1,039,546)	(329,762)	(1,734,595)	(108)	(1,699)	(3,105,710)	2,132	(3,103,578)
Gross profit/(loss)	132,679	660,362	1,207,302	149	116,779	2,117,271	(123,472)	1,993,799
General administrative expenses (-)	(58,373)	(32,898)	(75,326)	(35,076)	(190,847)	(392,520)	138,649	(253,871)
Other operating income	29,158	159,308	846,813	21	-	1,035,300	(64,410)	970,890
Other operating expense (-)	(2,040,413)	-	(136,854)	(9)	(12,064)	(2,189,340)	(147,179)	(2,336,519)
Income from investment activities (-)	-	-	(82,995)	-	-	(82,995)	-	(82,995)
Operating profit/(loss)	(1,936,949)	786,772	1,758,940	(34,915)	(86,132)	487,716	(196,412)	291,304
Financial income	65,028	174,587	696,214	66,397	338,028	1,340,254	(1,119,877)	220,377
Financial expense (-)	(750,913)	(185,037)	(1,651,550)	(14,808)	(745,688)	(3,347,996)	1,023,600	(2,324,396)
Monetary gains/(losses)	1,121,822	(85,934)	55,144	-	-	1,091,032	(336,604)	754,428
Income/(loss) before tax from continuing operation	(1,501,012)	690,388	858,748	16,674	(493,792)	(428,994)	(629,293)	(1,058,287)
Tax expense	1,119,146	73,471	(96,945)	344	861	1,096,877	131,005	1,227,882
- Current per, tax expense	-	(8,587)	(1,315)	-	-	(9,902)	-	(9,902)
- Deferred tax income/(expense)	1,119,146	82,058	(95,630)	344	861	1,106,779	131,005	1,237,784
Profit/(loss) for the period	(381,866)	763,859	761,803	17,018	(492,931)	667,883	(498,288)	169,595
Depreciation and amortization expenses	350,383	259,557	500,548	20,021	8,769	1,139,278	21,223	1,160,501
Capital Expenditure	4,555	3,477	1,978,316	-	-	1,986,348	(4,473)	1,981,875
31 December 2024								
Segment assets	27,106,959	6,891,617	27,332,802	146,556	7,810,352	69,288,286	(19,669,821)	49,618,465
Segment liabilities	3,994,335	1,777,678	9,578,470	61,028	3,994,427	19,405,938	(6,106,374)	13,299,564

(*) Consist of Akfen Renewables

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

3. SEGMENT REPORTING (CONT'D)

31 December 2023	HEPP Group	SPP Group	WPP Group	Electric Wholesale	Other(*)	Consolidation Adjustment and Classification	
						Total	Total
Revenue	1,577,201	1,180,848	3,388,479	16,019	112,406	6,274,953	24,636
Cost of sales (-)	(985,740)	(355,985)	(1,743,765)	(15,044)	(2,382)	(3,102,916)	(19,982)
Gross profit/(loss)	591,461	824,863	1,644,714	975	110,024	3,172,037	4,654
General administrative expenses, (-)	(70,796)	(27,966)	(82,829)	(24,220)	(139,170)	(344,981)	143,367
Other operating income	1,594,431	305,069	1,277,446	198	74,344	3,251,488	(278,866)
Other operating expense (-)	(16,101)	(232,141)	(495)	(150)	(3,292)	(252,179)	76,869
Income from investment activities (-)	64,788	-	-	-	-	64,788	-
Operating profit/(loss)	2,163,783	869,825	2,838,836	(23,197)	41,906	5,891,153	(53,976)
Financial income	123,588	93,410	330,447	24,673	64,670	636,788	(507,739)
Financial expense (-)	(1,936,918)	(458,186)	(1,517,853)	(334)	(355,472)	(4,268,763)	1,293,310
Monetary gains/(losses)	2,479,617	317,796	1,120,678	-	-	3,918,091	(1,965,183)
Income/(loss) before tax from continuing operation	2,830,070	822,845	2,772,108	1,142	(248,896)	6,177,269	(1,233,588)
Tax expense	(1,130,453)	79,789	1,650,503	801	996	601,636	1,024,467
- Current per, tax expense	-	(15,188)	-	-	-	(15,188)	-
- Deferred tax income/(expense)	(1,130,453)	94,977	1,650,503	801	996	616,824	1,024,467
Profit/(loss) for the period	1,699,617	902,634	4,422,611	1,943	(247,900)	6,778,905	(209,121)
Depreciation and amortization expenses	327,530	196,837	546,885	26	4,354	1,075,632	11,265
Capital Expenditure	75,255	22,730	112,029	166	59	210,239	-
31 December 2023							
Segment assets	29,368,567	7,276,511	25,895,089	168,182	3,021,832	65,730,181	(15,804,123)
Segment liabilities	5,995,851	3,303,456	11,686,005	64,129	1,516,566	22,566,007	(2,140,095)

(*) Consist of Akfen Renewables

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

4. CASH AND CASH EQUIVALENTS

	31 December 2024	31 December 2023
Cash on hand	424	582
Cash at banks		
-Demand deposits	139,537	7,215
Other cash and cash equivalents (*)	-	137,844
Project, reserve and fund (**)	1,018,845	1,501,971
Cash and cash equivalents	1,158,806	1,647,612
Project, reserve and fund (**)	(1,018,845)	(1,501,971)
Cash and cash equivalent in statement of cash flows	139,961	145,641

(*) As 31 December 2024 and 31 December 2023 other cash and cash equivalents consist of overnight repo balances.

(**) The Group has certain project, reserve and fund accounts, regarding the agreements made with banks, in order to fund their projects. These accounts can only be used for the purposes which are mentioned in terms and conditions of the agreements

The Group has no time deposits as of 31 December 2024 and 31 December 2023.

Project, reserve and fund accounts and the interest rates of the Group as of 31 December 2024 and 31 December 2023 are as follows:

The detail of the project reserve and assignment accounts and interest rates of the Group are as follows:

Currency	Expiry	Interest rate %	31 December 2024
USD	January 2025	0.01-2.0	950,926
TL	January 2025	4.50-43.50	27,119
EUR	January 2025	0.05-1.00	21,999
Time Deposits			1,000,044
USD			9,697
TL			5,944
EUR			3,160
Demand deposits			18,801
Total project, reserve and fund			1,018,845

Currency	Expiry	Interest rate %	31 December 2023
USD	January 2024	0.01-4.00	1,334,969
TL	January 2024	18.00-44.00	77,437
EUR	January 2024	3.00	21,780
Time Deposits			1,434,186
USD			43,495
TL			12,068
EUR			12,221
Demand deposits			67,785
Total project, reserve and fund			1,501,971

Currency, interest rate risks and sensitivity analyzes for the Group's financial assets and liabilities are disclosed in Note 30.


Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

5. FINANCIAL BORROWINGS

Bank Loans

The details of bank loans as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Short-term portions of long-term bank loans	1,551,954	3,439,747
Long-term bank loans	5,960,127	10,379,122
Total bank loans	7,512,081	13,818,869

As of 31 December 2024 and 31 December 2023, the terms and conditions of open bank loans are as follows:

31 December 2024	Currency	Nominal Interest Rate %	Year of Maturity	Nominal Amount	Carrying Amount
Secured bank loans (1)	USD	7.5	2030	1,937,282	1,948,489
Secured bank loans (2)	USD	7.5	2030	1,937,282	1,948,489
Secured bank loans (3)	USD	0,90+floating rate	2032	3,608,747	3,615,103
Total				7,483,311	7,512,081

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

5. FINANCIAL BORROWINGS (CONT'D)

31 December 2023	Currency	Nominal Interest Rate %	Year of Maturity	Nominal Amount	Carrying Amount
Secured bank loans (*)	USD	5.9	2025	2,056,292	2,089,575
Secured bank loans (*)	USD	6.5	2033	404,100	415,632
Secured bank loans (*)	USD	5.6	2024	17,441	17,933
Secured bank loans (*)	USD	3.5+ floating rate	2027	33,427	33,715
Secured bank loans (*)	USD	3.5+ floating rate	2027	3,523	3,482
Secured bank loans (*)	USD	3.5+ floating rate	2027	5,101	5,098
Secured bank loans (*)	USD	2.0+ floating rate	2030	225,325	231,861
Secured bank loans (*)	EUR	3.0+ floating rate	2026	15,677	16,625
Secured bank loans (*)	EUR	3.0+ floating rate	2025	7,425	7,798
Secured bank loans (*)	EUR	3.0+ floating rate	2026	14,109	15,036
Secured bank loans (*)	EUR	3.0+ floating rate	2026	1,175	1,245
Secured bank loans (*)	EUR	3.0+ floating rate	2027	3,435	3,698
Secured bank loans (*)	USD	5,35+ floating rate	2032	1,224,349	1,338,947
Secured bank loans (*)	USD	0,90+ floating rate	2032	5,102,637	5,674,090
Secured bank loans (*)	USD	5,45+ floating rate	2030	855,976	923,504
Secured bank loans (*)	USD	5,55+ floating rate	2032	918,782	997,518
Secured bank loans (*)	USD	6,95	2031	2,023,955	2,043,112
Total				12,912,729	13,818,869

(*) As of December 4, 2024, the Group has used new loans covering all of its loans except for the loans whose details are detailed in detail (3). The details of the loans that are no longer available as of December 31, 2024 are not included in this report. The details of the loans provided as of December 31, 2023 have been started to be stored from the report provided during the previous reporting period.

Details of bank loans as of December 31, 2024 and December 31, 2023 are as follows:

(1-2) The company that received the loan is Akfen Yenilenebilir. The latest status of the collateral provided to the banks for this loan;

- Akfen Holding guarantee
- Guarantee of some of the subsidiary companies
- Share pledges, account pledges, assignment of project revenues and receivables of all subsidiary companies except Sunway. In addition, mortgage and movable pledge transactions of the companies subject to the collateral are ongoing.

(3) A bank guarantee letter was provided as a guarantee for the ECA ("Export Credit Agency") loan used within the scope of Project financing for the companies that received the loan, Derbent, Isider, Korda, Kovanci.

The amortization tables of the Group's bank loans according to the original maturities are presented below:


Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

5. FINANCIAL BORROWINGS (CONT'D)

Redemption schedules of the Group's bank loans according to original maturities are as follows:

	Nominal amount		Carrying Amount	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Less than 1 year	1,126,046	2,572,916	1,551,954	3,439,747
1-2 years	1,145,905	2,429,633	1,394,494	2,900,239
2-3 years	1,193,713	1,433,352	1,274,024	1,732,150
3-4 years	1,223,132	1,343,218	1,148,986	1,475,896
5 years and more	2,794,515	5,133,610	2,142,623	4,270,837
Total	7,483,311	12,912,729	7,512,081	13,818,869

Leasing payables

The details of leasing payables as of 31 December 2024 and 31 December 2023 are as follows:

31 December 2024	Currency	Nominal Interest Rate %	Short term	Long term
Lease payables	TL	16.22	72,473	500,361

31 December 2023	Currency	Nominal Interest Rate %	Short term	Long term
Lease payables	TL	16.22	27,676	361,416

Movement of financial borrowings for the period between 31 December 2024 and 31 December 2023 is stated as follows:

	2024	2023
Financial borrowings at the beginning of the year	14,207,962	18,121,654
Used bank loans	3,814,426	-
Bank loans paid	(5,600,804)	(1,820,023)
Interest paid	(874,579)	(615,966)
Cash outflows related to debt payments from lease agreements	(141,716)	(49,870)
Interest accrual	138,925	566,832
Foreign exchange loss	701,340	3,125,521
Monetary gains	(4,160,638)	(5,120,186)
Financial borrowings at the ending of the year	8,084,916	14,207,962

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

6. TRADE AND OTHER RECEIVABLES

The Group's short-term trade receivables as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Trade receivables from third parties	478,594	675,213
Doubtful trade receivables	23,297	27,539
Provision for doubtful trade receivables (-)	(23,297)	(27,539)
Current trade receivables	478,594	675,213

The movements of provision for doubtful receivables for the years ended 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Opening balance	27,539	23,078
Reserving provision in current period	4,223	13,533
Monetary losses	(8,465)	(9,072)
Ending Balance	23,297	27,539

The maturity distribution and impairment of trade receivables from non-related parties that are overdue as of 31 December 2024 and 31 December 2023, are as follows:

	31 December 2024	31 December 2023
1-5 years past due	23,297	27,538
Total overdue receivables	23,297	27,538

The Group's long-term trade receivables as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Trade receivables from third parties	-	3,862
Non-current trade receivables	-	3,862

Currency, interest rate risks and sensitivity analyzes for the Group's financial assets and liabilities are disclosed in Note 30.


Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

6. TRADE AND OTHER RECEIVABLES (CONT'D)

The Group's other receivables as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Other receivables from third parties	69	300
Current other receivables	69	300

	31 December 2024	31 December 2023
Deposits and guarantees given	24,020	19,314
Other receivables from third parties	7,278	6,291
Non-current other receivables	31,298	25,605

7. TRADE AND OTHER PAYABLES

As of 31 December 2024 and 31 December 2023, the Group's trade payables are as follows:

	31 December 2024	31 December 2023
Trade payables to third parties	926,313	563,668
Trade payables to related parties (Note: 27)	40,857	28,366
Current trade payables	967,170	592,034

Currency, interest rate risks and sensitivity analyzes for the Group's financial assets and liabilities are disclosed in Note 30.

As of 31 December 2024 and 31 December 2023, the Group's other payables are as follows:

	31 December 2024	31 December 2023
Taxes and funds payable	65,186	72,802
Current other payables	65,186	72,802

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

8. PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2024, the movements of the property, plant and equipment and related accumulated depreciation are as follows:

	1 January 2024	Additions	Revaluation Fund	Impairment	Disposals	31 December 2024
Cost:						
Power plants	48,749,331	155,782	1,745,214	(2,781,100)	-	47,869,227
Vehicles	10,524	10,016	-	-	(3,818)	16,722
Furniture and fixtures	51,399	6,237	-	-	(95)	57,541
Leasehold improvements	31,442	620	-	-	-	32,062
Construction in progress(*)	196,704	1,804,275	-	-	(82,995)	1,917,984
Total	49,039,400	1,976,930	1,745,214	(2,781,100)	(86,908)	49,893,536
Accumulated depreciation:						
Power plants	6,586,726	1,016,850	-	-	-	7,603,576
Vehicles	4,180	2,427	-	-	(1,823)	4,784
Furniture and fixtures	35,506	10,350	-	-	(24)	45,832
Leasehold improvements	27,118	590	-	-	-	27,708
Total	6,653,530	1,030,217	-	-	(1,847)	7,681,900
Net book value	42,385,870	946,713	1,745,214	(2,781,100)	(85,061)	42,211,636

For the period ending on 31 December 2024, depreciation expenses of TL 1,029,273 are shown in cost of sales and TL 944 in general administrative expenses respectively.

Collaterals, pledges and mortgages on property, plant and equipment are presented in Note 5 and Note 12.

As of 31 December 2024 and 31 December 2023, the value hierarchy for the power plants owned by the Group is Level 3.

As of 31 December 2024, there are no capitalized borrowing costs on property, plant and equipment.

In the year ending December 31, 2024, TL 963,469 of the increase in the value of property, plant and equipment was recognized in other income from main activities, and TL 781,745 was recognized in other comprehensive income; TL 2,220,750 of the decrease in the value of property, plant and equipment was recognized in other expenses from main activities, and TL 560,351 was recognized in other comprehensive expense.

(*) As of December 31, 2024, construction in progress consists of maintenance investments in existing electricity generation facilities.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

As of 31 December 2023, the movements of the property, plant and equipment and related accumulated depreciation are as follows:

1 January 2023	Additions	Revaluation Fund	Impairment	Disposals	31 December 2023
Cost:					
Power plants	45,477,786	43,155	3,388,180	(159,790)	48,749,331
Vehicles	6,110	4,414	-	-	10,524
Furniture and fixtures	46,143	5,256	-	-	51,399
Leasehold improvements	31,120	322	-	-	31,442
Construction in progress	39,616	157,088	-	-	196,704
Total	45,600,775	210,235	3,388,180	(159,790)	49,039,400
Accumulated depreciation:					
Power plants	5,623,250	963,476	-	-	6,586,726
Vehicles	2,802	1,378	-	-	4,180
Furniture and fixtures	30,104	5,402	-	-	35,506
Leasehold improvements	26,566	552	-	-	27,118
Total	5,682,722	970,808	-	-	6,653,530
Net book value	39,918,053	(760,573)	3,388,180	(159,790)	42,385,870

For the period ending on 31 December 2023, depreciation expenses of TL 969,267 are shown in cost of sales and TL 1,541 in general administrative expenses respectively.

Collaterals, pledges and mortgages on property, plant and equipment are presented in Note 5 and Note 12.

As of 31 December 2023, there are no capitalized borrowing costs on tangible assets.

In the year ending December 31, 2023, TL 2,901,348 of the increase in the value of property, plant and equipment was recognized in other income from main activities, TL 486,832 of the increase in the value of property, plant and equipment was recognized in other comprehensive income; the entirety of the decrease in the value of property, plant and equipment was recognized in other expenses from main activities.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

As of 31 December, 2024, the Group has reflected the revaluation of power plants in the consolidated financial statements.

As of 31 December 2024 and 31 December 2023, the fund movement table related to the valuation is as follows:

1 January 2023	-
Revaluation fund	361,451
31 December 2023	361,451
1 January 2024	361,451
Revaluation fund	166,046
31 December 2024	527,497

9. INTANGIBLE ASSETS

Movements of intangible assets and accumulated amortization during the period ended 31 December 2024 are as follows:

	1 January 2024	Additions	31 December 2024
Cost:			
Rights	4,046,993	-	4,046,993
Goodwill (*)	225,817	-	225,817
Other intangible assets	227,493	4,945	232,438
Total	4,500,303	4,945	4,505,248
Accumulated depreciation:			
Rights	697,811	89,124	786,935
Other intangible assets	57,152	16,872	74,024
Total	754,963	105,996	860,959
Net book value	3,745,340	(101,051)	3,644,289

All current year depreciation expenses in the table of intangible assets are shown in cost of sales.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

9. INTANGIBLE ASSETS (CONT'D)

Movements of intangible assets and accumulated amortization during the period ended 31 December 2023 are as follows:

	1 January 2023	Additions	31 December 2023
Cost:			
Rights	4,046,993	-	4,046,993
Goodwill(*)	225,817	-	225,817
Other intangible assets	227,485	8	227,493
Total	4,500,295	8	4,500,303
Accumulated depreciation:			
Rights	611,984	85,828	697,812
Other intangible assets	47,138	10,012	57,150
Total	659,122	95,840	754,962
Net book value	3,841,173	(95,832)	3,745,341

(*)The goodwill arising from the acquisition of Zorlu Enerji Elektrik Üretim A.Ş. by İmbat Enerji A.Ş.

All depreciation expenses in the table of intangible assets are shown in cost of sales.

10. RIGHT OF USE ASSETS

Movements of right-of-use assets as of 31 December 2024 and 31 December 2023 are presented below.

	1 January 2024	Addition	Disposal	31 December 2024
Cost:				
Land (*)	790,340	156,940	-	947,280
Total	790,340	156,940	-	947,280
Accumulated depreciation:				
Land (*)	76,324	24,288	-	100,612
Total	76,324	24,288	-	100,612
Net book value	714,016	132,653	-	846,669
	1 January 2023	Addition	Disposal	31 December 2023
Cost				
Land (*)	783,982	8,368	(2,010)	790,340
Total	783,982	8,368	(2,010)	790,340
Accumulated depreciation:				
Land (*)	56,132	20,249	(57)	76,324
Total	56,132	20,249	(57)	76,324
Net book value	727,850	(11,881)	(1,953)	714,016

(*) Consists of land rent and forest permits.

All depreciation expenses in the table of right of use assets are shown in cost of sales.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

11. PROVISIONS**11.1. Employee benefits**

Employee benefits as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Provision for unused vacation - current	10,935	11,677
Provision for severance pay - non current	49,339	54,810
Provision for employee benefits	60,274	66,487

In accordance with the existing social legislation, the Group is liable to pay accumulated compensation for each employee who has completed a one-year term of service with the Group and whose employment is terminated due to retirement or other reasons for resignation and misconduct.

The Group reflects an obligation on the basis of the factors discounted using the available market return on the date when the financial position date of government bonds is declared, resulting from the use of employee experience and retirement benefits. The provision calculated by estimating the present value of the future probable obligation of the Group in case of retirement of employees.

As of 31 December 2024 and 31 December 2023, the provision for unused vacation movements are as follows:

	31 December 2024	31 December 2023
Opening Balance	11,678	7,369
Current period increase	6,715	10,711
Paid during the period	(3,868)	(3,507)
Monetary gains	(3,590)	(2,895)
Ending Balance	10,935	11,678

As of 31 December 2024 and 2023, the provision for severance pay movements are as follows

	31 December 2024	31 December 2023
Opening balance	54,810	46,493
Interest expenses	11,102	1,022
Service expenses	1,257	1,779
Paid during the period	(2,715)	(805)
Actuarial gains	(3,888)	(27,107)
Monetary gains	(11,227)	33,428
Ending Balance	49,339	54,810

TFRS requires the development of actuarial valuation methods for the entity's liabilities under defined benefit plans. Accordingly, the following actuarial assumptions which used in the calculation of the total liability. The related ratios are presented by considering the weighted average actuarial assumptions of the subsidiaries within the scope of consolidation.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

11. PROVISIONS (CONT'D)**11.1. Employee benefits (cont'd)**

Sensitivity analysis for significant assumptions as of 31 December 2024 and 31 December 2023 is as follows:

Assumptions for Severance Pay Liability	Impact on severance pay liability	
	31 December 2024	31 December 2023
Inflation change		
1% increase	(4,769)	(5,546)
1% decrease	4,164	4,795
Interest rate change		
1% increase	3,975	4,693
1% decrease	(4,598)	(5,500)

11.2. Other provisions

Other provisions as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Provision for litigation	7,536	8,689
Other non current provisions	7,536	8,689

Movements of the provision on litigation are as follows:

	31 December 2024	31 December 2023
Balance at the beginning of the period	8,689	6,229
Additions	1,518	4,909
Monetary gains	(2,671)	(2,449)
Period-end balance	7,536	8,689

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

12.COMMITMENT AND CONTINGENCIES**12.1 GPM given by the Group**

As of 31 December 2024 and 31 December 2023, the Group's statements on its position related to letters of guarantee/pledges/mortgages are as follows:

GPM given by the Group	31 December 2024	31 December 2023
A.Total Amount of GPM Given on Behalf of Own Legal Entity	113,251	52,239,114
B.Total Amount of GPM Given in Favor of		
Partnerships which are Fully Consolidated	60	14,714
C.Total Amount of GPM Given for Assurance of Third Parties Debts	-	-
D.Total Amount of Other GPM Given	-	-
i, Total Amount of GPM's Given in Favor of the Parent Shareholder	-	-
ii, Not Covered by Items B and C	-	-
Total Amount of GPMs Given in Benefit of Other Group Companies	-	-
iii, Total Amount of GPMs Given to Third Parties Not Covered by Article C	-	-
Total	-	-
GPM given by the Group	113,311	52,253,828

The breakdown, in foreign currency, of the GPM the Group has given is as follows:

	31 December 2024 (*)			31 December 2023 (*)		
	TL	USD	EUR	TL	USD	EUR
GPM given on behalf of the Group's own legal entity	113,251	-	-	508,693	51,396,509	333,912
GPM given in favor of companies under full consolidation	60	-	-	14,713	-	-
Total	113,311	-	-	523,406	51,596,509	333,912

(*) All amounts are TL denominated.

The Group has changed the scope of its borrowing as of December 4, 2024. The above GVC table consists of the collateral of the Group's loans detailed in Note 5 and mortgages. However, due to the use of the loans in December 2024, the ongoing collateral release and establishment process of the pledge and mortgage transactions within the scope of the new borrowing structure with new creditors has not been completed with the December 31, 2024 credit score and continues in the first half of 2025. This ability does not have any portable pledges and mortgages given to new creditors as of December 31, 2024 (December 31, 2023: TL 51.925.441).

The ratio of the total share of other GVCs given by the Group to the Group's equity is 0% as of December 31, 2024 (December 31, 2023: 0%).

The total amount of bank definitive letters given to various institutions and organizations (EPDK, TEİAŞ, electricity companies, public companies) within the scope of the Group's ordinary commercial activities is TL 113.311 (December 31, 2023: TL 328.387).

12.2. Guarantees Received

	Currency	31 December 2024 - TL	31 December 2023 - TL
Letters of guarantee received ^(*)	USD	1,264,829	1,848,756
Letters of guarantee received ^(*)	EUR	732,973	501,767
Letters of guarantee received ^(*)	TL	128,360	17,005
Total		2,126,162	2,367,527

(*) The letters of guarantee received are the guarantees received against the risk of not providing the services to be received from the suppliers.


Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

13. PREPAID EXPENSES

As of 31 December 2024 and 31 December 2023, short and long term prepaid expenses are as follows:

	31 December 2024	31 December 2023
Advances given ^(*)	503,617	6,727
Prepaid expenses ^(**)	200,296	117,249
Personnel and job advances	2,910	580
Short-term Prepaid Expenses	706,823	124,556

	31 December 2024	31 December 2023
Prepaid Expenses ^(**)	349,729	335,482
Advances Given	1,036	1,168
Long-term prepaid expenses	350,765	336,650

(*) The majority of the balance consists of advances given for hybrid solar power plants and wind power plant additional capacity increase investments.

(**) The majority of the balance consists of credit insurance expenses and other insurance expenses.

14. LIABILITIES ARISING FROM CUSTOMER CONTRACTS

As of 31 December 2024 and 31 December 2023, the liabilities arising from sales are as follows:

	31 December 2024	31 December 2023
Contractual liabilities arising from sales ^(*)	219,694	383,617
Liabilities arising from customer contracts	219,694	383,617

(*) The advance amount related to the Group's activities in the electricity market.

15. OTHER CURRENT AND NON CURRENT ASSETS

As of 31 December 2024 and 31 December 2023, other current and non current assets are as follows:

	31 December 2024	31 December 2023
Deferred VAT	78,548	9,806
Other	546	608
Other current assets	79,094	10,414

	31 December 2024	31 December 2023
Deferred VAT	84,649	78,200
Other non current assets	84,649	78,200

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

16. DERIVATIVE FINANCIAL INSTRUMENTS

As of 31 December 2024 and 31 December 2023, detail of derivative financial instruments is as follows:

	31 December 2024	31 December 2023
Assets from derivative financial instruments	-	157,457
Derivative financial instruments	-	157,457

31 December 2023	Currency	Maturity Date	Original contract value (TL Equivalent)	Asset
Derivative asset	USD	June 20, 2033	5,978,798	109,523
Derivative asset	USD	December 14, 2033	2,317,911	47,934
Derivative financial instruments				157,457

The interest swap transaction constituting derivative instruments was terminated within the scope of the refinancing made in December 2024, and the cash inflow of TL 172,336 arising from this transaction was accounted for in the financing income item. With the new borrowing structure, a new interest swap transaction to which hedge accounting will be applied at the end of 2024 has not entered into force.

The liability/asset arising from derivative instruments is in the nature of an interest swap transaction and is calculated using the mark-to-market method.

Non-derivative financial instruments

As of December 31, 2023, the Group was using its loans of USD 320,845 thousand as a protection tool against the exchange rate risk incurred due to the USD-based sales revenues made within the scope of YEKDEM, which has a high probability of occurrence, and as a result of the effectiveness tests conducted within this scope, it was applying cash flow hedge accounting, and this practice continued in 2024 (Note 17).

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

17. EQUITY, RESERVES AND OTHER EQUITY ITEMS**17.1. Equity**

The Group's shareholders and share capital structure as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024		31 December 2023	
	Share (%)	TL	Share (%)	TL
Akfen	56.45	675,661	66.50	675,661
Public (*)	28.43	340,371	33.50	340,371
Akfen International Holding B.V,	15.12	180,930	-	-
	100	1,196,962	100	1,016,032
Share capital adjustments		10,555,759		10,551,847
Total paid in capital	100	11,752,721	100	11,567,879

(*)As of December 31, 2024, there is no top management or holding share in the publicly traded portion.

The approved and issued capital of the Company consists of 1,196,962 shares (31 December 2023: 1,016,032) with TL 1 nominal price each. The Company's capital is fully paid.

On December 15, 2022, a Share Transfer Agreement was executed regarding the transfer of (i) the shares belonging to EBRD and corresponding to 17.10% of the Company's issued capital and (ii) the shares belonging to IFC and corresponding to 15.99% of the Company's issued capital to Akfen Holding. The Competition Board approval, which is a prerequisite for the realization of the share transfers in accordance with the Share Transfer Agreement, was received on January 6, 2023; subsequently, the aforementioned share transfers were realized on January 18, 2023 and Akfen Holding became the owner of all shares of the Company. The Capital Markets Board approved the public offering of Group (B) shares with a nominal value of TL 340,370,703 owned by Akfen Holding in Akfen Renewable Energy on March 2, 2023. The Company's Group B shares with a nominal value of 340,370,703 were offered for sale between March 8, 2023 and March 10, 2023 and a total of TL 340,370,703 nominal value shares (ratio to capital 33.5%) were offered to the public. With the inflation accounting that came into effect in 2023, as of December 31, 2024, a positive capital adjustment difference of TL 10,555,759 (December 31, 2023: TL 10,551,847) was recognized in the consolidated financial statements.

Within the scope of increasing the issued capital of the Company, which is TL 1,016,031,947 within the registered capital ceiling of TL 20,000,000,000, by TL 180,930,499 according to the share sales price of TL 17,41 determined within the framework of Borsa İstanbul A.Ş.'s "Procedure on Wholesale Purchase and Sale Transactions", to TL 1,196,962,446. with an increase of TL 180,930,499. all of the issued shares with a nominal value of TL 180,930,499 were sold to Akfen International Holding B.V. on November 28, 2024 as a private placement, and the Company's issued capital has been increased to TL 1,196,962,446 accordingly.

Balance sheet dated 31 December 2024 prepared in accordance with the Tax Procedure Law has been corrected using the Producer Price Indices (PPI) published by the Turkish Statistical Institute within the scope of inflation accounting, according to the Tax Procedure Law and the relevant Communiqué published in the Official Gazette dated 30 December 2024 and numbered 32415 (2nd Duplicate). The attached financial statements have been subject to inflation correction by using the Consumer Price Indices (CPI) published by the Turkish Statistical Institute in accordance with TAS 29, and ultimately the amounts for the current and previous reporting period are expressed in terms of purchasing power as of December 31, 2024.

Due to the use of different indices in the Tax Procedure Law and TAS 29 inflation accounting and the adjustment of the amounts from previous reporting periods to express them in the purchasing power of 31 December 2024 in TAS 29, there are differences regarding the items "Share Capital Adjustments", "Share Premiums" and "Restricted Reserves" in the balance sheet prepared in accordance with the Tax Procedure Law and the financial statements prepared in accordance with TAS / TFRS. The differences are reflected in the "Retained Earnings or Losses" in the TAS/TFRS financial statements.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

17. EQUITY, RESERVES AND OTHER EQUITY ITEMS (CONT'D)**17.2. Share premium**

It consists of the difference between the nominal price and the sales price of Akfen Renewable Energy's shares after the capital increases realized in the Company, and is TL 7,198,008 as of 31 December 2024 (31 December 2023: TL 4,164,755).

17.3. Additional capital contributions of shareholders

The Group has to demise a portion of the revenue to the previous shareholders of certain HEPP project companies every year as a variable share purchase price within the scope of the signed share demise agreements. However, this price has not been paid due to the alleged misrepresentation of figures and information, and the matter has been brought to court and the case is ongoing.

As of December 31, 2019, the Group reached an agreement with one of the defendants and 5.7 million USD was paid to the plaintiff by Akfen. Since Akfen was in the guarantor position according to the share transfer agreement signed in 2016, 142,917 TL was transferred to the additional capital contributions of the partners.

17.4. Restricted reserves

According to the Turkish Commercial Law, the general legal reserve is set aside as 5% of the annual profit, until it reaches 20% of the paid-in capital of the Company. Other legal reserves are set aside at the rate of 10% of the total amount to be distributed to those who will receive a share of the profit, after the five percent dividend is paid to the shareholders. According to the Turkish Commercial Law, if the general legal reserve does not exceed half of the capital or the issued capital, it can only be used to cover losses, to continue the business when things are not going well, to prevent unemployment and to take measures to ease its results.

As of 31 December 2024, the Group's restricted reserves set aside from profit is TL 109,782. (31 December 2023: TL 109,782).

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

17. EQUITY, RESERVES AND OTHER EQUITY ITEMS (CONT'D)**17.5. Revaluation of property, plant and equipment**

As of 31 December, 2024 and 31 December 2023, the Group has reflected the revaluation of property, plant and equipment in the consolidated financial statements. As of 31 December 2024, the amount of revaluation value increase net of deferred tax effect is TL 166,046 (31 December 2023: 361,451)

17.6. Defined benefit plans remeasurement

As of 31 December 2024, it consists of actuarial losses recognized as other comprehensive income related to the severance pay provision amounting to TL 10,315 (31 December 2023: TL 7,399). The portion recognized under other comprehensive income is TL 2,916 as of 31 December 2024 (31 December 2023: TL 20,331).

17.7. Hedging reserve

Hedging losses consist of the effective portion of the accumulated net change in the fair value of the cash flow hedging instrument related to the hedged transaction that has not yet materialized.

As of July 1, 2020, the Group started to apply hedge accounting (hedging against cash flow risk) as an accounting policy, one of the application methods specified within the scope of TFRS 9, and recognized accumulated other comprehensive income related to cash flow hedge amounting to TL 7,296,360 as of December 31, 2024 (31 December 2023: TL 10,558,463). The portion recognized in other comprehensive income is TL 3,262,103 as of 31 December 2024 (31 December 2023: TL 514,787).

Although the functional currency is TL, the Group is exposed to currency risk due to its financing structure and electricity sales activities originating from energy production. USD-denominated loans used for power generation power plant investments constitute the majority of the currency risk on the liability side. Electricity sales in US Dollars due to the incentives of the Renewable Energy Resources Support Mechanism (Decision 2013/5625 of the Council of Ministers dated 18/11/2013) also create an exchange rate risk for income.

The Group subjects these two opposing currency risk sources to "Hedging Accounting" in accordance with TFRS 9 as a natural hedging relationship based on the harmony in loan payment and estimated electricity generation tables. In this context, as a result of the "Hedging from Cash Flow Variability" model, the "natural" currency risk protection in the Group's cash flows is also reflected in the financial reporting results.

Hedging Accounting Model	Hedging from Cash Flow Volatility
Hedged Item	Expectations for electricity sales to be made in USD within the scope of YEKDEM incentive, which is highly probable
Hedging Tool	Loan Repayments in USD

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

17. EQUITY, RESERVES AND OTHER EQUITY ITEMS (CONT'D)**17.7. Hedging reserve (continued)**

Accounting principles applied within the scope of Cash Flow Hedging model in accordance with TFRS 9 are elaborated below:

- Unrealized foreign exchange gain or expense arising from the Hedging Instrument for the part of the hedging relationship that is determined to be “effective” is reported in Other Comprehensive Income under Equity until the related Hedge Item is realized.
- If there are “ineffective” parts of the hedging relationship, unrealized foreign exchange gains or expenses of the Hedging Instrument are reported as “Financing Expenses – Foreign Exchange Income/Expense” in the consolidated statement of profit or loss at each reporting period.
- The realized portions of the Hedge Instrument and the Hedged Item are included in the income and debt payments of the periods in which they meet the accounting criteria under TFRS 15.
- Gains and losses reported under Other Comprehensive Income remain under Other Comprehensive Income until the cash flows associated with the Hedge are realized (as long as hedging effectiveness continues). As the cash flows associated with the hedged item occur, the relevant portion under Other Comprehensive Income is transferred to the Income Statement as Finance Income/Expense. Thus, when the sales expectations subject to the Cash Flow Hedging model expire, there is no balance left under Other Comprehensive Income.

18. REVENUE

The analysis of the Group's revenue for the period ended 31 December 2024 and 31 December 2023 is as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
WPP	2,851,100	3,388,477
HEPP	1,161,591	1,532,692
SPP	990,124	1,179,948
Sales income of carbon reduction certificate rights	94,304	182,453
Other ^(*)	258	16,019
Total	5,097,377	6,299,589

(*) Consists of Akfen Toptan company's revenues related to electricity supply.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

19. COST OF SALES

The analysis of the Group's costs of sales for the period ended 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
Depreciation and amortization expenses	1,159,557	1,085,356
Maintenance and repair expenses	438,823	421,325
Contribution fee of WPP	434,885	354,399
System usage fee	421,400	368,707
Personnel expenses	279,275	250,377
Insurance expenses	150,838	132,114
Taxes and other fees	58,896	142,499
Consultancy expenses	37,810	45,919
Security expenses	27,514	22,119
Vehicle expenses	20,710	16,221
Personnel transportation expenses	15,092	12,914
Electricity costs	2,572	17,493
Other	56,206	253,455
Total	3,103,578	3,122,898

20. GENERAL ADMINISTRATIVE EXPENSES

The analysis of the Group's general administrative expenses for the period ended 31 December 2024 and 2023 is as follows:

	31 December 2024	31 December 2023
Personnel expenses	111,128	96,595
Consultancy expenses	40,670	26,528
Support services expenses	31,456	9,019
Travel expenses	8,195	7,896
Advertising and meeting expenses	7,689	5,314
Charity and donations	7,565	12,044
Office expenses	7,477	6,522
Taxes and other fees	5,497	3,239
Representation and hospitality expenses	5,105	7,285
Vehicle expenses	4,805	5,428
Insurance expenses	4,308	5,909
Rent expenses	2,615	2,586
Depreciation and amortization expenses	943	1,541
Other	16,418	11,708
Total	253,871	201,614

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

21. EXPENSE BY NATURE

The analysis of the Group's costs of sales and general administrative expenses for the period ended 31 December 2024 and 2023 is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Depreciation and amortization expenses	1,160,501	1,086,897
Maintenance and repair expenses	438,823	421,325
Contribution fee of WPP	434,885	354,399
System usage fee	421,400	368,707
Personnel expenses	390,402	346,973
Insurance expenses	155,146	138,022
Consultancy expenses	78,480	72,448
Taxes and other fees	64,393	145,738
Support services expenses	31,456	9,019
Security expenses	27,514	22,119
Vehicle expenses	25,515	21,649
Personnel transportation expenses	15,092	12,914
Travel expenses	8,195	7,896
Charity and donations	7,565	12,044
Representation and hospitality expenses	5,105	7,285
Electricity costs	2,572	17,493
Other	90,405	279,584
Total	3,357,449	3,324,512

22. OTHER OPERATING INCOME AND EXPENSE**22.1. Other operating income**

The analysis of the Group's other operating income for the period ended 31 December 2024 and 2023 is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Revaluation of tangible assets (Note 8)	963,469	2,901,348
Insurance compensation income	4,153	59,875
Foreign exchange loss on trade receivables and payables, net	-	8,947
Other	3,268	2,452
Other operating income	970,890	2,972,622

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

22. OTHER OPERATING INCOME AND EXPENSE (CONT'D)**22.2. Other operating expense**

The analysis of the Group's other operating expenses for the period ended 31 December 2024 and 31 December 2023 is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Impairment of tangible assets (Note 8)	2,220,750	159,790
Foreign exchange loss on trade receivables and payables, net	109,596	-
Receivable provision expenses	4,223	13,533
Litigation expense	1,518	791
Other	432	1,196
Other operating expense	2,336,519	175,310

23. INCOME FROM INVESTMENT ACTIVITIES

The analysis of the Group's income from investment activities expenses for the period ended 31 December 2024 and 31 December 2023 is as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Fair value increases in exchange rate protected deposits	-	58,294
Tangible asset sales profit	-	6,495
Other operating income	-	64,789

	1 January- 31 December 2024	1 January- 31 December 2023
Tangible asset sales loss	82,995	-
Other operating expense	82,995	-

24. FINANCIAL INCOME AND EXPENSE

The financial income and expenses for the period ended 31 December 2024 and 2023 consists of the following:

	1 January- 31 December 2024	1 January- 31 December 2023
Interest income	170,526	120,021
Earnings from derivative transactions	42,376	7,034
Discount interest income, net	-	1,994
Other	7,475	-
Financial income	220,377	129,049
Exchange rate difference loss	(1,063,602)	(1,350,027)
Interest expenses	(874,579)	(1,388,627)
Letter of guarantee and bank loan commissions	(212,962)	(118,467)
Interest expense from lease liabilities	(141,716)	(96,630)
Foreign exchange loss, net	(8,599)	-
Other	(22,938)	(21,702)
Financial expense	(2,324,396)	(2,975,453)
Financial income/(expense), net	(2,104,019)	(2,846,404)

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

25. TAXATION**Corporate taxes**

The Group is subject to the tax legislation and practices in force in Turkey. Corporate tax is declared until the evening of the twenty-fifth day of the fourth month following the end of the relevant accounting period and is paid in one installment until the end of the relevant month.

In Turkey, the corporate tax rate applied to the legal tax base, which is calculated by adding the expenses that are not accepted as deductions according to the tax laws to the commercial earnings of corporations and deducting the exemptions included in the tax laws, was applied as 20% after January 1, 2021. However, in accordance with Article 21 of the "Law on the Establishment of Additional Motor Vehicle Tax for the Compensation of Economic Losses Caused by the Earthquakes Occurred on 6/2/2023 and on the Amendment of Certain Laws and the Decree Law No. 375" published in the Official Gazette dated 15 July 2023 and numbered 32249, with the amendments made to Article 32 of the Corporate Tax Law No. 5520 regulating the corporate tax rate; it has been stipulated that the general rate applied in corporate tax will be increased from 20% to 25%, and the rate of 25% for banks and financial institutions will be increased to 30%. With the same article of the said law (Article 21), the corporate tax rate, which was applied with a 1 point discount to the earnings of the exporting institutions exclusively obtained from exports in order to encourage exports, has been provided with a 5 point discount. The said change will be applied to the earnings of the institutions to be obtained in 2023 and the following tax periods, starting from the declarations that must be submitted as of October 1, 2023. With the Law on Amendments to Tax Laws No. 7524 and Certain Laws and Legislative Decree No. 375 published in the Official Gazette dated August 2, 2024, a 10% domestic minimum corporate tax application was introduced with the c clause added to Article 32 of the Corporate Tax Law, with an effective date of January 1, 2025. 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 2022 and 2023 accounting periods and the temporary tax periods of the 2024 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 2024 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 2024 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 2024.

As of 31 December 2024, the tax rates (%) used in the calculation of deferred tax, taking into account the tax legislation in effect in each country, are as follows:

Country	Tax Rate
Turkey	% 25

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 2024 are included in the deferred tax calculation as of 31 December 2024.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

25. TAXATION (CONT'D)**Corporate taxes (cont'd)**

Tax legislation in Turkey does not allow the Company and its subsidiaries to file consolidated tax returns. Therefore, the tax provision reflected in the financial statements has been calculated on a company-by-company basis.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, provided that they do not exceed 5 years. Declarations and related accounting records can be examined by the tax office within five years and tax accounts can be revised. Dividend payments made to resident joint stock companies in Turkey, to those who are not responsible for and exempt from corporate tax and income tax, and to real persons and non-resident legal entities in Turkey are subject to 15% income tax.

Dividend payments made from joint stock companies resident in Turkey to joint stock companies resident in Turkey are not subject to income tax. In addition, if the profit is not distributed or added to the capital, income tax is not calculated.

Dividend income (excluding profits from investment funds participation certificates and investment trusts' shares) obtained from participating in the capital of another corporation which is fully taxpayer is exempt from corporation tax. In addition, 75% of the profits arising from the sale of associated shares, redeemable shares and preferential rights of real estates (property, plant) owned by the same duration as the participation shares included in the assets of the institutions for at least two full years are exempt from corporate taxation as at 31 December 2017. However, with the amendment made by Law No. 7061, this ratio has been decreased from 75% to 50% in terms of property, plant and this ratio will be used as 50% in tax declarations to be prepared from 2018.

In order to benefit from the exemption, the said income must be kept in a passive fund account and not withdrawn from the business for 5 years. The sales price must be collected until the end of the second calendar year following the year of sale. In Turkey, there is no procedure for a final and definitive agreement on tax assessments. Companies file their tax returns on the fifteenth date of the four months following the close of the accounting year to which they relate. Tax returns are open for five years from the beginning of the year that follows the date of filing during which time the tax authorities have the right to audit tax returns and the related accounting records on which they are based and may issue re-assessments based on their findings.

Income tax withholding

There is a withholding tax liability on dividend distributions, and this withholding liability is accrued in the period when the dividend payment is made. Dividend payments are subject to 15% withholding tax, 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, on 22 December 2021 31697 published in the Official Gazette numbered, dated, numbered 193 of the Income Tax Law No. 4936 president in accordance with the decision on profit distribution of the corporate tax law No. 5520, if the provisions in the arrangement is made, a 15% withholding tax rate of 10% has been reduced. In the application of withholding tax rates for profit distributions to non-resident companies and natural persons, the withholding tax rates in the relevant Double Taxation Agreements are also taken into account. The addition of retained earnings to the capital is not considered as profit distribution, so it is not subject to withholding tax.

Transfer pricing regulations

In Turkey, the transfer pricing provisions has been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on Disguised Profit Distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation. If the companies enter into transactions concerning to the sale or the purchase of the goods or services with the related entities by setting the prices or amounts which are not in line with the arm's length principle, related profits will be treated as having been wholly or partially distributed in a disguised way via transfer pricing.

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(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

25. TAXATION (CONT'D)**Corporate taxes (cont'd)****25.1. Current income/(expense) tax**

The details of tax expense for the period ending on 31 December 2024 and 2023 are as follows:

	1 January - 31 December 2024	1 January - 31 December 2023
Current period tax expense	(9,902)	(15,188)
Deferred tax income	1,237,784	1,641,291
Tax income	1,227,882	1,626,103

25.2. Period profit tax liability

The reported tax expenses for the years ended 31 December 2024 and 2023 are different than the amounts computed by applying the statutory tax rate to profit before tax of the Group, as shown in the following reconciliation:

	31 December 2024	%	31 December 2023	%
Income for the period	169,595		6,569,784	
Taxable income	1,227,882		1,626,103	
Income / (Loss) excluding income tax	(1,058,287)		4,943,681	
Income tax expense using the Group's domestic rate	264,572	25	(1,235,920)	25
Deferred tax effect arising from inflation accounting adjustments in statutory financial statements	-		968,387	
Tax rate differences effect	-		9,301	
Deferred tax effect of inflation adjustments that do not affect the corporate tax base	564,197		1,511,406	
Other revenues which are not subject to tax	823,102		963,470	
Disallowable expenses	(25,030)		(163,635)	
Losses that cannot be subject to deferred tax income	-		(426,027)	
Deferred tax effect of previous year losses that were not subject to deferred tax in previous years	(397,793)		-	
Other	(1,166)		(879)	
Tax income	1,227,882		1,626,103	

	31 December 2024	31 December 2023
Current tax expense (A)	(9,902)	(15,188)
Tax to be deducted (B)	-	-
Monetary gains (C)	9,854	13,619
Current tax-related assets/(liabilities), net (A+B+C)	(48)	(1,569)

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

25. TAXATION (CONT'D)**25.2. Period profit tax liability (cont'd)**

The maturity of previous year losses that are not recorded in the deferred tax asset calculation will expire as follows:

	31 December 2024	31 December 2023
2024	-	38,217
2025	163,686	115,445
2026	519,306	149,189
2027	410,692	469,728
2028	742,606	3,721,472
Total	1,836,290	4,494,051

The maturity of previous year losses recorded in the deferred tax asset calculation is as follows:

	31 December 2024	31 December 2023
2024	-	382,072
2025	93,842	527,452
2026	1,138,613	60,639
2027	339,849	9,927
2028	729,041	5,247
2029	256,323	-
Total	2,557,668	985,337

25.3. Deferred tax assets and liabilities

Deferred tax is calculated over the temporary differences between the recorded values of assets and liabilities in the financial statements and the values used in the tax base, excluding the goodwill that is not subject to tax deduction and the differences in assets and liabilities recorded for the first time that are not subject to accounting and taxation.

Deferred tax (assets)/liabilities movements for the years ended at 31 December 2024 and 2023 are as follows:

	1 January- 31 December 2024	1 January- 31 December 2023
Deferred tax liability as of 1 January, net	(5,067,888)	(6,581,918)
Recognized in the statement of profit or loss	1,237,784	1,641,291
Recognized in the statement of other comprehensive income	(56,321)	(127,261)
Deferred tax liability as of the end of the period, net	(3,886,425)	(5,067,888)

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

25. TAXATION (CONT'D)**25.3. Deferred tax assets and liabilities (cont'd)**

Deferred tax assets and deferred tax liabilities as of 31 December 2024 and 31 December 2023 were attributable to the items detailed in the table below:

	Assets		Liabilities		Net	
	31 Dec. 2024	31 Dec. 2023	31 Dec. 2024	31 Dec. 2023	31 Dec. 2024	31 Dec. 2023
Tangible and intangible assets	-	-	(4,692,318)	(5,579,763)	(4,692,318)	(5,579,763)
Severance pay and unused vacation provisions	15,159	15,583	-	-	15,159	15,583
Financial borrowings	158,630	294,387	-	-	158,630	294,387
Fair value impact of derivative instruments	-	-	-	(39,364)	-	(39,364)
Tax losses carried forward	639,417	246,334	-	-	639,417	246,334
Other	-	-	(7,313)	(5,065)	(7,313)	(5,065)
Deferred tax asset/(liability)	813,206	556,304	(4,699,631)	(5,624,192)	(3,886,425)	(5,067,888)
Off-set	(813,206)	(539,258)	813,206	539,258		
Deferred tax asset/(liability)	-	17,046	(3,886,425)	(5,084,934)	(3,886,425)	(5,067,888)

26. EARNINGS (LOSS) PER SHARE

Earnings per share is calculated by dividing the income/(loss) for the period attributable to the Group by the weighted average number of ordinary shares outstanding during the period. Earnings per share as of 31 December 2024 and 31 December 2023 are as follows:

Number of shares	Number of shares	Average time (days)
Number of shares issued as of January 1, 2024	1,016,031,947	333
Number of shares issued as of October 28, 2024	1,196,962,446	32
Weighted average number of shares	1,031,894,347	365

Number of shares	31 December 2024	31 December 2023
1 January	1,016,032,000	1,016,032,000
End of period	1,196,962,446	1,016,032,000
Periodic weighted average number of shares	1,031,894,347	1,016,032,000
Net profit	157,356	6,568,281
Basic earnings per share	0.15	6.46
Diluted earnings per share	0.15	6.46

In accordance with TMS 33 Earnings Per Share, if the number of existing ordinary shares or potential ordinary shares increases as a result of capitalization, bonus issue or share split, or decreases as a result of a share merger, the calculation of basic earnings per share and diluted earnings per share for all periods presented, is corrected retrospectively.

**Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024**

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

27. RELATED PARTY DISCLOSURES

Transactions with related parties are classified according to the following groups and include all related party disclosures in this note:

- (1) Main partner and its subsidiaries
- (2) Other group companies and partner affiliates controlled by the partner shareholders

Transactions between the Group and its subsidiaries, which are related parties of the Group, are not disclosed in this note as they are eliminated on consolidation.

In the consolidated statement of financial position, shareholders, key management personnel and members of the Board of Directors, their families and partners financed by themselves or financed by their partners are considered and named as related parties. Group companies carried out various transactions with related parties during operations.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

27. RELATED PARTY DISCLOSURES (CONT'D)**27.1. Balances with related parties**

As of 31 December 2024 and 31 December 2023, the summary of Related Party balances are as follows:

	31 December 2024	31 December 2023
Akfen ⁽¹⁾	40,825	27,547
Akfen Turizm Yatırımları ve İşletmecilik A.Ş. ("Akfen Turizm") ⁽²⁾	-	819
Akfen İnşaat	32	-
Current trade payables to related parties	40,857	28,366

(1) The main partner and its subsidiaries

(2) Other group companies and parent affiliates controlled by the parent shareholders

Trade payables to related parties mainly arise from the services received. The Group has not provided any guarantee for borrowings from related parties.

27.2. Transactions with related parties

As of 31 December 2024 and 2023, the services given to related parties are as follows:

Services received from related parties	31 December 2024		31 December 2023	
Company	Amount	Nature	Amount	Nature
Akfen İnşaat	-	-	5,482	Financing income
	-	-	5,482	

As of 31 December 2024 and 2023, the services received from related parties are as follows:

Services received from related parties	31 December 2024		31 December 2023	
Company	Amount	Nature	Amount	Nature
Akfen ⁽¹⁾	105,704	Financing expense	-	-
Akfen ⁽¹⁾	29,880	Support services expenses	28,134	Support services expenses
Akfen Gayrimenkul Portföy Yönetimi A.Ş, Birinci G,menkul Yat, Fonu (Akfen GPYŞ) ⁽²⁾	1,707	Rent expenses	1,383	Rent expenses
Akfen Turizm ⁽²⁾	1,462	Personnel meal exp,	1,747	Personnel meal exp,
Türkiye İnsan Kaynakları Eğitim ve Sağlık Vakfı (TİKAV) ⁽²⁾	7,878	Donation expenses	6,419	Donation expenses
European Bank for Reconstruction and Development ("EBRD")	-	Other	2,200	Other
Akfen ⁽¹⁾	3,291	Other	-	-
Akfen İnşaat ⁽²⁾	853	Other	-	-
	150,775		39,883	

(1) The main partner and its subsidiaries

(2) Other group companies and parent affiliates controlled by the parent shareholders

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

28. TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Benefits to senior executives include salaries and salary-related expenses, which are recognized under administrative expenses in the consolidated financial statements. For the accounting period ending on 31 December 2024, benefits provided to senior executives are TL 29,651 (31 December 2023: TL 20,837).

29. EXPLANATIONS REGARDING NET MONETARY POSITION GAINS/(LOSSES)

The Net Monetary Position Gains/(Losses) item reported in the statement of profit or loss results from the following nonmonetary financial statement items:

Non-monetary items	31 December 2024
Financial Statement Items	783,188
Tangible and intangible fixed assets	8,063,707
Prepaid expenses	66,592
Deferred tax liability	(1,557,754)
Paid-in capital	(3,559,615)
Share premiums	(1,344,334)
Restricted reserves from profits	(33,745)
Retained earnings and other equity items	(851,663)
Profit or Loss Statement Items	(28,760)
Revenue	(651,891)
Cost of sales	407,386
General administrative expenses	30,535
Other operating income and expenses	24,749
Income and expenses from investing activities	(11,263)
Financing income and expenses	(7,504)
Tax income and expenses	179,228
Net monetary position gains	754,428


Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES
30.1. Credit risk

The credit risks exposed by types of financial instruments are as follows:

	Receivables				
	Trade Receivables		Other Receivables		
31 December 2024	Related Party	Other Party	Related Party	Other Party	Bank Deposit
Maximum credit risk exposure as of the repor-ting date (A+B+C+D+E)	-	478,594	-	31,367	1,158,382
- Portion of the maximum risk that is guaranteed with a collateral, etc,	-	-	-	-	-
A. Net book value of financial assets that are not overdue or not impaired	-	478,594	-	31,367	1,158,382
B. Book value of financial assets, the terms of which are re-negotiated, and which will otherwise be considered to be overdue or impaired					
C. Net book value of assets that are overdue but not impaired	-	-	-	-	-
- Portion guaranteed with a collateral, etc,	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	23,297	-	-	-
- Impairment (-)	-	(23,297)	-	-	-
- Not overdue (gross book value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
E. Elements including off-balance-sheet financing	-	-	-	-	-

	Receivables	
	Trade Receivables	Other Receivables
31 December 2024		
0-3 months overdue	-	-
3-12 months overdue	-	-
1-5 years overdue	23,297	-
More than 5 years overdue	-	-
Total receivables overdue	23,297	-
Total provisions reserved	(23,297)	-
Portion guaranteed with a collateral, etc.	-	-

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**30.1. Credit risk (cont'd)**

	Receivables				
	Trade Receivables		Other Receivables		Bank Deposit
31 December 2023	Related Party	Other Party	Related Party	Other Party	
Maximum credit risk exposure as of the reporting date (A+B+C+D+E)		679,075		25,905	1,647,029
- Portion of the maximum risk that is guaranteed with a collateral, etc,	-	-	-	-	-
A. Net book value of financial assets that are not overdue or not impaired	-	679,075	-	25,905	1,647,029
B. Book value of financial assets, the terms of which are re-negotiated, and which will otherwise be considered to be overdue or impaired					
C. Net book value of assets that are overdue but not impaired	-	-	-	-	-
- Portion guaranteed with a collateral, etc,	-	-	-	-	-
D. Net book value of impaired assets	-	-	-	-	-
- Overdue (gross book value)	-	27,539	-	-	-
- Impairment (-)	-	(27,539)	-	-	-
- Not overdue (gross book value)	-	-	-	-	-
- Impairment (-)	-	-	-	-	-
E. Elements including off-balance-sheet financing	-	-	-	-	-

	Receivables	
	Trade Receivables	Other Receivables
31 December 2023		
0-3 months overdue	-	-
3-12 months overdue	-	-
1-5 years overdue	27,539	-
More than 5 years overdue	-	-
Total receivables overdue	27,539	-
Total provisions reserved	(27,539)	-
Portion guaranteed with a collateral, etc,	-	-

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**30.2. Liquidity risk**

Liquidity risk is the risk that the Group will not be able to fulfill its obligations when they come due. The Group's liquidity management approach is to maintain sufficient liquidity, as much as possible, in order to be able to pay its obligations when due in normal and distressed situations, without incurring unacceptable losses or damaging the Group's reputation.

As of 31 December 2024 and 31 December 2023, the maturities of the Group's financial liabilities, including estimated interest payments, determined according to the payment plan, are as follows:

Non derivative financial liabilities

31 December 2024		Contractual	Less than	3-12	1-5	More than
	Carrying	cash outflows	3 months	months	years	5 years
Contractual maturities	amount	total	(I)	(II)	(III)	(IV)
(I+II+III+IV+V)						
Financial Liabilities						
Borrowings	7,512,081	(9,602,196)	(251,930)	(1,461,485)	(6,144,873)	(1,743,908)
Leasing payables	572,834	(572,834)	-	(72,473)	(219,744)	(280,617)
Trade payables to third parties	926,313	(926,313)	(402,289)	(524,024)	-	-
Trade payables to related parties	40,857	(40,857)	(40,857)	-	-	-

31 December 2023		Contractual	Less than	3-12	1-5	More than
	Carrying	cash outflows	3 months	months	years	5 years
Contractual maturities	amount	total	(I)	(II)	(III)	(IV)
(I+II+III+IV+V)						
Financial Liabilities						
Borrowings	13,818,869	(16,320,627)	(71,247)	(3,450,247)	(8,684,681)	(4,114,452)
Leasing payables	389,092	(389,092)	-	(25,494)	(132,460)	(231,138)
Trade payables to third parties	563,668	(563,668)	(413,257)	(150,411)	-	-
Trade payables to related parties	28,366	(28,366)	(28,366)	-	-	-


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30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)
30.3. Foreign currency risk
Exchange risk exposure

As of 31 December 2024, the Group's foreign currency position consists of foreign currency denominated assets and liabilities stated in the table below.

31 December 2024				
	TL Equivalent	USD	EUR	Other^(*)
1. Trade receivables	-	-	-	-
2a. Monetary Financial Assets (including safe and bank accounts)	1,073,803	26,413	3,904	2
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	496,836	2,174	11,438	-
4. Current Assets (1+2+3)	1,570,639	28,587	15,342	2
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	-	-	-	-
8. Non-Current Assets (5+6+7)	-	-	-	-
9. Total Assets (4+8)	1,570,639	28,587	15,342	2
10. Trade Payables	433,008	11,519	742	-
11. Financial Liabilities	1,551,954	44,060	-	-
12a. Other Monetary Liabilities	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	1,984,962	55,579	742	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	5,960,127	169,210	-	-
16a. Other Monetary Liabilities	731	-	20	-
16b. Other Non-Monetary Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	5,960,858	169,210	20	-
18. Total Liabilities (13+17)	7,945,820	224,789	762	-
19. Net Asset/(Liability) Position of Foreign Currency-Denominated Derivatives Excluded from Financial Position Statement (9-18)	(6,375,181)	(196,202)	14,579	2
19a. Total amount of assets hedged	-	-	-	-
19b. Total amount of liabilities hedged	7,436,960	211,138	-	-
20. Net Foreign Currency Asset/(Liability) position (9-18+19)	1,061,779	14,936	14,579	2

(*) Assets and liabilities in other currencies are expressed as TL equivalents.



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(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

30.3.Foreign currency risk (continued)

Exchange risk exposure (continued)

As of 31 December 2023, the Group's foreign currency position consists of foreign currency denominated assets and liabilities stated in the table below.

	31 December 2023			
	TL Equivalent	USD	EUR	Other ^(*)
1. Trade receivables	-	-	-	-
2a. Monetary Financial Assets (including safe and bank accounts)	1,561,140	35,885	765	-
2b. Non-Monetary Financial Assets	-	-	-	-
3. Other	6,215	146	-	-
4. Current Assets (1+2+3)	1,567,355	36,031	765	-
5. Trade Receivables	-	-	-	-
6a. Monetary Financial Assets	-	-	-	-
6b. Non-Monetary Financial Assets	-	-	-	-
7. Other	141,242	3,323	-	-
8. Non-Current Assets (5+6+7)	141,242	3,323	-	-
9. Total Assets (4+8)	1,708,596	39,354	765	-
10. Trade Payables	56,550	758	517	-
11. Financial Liabilities	3,439,746	80,465	421	-
12a. Other Monetary Liabilities	-	-	-	-
12b. Other Non-Monetary Liabilities	-	-	-	-
13. Current Liabilities (10+11+12)	3,496,296	81,223	938	-
14. Trade Payables	-	-	-	-
15. Financial Liabilities	10,379,122	243,621	523	-
16a. Other Monetary Liabilities	936	-	20	-
16b. Other Non-Monetary Liabilities	-	-	-	-
17. Non-Current Liabilities (14+15+16)	10,380,058	243,621	543	-
18. Total Liabilities (13+17)	13,876,354	324,844	1,481	-
19. Net Asset/(Liability) Position of Foreign Currency-Denominated Derivatives Excluded from Financial Position Statement (9-18)	(12,167,758)	(285,490)	(718)	-
19a. Total amount of assets hedged	-	-	-	-
19b. Total amount of liabilities hedged	13,636,725	320,845	-	-
20. Net Foreign Currency Asset/(Liability) position (9-18+19)	1,468,967	35,355	(718)	-

(*) Assets and liabilities in other currencies are expressed as TL equivalents.

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30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**30.3.Foreign currency risk (cont'd)****Sensitivity analysis**

The Group's foreign exchange risk generally comprises of TL's changing value against EUR and USD.

The basis of the sensitivity analysis which is carried out to measure the foreign exchange risk is to bring in the total currency explanation within the entity. Total foreign currency position includes all foreign currency-denominated short-term and long-term purchasing agreements and all such assets and liabilities. The analysis does not cover net foreign currency investments. The Group delivers its medium-term and long-term loans over the currency of the project revenues it obtains.

31 December 2024**Exchange Rate Sensitivity Analysis Statement**

	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation paranın değeri
In the event that USD appreciates/depreciates by 20% against TL				
1- USD net asset/liability	105,215	(105,215)	-	-
2- Portion hedged for USD (-)	-	-	-	-
3- USD Net Impact (1+2)	105,215	(105,215)	-	-
In the event that EUR appreciates/depreciates by 20% against TL				
4- Net asset/liability in EUR	107,133	(107,133)	-	-
5- Portion hedged for EUR (-)	-	-	-	-
6- Euro Net Impact (4+5)	107,133	(107,133)	-	-
In the event that other foreign currencies appreciate/depreciate by 20% against TL				
7- Other foreign currency net asset/liability	-	-	-	-
8- Portion hedged for other foreign currency (-)	-	-	-	-
9- Other Foreign Currency Assets Net Impact (7+8)	-	-	-	-
TOTAL (3+6+9)	212,348	(212,348)	-	-

31 December 2023**Exchange Rate Sensitivity Analysis Statement**

	Profit/Loss		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation paranın değeri
In the event that USD appreciates/depreciates by 20% against TL				
1- USD net asset/liability	300,535	(300,535)	-	-
2- Portion hedged for USD (-)	-	-	-	-
3- USD Net Impact (1+2)	300,535	(300,535)	-	-
In the event that EUR appreciates/depreciates by 20% against TL				
4- Net asset/liability in EUR	(6,751)	6,751	-	-
5- Portion hedged for EUR (-)	-	-	-	-
6- Euro Net Impact (4+5)	(6,751)	6,751	-	-
In the event that other foreign currencies appreciate/depreciate by 20% against TL				
7- Other foreign currency net asset/liability	-	-	-	-
8- Portion hedged for other foreign currency (-)	-	-	-	-
9- Other Foreign Currency Assets Net Impact (7+8)	-	-	-	-
TOTAL (3+6+9)	293,783	(293,783)	-	-

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**30.4. Interest risk****Profile**

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	31 December 2024	31 December 2023
Fixed-interest items		
Financial assets	1,000,044	1,434,186
Financial liabilities	3,896,979	4,566,252
Variable-interest items		
Financial assets	-	137,844
Financial liabilities	3,615,102	9,252,618

Fair value risk of fixed-interest items:

The Group does not have any financial asset or liability the fair value of which is recognized in profit / loss. Therefore, changes in interest rates do not have a direct impact on shareholders' equity items on the reporting date.

Cash flow risk of variable-interest items:

When the debt profile of the Group is considered, 100 basis point increase in the TL Benchmark Interest Rate, Euribor, Libor or Sofr rate, ignoring the effect of derivative financial instruments, would have caused an increase of approximately TL 36.151 (31 December 2023: TL 91.148) in the annual interest expenses of the Group's variable interest rate debts dated 31 December 2024 before tax. There is no part of the amount protected by interest rate swap (31 December 2023: TL 62.538). The net risk on profit/loss is TL 36.151 (31 December 2023: TL 28.609).

Interest Position Statement

	31 December 2024	31 December 2023
Fixed-Interest Financial Instruments	(28,970)	(31,321)
Financial assets	10,000	14,342
Financial liabilities	(38,970)	(45,663)
Variable-Interest Financial Instruments	(36,151)	(91,148)
Financial assets	-	1,378
Financial liabilities	(36,151)	(92,526)

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

30. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**30.5. Capital Risk Management**

The Group's goals in capital management are;

- To ensure the continuity of its activities, to provide return to shareholders and benefit to other shareholders
- To increase the profitability in accordance with the risk level by increasing the service prices.

The Group determines the amount of capital in proportional to the risk level. The Company regulates the structure of equity according to the economic conditions and the risk quality of the assets.

The Group are following its capital management using the debt/equity ratio. This ratio is found by dividing net debt by total capital. Net debt is calculating by deducting cash and cash equivalents from total debt (total of short-term and long-term liabilities stated in the consolidated statement of financial position). Total capital is the sum of shareholders' equity stated in the consolidated statement of financial situation.

The ratios of net liability/invested capital as of 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	31 December 2023
Total financial borrowings	7,512,081	13,818,869
Less: Cash and cash equivalents	(1,158,806)	(1,647,612)
Net debt	6,353,275	12,171,257
Total equity	36,219,473	29,412,957
Net debt / total equity	0,18	0,41

Total financial liabilities include the Group's short-term and long-term financial liabilities. It does not cover debts from rental transactions.

31. THE FAIR VALUE EXPLANATIONS

The fair value is described as a price that will be obtained from sales of an asset or paid on transfer of a debt, in an ordinary transaction on the date of calculation among the market attendants.

Financial instruments

The Group has determined the estimated fair values of the financial instruments by employing current market information and appropriate valuation methods. However, interpretation and reasoning are required to estimate the fair values by evaluating the market information. As a result, the estimations presented herein may not be indicative of the amounts that the Group can obtain in a current market transaction.

The following methods and assumptions have been used to estimate the fair value of the financial instruments for which estimation of the fair values in practice is possible:

Financial asset

It is foreseen that book values of the cash and cash equivalents are close to their fair values since they are short term cash assets. It is also foreseen that their book values reflect the fair value since the trade receivables are short-term.

It is foreseen that the fair values of the balances in foreign currency that are converted with the period-end rates are close to their book values.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

30. THE FAIR VALUE EXPLANATIONS (CONT'D)**Financial instruments (cont'd)****Financial liabilities**

It is considered that fair values of the trade payables and other monetary liabilities approach to the values that they bear due to the fact that they are short-term.

The bank borrowings are expressed with their amortized cost values and transactional costs are added on the top of the initial cost of the credits. As the floating rate bank borrowings of the Group have been repriced in the recent history, it is considered that its fair values reflect the value that they bear.

Financial Instrument classifications and fair values

31 December 2024	Credits and receivables (including cash and cash equivalents)	Book value	Fair Value	Note
Financial assets				
Cash and cash equivalents	1,158,806	1,158,806	1,158,806	4
Trade receivables from third parties	478,594	478,594	478,594	6
Other receivables from third parties	31,367	31,367	31,367	6
Financial liabilities				
Financial borrowings	7,512,081	7,512,081	7,483,311	5
Lease payables	572,834	572,834	572,834	5
Trade payables to related parties	40,857	40,857	40,857	7-27
Trade payables to third parties	926,313	926,313	926,313	7-27
Other payables to third parties	65,186	65,186	65,186	7
31 December 2023	Credits and receivables (including cash and cash equivalents)	Book value	Fair Value	Note
Financial assets				
Cash and cash equivalents	1,647,612	1,647,612	1,647,612	4
Trade receivables from third parties	679,075	679,075	679,075	6
Other receivables from third parties	25,905	25,905	25,905	6
Financial liabilities				
Financial borrowings	13,818,869	13,818,869	12,912,729	5
Lease payables	389,092	389,092	389,092	5
Trade payables to related parties	28,366	28,366	28,366	7-27
Trade payables to third parties	563,668	563,668	563,668	7
Other payables to third parties	72,802	72,802	72,802	7

The Group classifies the fair value measurements of financial instruments reflected at fair value in the consolidated financial statements according to the source of inputs for each financial instrument class, using a three-level hierarchy as follows.

Notes to the Consolidated Financial Statements As at and For the Period Ended 31 December 2024

(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

31. THE FAIR VALUE EXPLANATIONS (CONT'D)**Financial Instrument classifications and fair values (cont'd)**

As of 31 December 2024 and 31 December 2023, the fair value classifications of the long term financial investments which are calculated with their fair values are as follows:

31 December 2024

	Fair value level		
	1 st Level TL	2 nd Level TL	3 rd Level TL
Interest rate swap transactions (Note: 16)	-	-	-

31 December 2023

	Fair value level		
	1 st Level TL	2 nd Level TL	3 rd Level TL
Interest rate swap transactions (Note: 16)	-	157,457	-

32. SUBSEQUENT EVENTS

The first part of the Denizli Hybrid Solar Power Plant Project, which is owned by Korda Enerji, a 100% subsidiary of the Company, with a total installed capacity of 5.76 MW, located in Denizli province, with a total installed capacity of 4.5 MW, was provisionally accepted by the Ministry of Energy on 23.01.2025 in accordance with the legislation and started commercial energy production.

The remaining 9.01 MW part of the Saritepe Hybrid Solar Power Plant Project, which is owned by İmbat Enerji, a 100% subsidiary of the Company, with a total installed capacity of 12.96 MW, located in Osmaniye province, was provisionally accepted as of 31.01.2025 in accordance with the legislation and started energy production.

The hybrid solar power plants projects, which are owned by the Company's 100% subsidiaries, with a total installed capacity of 50.77 MW, detailed below, were provisionally accepted by the Ministry of Energy on 14.02.2025 in accordance with the legislation and started commercial energy production in the plants. These projects where commercial energy production has started;

- The entire Hasanoba Hybrid Solar Power Plant Project of Kovancı located in Çanakkale province with a total installed power capacity of 8.41 MW,
- The entire Kocalar Hybrid Solar Power Plant Project of Isider located in Çanakkale province with a total installed power capacity of 4.95 MW, and
- The first part of Üçpınar Hybrid Solar Power Plant Project of Derbent located in Çanakkale province with a total installed power capacity of 39.94 MW with a total installed power capacity of 37.41 MW.

The first part of Demirciler Hybrid Solar Power Plant Project of İmbat Enerji, a 100% subsidiary of the Company, located in Osmaniye province with a total installed power capacity of 13.27 MW, with a total installed power capacity of 4.25 MW, was provisionally accepted in accordance with the legislation on 27.02.2025 and started energy production.

Thus, as of February 27, 2025, the Company has reached a total installed power capacity of 771.5 MW in renewable energy power plants it operates through its subsidiaries.

The Ministry of Environment, Urbanization and Climate Change has issued a "Positive Environmental Impact Assessment (EIA)" decision on February 19, 2025 regarding the Van Solar Power Plant (66 MWm / 50 MWe) and Electricity Storage Facility (50 MWe / 120 MWh) project planned to be built in Van province by Akfen Electric Energy Wholesale Inc., a 100% subsidiary of the Company.

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(All amounts are expressed in thousand Turkish Liras ('000 TL) and in purchasing power as of 31 December 2024 to reflect the effects of inflation unless otherwise specified.)

32. SUBSEQUENT EVENTS (CONT'D)

Akfen Electric Energy Wholesale Inc., a 100% subsidiary of the Company. The Ministry of Environment, Urbanization and Climate Change has issued a "Positive Environmental Impact Assessment (EIA)" decision on 20.02.2025 regarding the Aydın Wind Power Plant (30.88 MWm / 30 MWe) and Electricity Storage Facility (30 MWe / 60 MWh) project planned to be built in Bozdoğan district of Aydın province.

The company used a loan of 30 million USD and 20 million USD on 15 January 2025 and 6 March 2025, respectively, within the scope of the new loan agreement signed in December 2024. In addition, it made a principal repayment of 4.6 million USD within the scope of the new loan agreement signed on 4 March 2025.

ABBREVIATIONS

ABB	Asea Brown Boveri
AFAD	Ministry of Interior Disaster and Emergency Management Presidency
Akfen REIT	Akfen Real Estate Investment Trust
Aquila	Aquila HydropowerINVEST Investitions GmbH & Co. KG
ATS	American Turkish Society
BİDEV	Basketball Solidarity and Education Foundation
BOTAV	Bodrum Promotion Foundation
CDP	Carbon Disclosure Project
CISQ	The Consortium for IT Software Quality
CO ₂	Carbondioxide
DEİK	The Foreign Economic Relations Board of Turkey
EBITDA	Earning Before Income Tax Depreciation and Amortization
EİEİ	Electricity Survey and Development Administration
EBRD	European Bank for Reconstruction and Development
EPDK, EMRA	Energy Market Regulatory Authority
FDI	Foreign Direct Investment
GS	Gold Standard
GCC	Global Carbon Council
GE	General Electric
GW, GWh	Gigawatt, Gigawatt hour
GWO	Global Wind Organization
REIT	Real Estate Investment Trust
HEPP	Hydro Electric Power Plant
IEA	International Energy Agency
IFC	International Finance Corporation
İDO	İstanbul Sea Buses
İHD	Transfer of Operating Rights
OHS	Occupational Health and Safety
KAP, PDR	Public Disclosure Platform
kW	Kilowatt
LNG	Liquified Natural Gas
LSE	LondonSchool of Economics
LTIR	Lost Time Incident Rate
MESS	Turkish Employers' Association of Metal Industries
MT	Management Trainee

MTA	Mineral Research and Exploration General Directorate
MW, MWs, MWe	Megawatt, Megawatt hour, Megawatt electric
NZE	Net Zero Emission
OHSAS	Occupational Health and Safety Assessment Series
ODTÜ, METU	Middle East Technical University
PTT	T.C. Post and Telegraph Organization
SPP	Solar Power Plant
TAİDER	Family Business Association
TAV	Tepe, Akfen, Vie
T.C.	Turkish Republic
TEAŞ	Türkiye Electricity A.Ş.
TEİAŞ	Turkish Electricity Transmission Corporation
TENVA	Turkish Energy Foundation
TETAŞ	Türkiye Elektrik Ticaret Taahhüt A.Ş.
TİKAD	Turkish Businesswomen Association
TİKAV	Turkey Human Resources Education and Health Foundation
TİSK	Turkish Confederation of Employer Associations
TOBB	The Union of Chambers and Commodity Exchanges of Türkiye
TRIR	Total Recordable Incident Rate
TTK	Turkish Commercial Code
TTSG	Turkey Trade Registry Gazette
TTYD	Turkish Tourism Investors Association
TURMEPA	Turkish Marine Environment Protection Association
TÜGİAD	Turkish Young Businessmen's Association
TÜPRAŞ	Türkiye Petrol Rafinerileri A.Ş.
TÜSİAD	Turkish Industry and Business Association
USD	United States Dollars
VCS	Verified Carbon Standard
WP	Watt peak
FiT, YEKDEM	Feed-in Tariff, Support Mechanism for Renewable Energy Resource
UN	United Nations
UN SDG	United Nations Sustainability Development Goals
YİD, BOT	Build Operate Transfer
WPP	Wind Power Plant

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