

**TEKFEN HOLDİNG ANONİM ŐİRKETİ  
AND ITS SUBSIDIARIES**

CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE NINE MONTH  
INTERIM PERIOD  
ENDED 30 SEPTEMBER 2023  
TOGETHER WITH  
REVIEW REPORT

(Translated into English from the report  
originally issued in Turkish)

| CONTENT   | PAGE  |
|---|-------|
| CONDENSED CONSOLIDATED BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)<br>AS AT 30 SEPTEMBER 2023 .....                           | 1-2   |
| CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTH<br>INTERIM PERIOD ENDED 30 SEPTEMBER 2023 .....             | 3     |
| CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR<br>THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023 ..... | 4     |
| CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE<br>MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023 .....          | 5     |
| CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTH<br>INTERIM PERIOD ENDED 30 SEPTEMBER 2023 .....                 | 6     |
| NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE<br>MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023 .....       | 7-42  |
| NOTE 1 ORGANIZATION AND OPERATIONS OF THE GROUP .....   | 7     |
| NOTE 2 BASIS OF PRESENTATION OF THE CONDENSED CONSOLIDATED<br>FINANCIAL STATEMENTS .....  | 7     |
| NOTE 3 ADOPTION OF NEW AND REVISED STANDARDS .....  | 8     |
| NOTE 4 EVENTS AND TRANSACTIONS MATERIALLY AFFECTING THE CONDENSED<br>CONSOLIDATED FINANCIAL STATEMENTS .....                      | 8-11  |
| NOTE 5 SIGNIFICANT CHANGES IN EQUITY .....  | 11    |
| NOTE 6 SEGMENT REPORTING .....  | 12-19 |
| NOTE 7 CASH AND CASH EQUIVALENTS .....  | 20    |
| NOTE 8 TRADE RECEIVABLES AND PAYABLES .....   | 20-21 |
| NOTE 9 CONTRACT ASSETS AND LIABILITIES ARISING FROM ONGOING<br>CONSTRUCTION WORKS .....   | 21-22 |
| NOTE 10 INVENTORIES .....   | 22    |
| NOTE 11 INVESTMENTS VALUED BY EQUITY METHOD .....   | 23-25 |
| NOTE 12 PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS,<br>INVESTMENT PROPERTY AND RIGHT-OF-USE ASSETS .....                    | 26-28 |
| NOTE 13 SHORT AND LONG-TERM BORROWINGS .....  | 29    |
| NOTE 14 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES .....   | 29-31 |
| NOTE 15 COMMITMENTS .....   | 31-32 |
| NOTE 16 SIGNIFICANT RELATED PARTY TRANSACTIONS .....  | 32    |
| NOTE 17 EQUITY .....  | 33    |
| NOTE 18 EARNINGS PER SHARE .....  | 33    |
| NOTE 19 OTHER OPERATING INCOME AND EXPENSES .....   | 34    |
| NOTE 20 FINANCIAL INCOME AND EXPENSES .....   | 34    |
| NOTE 21 DERIVATIVE INSTRUMENTS .....  | 35    |
| NOTE 22 FOREIGN CURRENCY POSITION .....   | 36-38 |
| NOTE 23 FINANCIAL INSTRUMENTS .....   | 39-42 |
| NOTE 24 SUBSEQUENT EVENTS .....   | 42    |

# TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

| ASSETS  | Notes | Unreviewed<br>30 September<br>2023 | Audited<br>31 December<br>2022 |
|---|-------|------------------------------------|--------------------------------|
| <b>Current Assets</b>                                   |       | <b>24.058.314</b>                  | <b>22.403.234</b>              |
| Cash and cash equivalents                               | 7     | 3.898.857                          | 4.151.531                      |
| Financial investments                                   | 4     | 1.776.403                          | 1.769.033                      |
| Trade receivables                                       | 8     | 4.123.648                          | 4.152.329                      |
| - Related party receivables                             |       | 81.872                             | 66.136                         |
| - Trade receivables                                     |       | 4.041.776                          | 4.086.193                      |
| Other receivables                                       |       | 135.407                            | 109.294                        |
| - Related party receivables                             |       | 625                                | -                              |
| - Other receivables                                     |       | 134.782                            | 109.294                        |
| Contract assets arising from ongoing construction works | 9     | 4.316.079                          | 2.355.436                      |
| Derivative instruments                                  | 21    | 169.339                            | 8.528                          |
| Inventories   | 10    | 7.419.880                          | 7.930.873                      |
| Prepaid expenses  |       | 1.026.637                          | 624.229                        |
| - Prepaid expenses                                      |       | 1.026.637                          | 624.229                        |
| Assets related to current tax                           |       | 311.048                            | 428.389                        |
| Other current assets                                    |       | 777.725                            | 500.317                        |
| - Other current assets                                  |       | 777.725                            | 500.317                        |
|   |       | <b>23.955.023</b>                  | <b>22.029.959</b>              |
| Assets classified as held for sale                      |       | 103.291                            | 373.275                        |
| <b>Non-Current Assets</b>                               |       | <b>13.722.509</b>                  | <b>9.784.131</b>               |
| Financial investments                                   | 4,23  | 3.244.151                          | 2.063.412                      |
| Trade receivables                                       | 8     | 875.143                            | 353.134                        |
| - Trade receivables                                     |       | 875.143                            | 353.134                        |
| Other receivables                                       |       | 91.589                             | 59.399                         |
| - Other receivables                                     |       | 91.589                             | 59.399                         |
| Investments valued by equity method                     | 11    | 1.527.364                          | 1.054.172                      |
| Investment property                                     | 12    | 297.770                            | 230.733                        |
| Property, plant and equipment                           | 12    | 5.610.607                          | 4.455.013                      |
| Right-of-use assets                                     | 12    | 354.184                            | 106.019                        |
| Intangible assets                                       | 12    | 189.505                            | 165.607                        |
| - Goodwill  |       | 127.668                            | 107.395                        |
| - Other intangible assets                               |       | 61.837                             | 58.212                         |
| Prepaid expenses  |       | 72.837                             | 46.948                         |
| - Prepaid expenses                                      |       | 72.837                             | 46.948                         |
| Deferred tax assets                                     |       | 1.335.506                          | 1.163.260                      |
| Other non-current assets                                |       | 123.853                            | 86.434                         |
| - Other non-current assets                              |       | 123.853                            | 86.434                         |
| <b>TOTAL ASSETS</b>                                     |       | <b>37.780.823</b>                  | <b>32.187.365</b>              |

The accompanying notes form an integral part of these condensed consolidated financial statements.  
Translated into English from the report originally issued in Turkish.

# TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

| <b>LIABILITIES</b>   | <b>Notes</b> | <b>Unreviewed<br/>30 September<br/>2023</b> | <b>Audited<br/>31 December<br/>2022</b> |
|--|--------------|---|---|
| <b>Current Liabilities</b>   |              | <b>22.138.199</b>                           | <b>18.287.702</b>                       |
| Short-term borrowings  | 13           | 5.457.912                                   | 2.533.011                               |
| Short-term portion of long-term borrowings   |              | 531.713                                     | 191.296                                 |
| Trade payables   | 8            | 10.053.173                                  | 10.566.301                              |
| - Related party payables   |              | 20.459                                      | 8.963                                   |
| - Trade payables   |              | 10.032.714                                  | 10.557.338                              |
| Payables related to employee benefits  |              | 453.615                                     | 171.487                                 |
| Other payables   |              | 249.606                                     | 236.511                                 |
| - Related party payables   |              | 343   | 7.728                                   |
| - Other payables   |              | 249.263                                     | 228.783                                 |
| Contract liabilities arising from ongoing construction works                                     | 9            | 1.136.996                                   | 1.057.846                               |
| Derivative instruments   | 21           | 77.485                                      | 353.686                                 |
| Deferred revenue   |              | 2.943.365                                   | 2.109.775                               |
| - Deferred revenue   |              | 2.943.365                                   | 2.109.775                               |
| Current tax liability  |              | 141.890                                     | 385.978                                 |
| Short-term provisions  | 14           | 1.044.867                                   | 678.634                                 |
| - Short-term provisions attributable to employee benefits  |              | 277.537                                     | 267.169                                 |
| - Other short-term provisions  |              | 767.330                                     | 411.465                                 |
| Other short-term liabilities   |              | 47.577                                      | 3.177                                   |
| - Other short-term liabilities   |              | 47.577                                      | 3.177                                   |
| <b>Non-Current Liabilities</b>   |              | <b>3.718.809</b>                            | <b>3.309.463</b>                        |
| Long-term borrowings   | 13           | 2.488.692                                   | 1.997.225                               |
| Trade payables   | 8            | 47.551                                      | 359.085                                 |
| - Trade payables   |              | 47.551                                      | 359.085                                 |
| Other payables   |              | 224.678                                     | 202.179                                 |
| - Other payables   |              | 224.678                                     | 202.179                                 |
| Deferred revenue   |              | 226   | 226                                     |
| - Deferred revenue   |              | 226   | 226                                     |
| Long-term provisions   | 14           | 594.989                                     | 491.372                                 |
| - Long-term provisions attributable to employee benefits   |              | 594.989                                     | 491.353                                 |
| - Other long-term provisions   |              | -   | 19                                      |
| Deferred tax liabilities   |              | 362.673                                     | 259.376                                 |
| <b>TOTAL LIABILITIES</b>   |              | <b>25.857.008</b>                           | <b>21.597.165</b>                       |
| <b>EQUITY</b>  |              | <b>11.923.815</b>                           | <b>10.590.200</b>                       |
| <b>Equity Attributable To Owners Of The Parent</b>   | 5, 17        | <b>11.729.071</b>                           | <b>10.428.977</b>                       |
| Paid in capital  |              | 370.000                                     | 370.000                                 |
| Capital structure adjustment   |              | 3.475                                       | 3.475                                   |
| Premiums in capital stock  |              | 300.984                                     | 300.984                                 |
| Accumulated other comprehensive income (loss)<br>that will not be reclassified to profit or loss |              | (1.545.811)                                 | (1.085.526)                             |
| - Loss on investments in equity instruments (-)  |              | (1.400.903)                                 | (967.393)                               |
| - Loss on revaluation and remeasurement (-)  |              | (144.908)                                   | (118.133)                               |
| Accumulated other comprehensive income<br>that will be reclassified to profit or loss            |              | 5.534.098                                   | 3.130.480                               |
| - Currency translation reserve   |              | 5.465.221                                   | 3.406.555                               |
| - Hedging reserve  |              | 68.877                                      | (276.075)                               |
| Legal reserves   |              | 695.927                                     | 571.038                                 |
| Prior years' income  |              | 5.898.132                                   | 3.665.188                               |
| Net profit for the period  |              | 472.266                                     | 3.473.338                               |
| <b>Non-controlling Interests</b>   |              | <b>194.744</b>                              | <b>161.223</b>                          |
| <b>TOTAL LIABILITIES AND EQUITY</b>  |              | <b>37.780.823</b>                           | <b>32.187.365</b>                       |

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

Translated into English from the report originally issued in Turkish.

# TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

|  | Notes | Unreviewed<br>1 January-<br>30 September<br>2023 | Unreviewed<br>1 July-<br>30 September<br>2023 | Unreviewed<br>1 January -<br>30 September<br>2022 | Unreviewed<br>1 July-<br>30 September<br>2022 |
|--|-------|--|---|---|---|
| Revenue  | 6     | 26.772.409                                       | 8.707.540                                     | 21.218.111  | 8.222.965                                     |
| Cost of revenue (-)  |       | (23.653.179)                                     | (7.693.585)                                   | (18.487.732)                                      | (7.236.121)                                   |
| <b>GROSS PROFIT</b>  |       | <b>3.119.230</b>                                 | <b>1.013.955</b>                              | <b>2.730.379</b>                                  | <b>986.844</b>                                |
| General administrative expenses (-)                              |       | (1.034.918)                                      | (426.661)                                     | (629.300)   | (210.803)                                     |
| Marketing expenses (-)   |       | (1.050.385)                                      | (296.331)                                     | (579.148)   | (243.642)                                     |
| Research and development expenses (-)                            |       | (37.627)   | (15.273)                                      | (19.496)  | (6.269)                                       |
| Other operating income   | 19    | 1.623.931  | 716.631                                       | 2.203.773   | 801.552                                       |
| Other operating expenses (-)                                     | 19    | (2.631.438)                                      | (511.863)                                     | (2.739.738)                                       | (930.275)                                     |
| Share on profit (loss) of investments valued<br>by equity method | 11    | (13.023)   | (5.528)                                       | 41.332  | 23.204  |
| <b>OPERATING PROFIT (LOSS)</b>                                   |       | <b>(24.230)</b>                                  | <b>474.930</b>                                | <b>1.007.802</b>                                  | <b>420.611</b>                                |
| Investment income  | 4     | 1.215.131  | 385.720                                       | 729.777   | 247.568                                       |
| Investment expense (-)   | 4     | (136.967)  | (118.958)                                     | (128.137)   | (13.688)                                      |
| <b>PROFIT BEFORE FINANCIAL<br/>INCOME (EXPENSE)</b>              |       | <b>1.053.934</b>                                 | <b>741.692</b>                                | <b>1.609.442</b>                                  | <b>654.491</b>                                |
| Financial income   | 20    | 866.316  | 199.017                                       | 1.414.287   | 297.681                                       |
| Financial expenses (-)   | 20    | (1.164.486)                                      | (486.071)                                     | (973.423)   | (238.693)                                     |
| <b>PROFIT FROM CONTINUING OPERATIONS<br/>BEFORE TAXATION</b>     |       | <b>755.764</b>                                   | <b>454.638</b>                                | <b>2.050.306</b>                                  | <b>713.479</b>                                |
| <b>Tax Expense from Continuing Operations (-)</b>                |       | <b>(341.788)</b>                                 | <b>(126.438)</b>                              | <b>(255.538)</b>                                  | <b>15.127</b>                                 |
| Tax expense for the period (-)                                   | 4     | (565.404)  | (118.142)                                     | (180.021)   | (90.203)                                      |
| Deferred tax income (expense)                                    |       | 223.616  | (8.296)                                       | (75.517)  | 105.330                                       |
| <b>PROFIT FROM CONTINUING<br/>OPERATIONS FOR THE PERIOD</b>      |       | <b>413.976</b>                                   | <b>328.200</b>                                | <b>1.794.768</b>                                  | <b>728.606</b>                                |
| <b>Distribution of Profit (Loss) for the Period</b>              |       |  |   |   |   |
| Non-controlling interests  |       | (58.290)   | (7.236)                                       | (18.377)  | (6.931)                                       |
| Owners of the parent   | 18    | 472.266  | 335.436                                       | 1.813.145   | 735.537                                       |
| <b>Earnings Per Share</b>  | 18    | 1,276  | 0,907   | 4,900   | 1,988   |

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

Translated into English from the report originally issued in Turkish.

# TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

|   | Unreviewed<br>1 January-<br>30 September<br>2023 | Unreviewed<br>1 July-<br>30 September<br>2023 | Unreviewed<br>1 January -<br>30 September<br>2022 | Unreviewed<br>1 July-<br>30 September<br>2022 |
|---|--|---|---|---|
| <b>PROFIT FOR THE PERIOD</b>  | <b>413.976</b>                                   | <b>328.200</b>                                | <b>1.794.768</b>                                  | <b>728.606</b>                                |
| <b>OTHER COMPREHENSIVE INCOME:</b>  |  |   |   |   |
| <b><u>Items that will not be reclassified to profit or loss</u></b>                       | <b>(460.285)</b>                                 | <b>47.118</b>                                 | <b>(168.672)</b>                                  | <b>(22.021)</b>                               |
| Gain (loss) on investments in equity instruments  | (416.083)  | 88.859  | (168.115)   | (20.303)                                      |
| Gain (loss) on revaluation of defined benefit plans                                       | (29.132)   | (26.278)                                      | 2.212   | 921   |
| Taxes based on other comprehensive income that will not be reclassified to profit or loss | (15.070)   | (15.463)                                      | (2.769)   | (2.639)                                       |
| - <i>Deferred tax expense</i>   | <i>(15.070)</i>                                  | <i>(15.463)</i>                               | <i>(2.769)</i>                                    | <i>(2.639)</i>                                |
| <b><u>Items that will be reclassified to profit or loss</u></b>                           | <b>2.495.429</b>                                 | <b>316.426</b>                                | <b>595.442</b>                                    | <b>10.427</b>                                 |
| Currency translation reserve differences  | 2.150.477  | 466.317                                       | 874.812   | 277.344                                       |
| Other comprehensive income (expense) related to cash flow hedging                         | 436.930  | (181.624)                                     | (362.818)   | (346.645)                                     |
| Taxes based on other comprehensive income that will be reclassified to profit or loss     | (91.978)   | 31.733  | 83.448  | 79.728  |
| - <i>Deferred tax (income) expense (-)</i>  | <i>(91.978)</i>                                  | <i>31.733</i>                                 | <i>83.448</i>                                     | <i>79.728</i>                                 |
| <b>OTHER COMPREHENSIVE INCOME</b>   | <b>2.035.144</b>                                 | <b>363.544</b>                                | <b>426.770</b>                                    | <b>(11.594)</b>                               |
| <b>TOTAL COMPREHENSIVE INCOME (EXPENSE)</b>   | <b>2.449.120</b>                                 | <b>691.744</b>                                | <b>2.221.538</b>                                  | <b>717.012</b>                                |
| <b>Distribution of Total Comprehensive Income for the Period</b>                          |  |   |   |   |
| Non-controlling interests   | 33.521   | 7.699   | 32.963  | 8.743   |
| Owners of the parent  | 2.415.599  | 684.045                                       | 2.188.575   | 708.269                                       |

The accompanying notes form an integral part of these condensed consolidated financial statements.  
Translated into English from the report originally issued in Turkish.

# TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

|  | Paid in capital | Capital structure adjustment | Premiums in capital stock | Items not to be reclassified to profit or loss   | Items to be reclassified to profit or loss   | Retained Earnings            |                         |                |                     |                                  |   |                           |                   |  |
|--|-----------------|------------------------------|---------------------------|--|--|------------------------------|-------------------------|----------------|---------------------|----------------------------------|---|---------------------------|-------------------|--|
|  |                 |                              |                           | Gain (loss) on investments in equity instruments | Gain (loss) on revaluation and remeasurement | Currency translation reserve | Gains (loss) on hedging | Legal reserves | Prior years' income | Net profit for the (loss) period | Equity attributable to owners of the parent | Non-controlling interests | Equity            |  |
| <b>Unreviewed</b>                              |                 |                              |                           |  |  |                              |                         |                |                     |                                  |   |                           |                   |  |
| <b>Opening balance as of 1 January 2022</b>    | 370.000         | 3.475                        | 300.984                   | (362.986)  | 3.594  | 2.577.869                    | 192.376                 | 397.716        | 3.273.381           | 839.228                          | 7.595.637                                   | 129.823                   | 7.725.460         |  |
| Transfers                                      | -               | -                            | -                         | -  | -  | -                            | -                       | 165.659        | 673.569             | (839.228)                        | -   | -                         | -                 |  |
| Total comprehensive income (expense)           | -               | -                            | -                         | (170.986)  | 2.314  | 823.472                      | (279.370)               | -              | -                   | 1.813.145                        | 2.188.575                                   | 32.963                    | 2.221.538         |  |
| - Profit (loss) for the period                 | -               | -                            | -                         | -  | -  | -                            | -                       | -              | -                   | 1.813.145                        | 1.813.145                                   | (18.377)                  | 1.794.768         |  |
| - Other comprehensive income (expense)         | -               | -                            | -                         | (170.986)  | 2.314  | 823.472                      | (279.370)               | -              | -                   | -                                | 375.430                                     | 51.340                    | 426.770           |  |
| Dividends (Note:5)                             | -               | -                            | -                         | -  | -  | -                            | -                       | -              | (274.164)           | -                                | (274.164)                                   | -                         | (274.164)         |  |
| Other changes                                  | -               | -                            | -                         | -  | (65)   | -                            | -                       | -              | 65                  | -                                | -   | -                         | -                 |  |
| <b>Closing balance as of 30 September 2022</b> | <b>370.000</b>  | <b>3.475</b>                 | <b>300.984</b>            | <b>(533.972)</b>                                 | <b>5.843</b>                                 | <b>3.401.341</b>             | <b>(86.994)</b>         | <b>563.375</b> | <b>3.672.851</b>    | <b>1.813.145</b>                 | <b>9.510.048</b>                            | <b>162.786</b>            | <b>9.672.834</b>  |  |
| <b>Unreviewed</b>                              |                 |                              |                           |  |  |                              |                         |                |                     |                                  |   |                           |                   |  |
| <b>Opening balance as of 1 January 2023</b>    | 370.000         | 3.475                        | 300.984                   | (967.393)  | (118.133)                                    | 3.406.555                    | (276.075)               | 571.038        | 3.665.188           | 3.473.338                        | 10.428.977                                  | 161.223                   | 10.590.200        |  |
| Transfers                                      | -               | -                            | -                         | -  | -  | -                            | -                       | 124.889        | 3.348.449           | (3.473.338)                      | -   | -                         | -                 |  |
| Total comprehensive income                     | -               | -                            | -                         | (433.510)  | (26.775)                                     | 2.058.666                    | 344.952                 | -              | -                   | 472.266                          | 2.415.599                                   | 33.521                    | 2.449.120         |  |
| - Profit (loss) for the period                 | -               | -                            | -                         | -  | -  | -                            | -                       | -              | -                   | 472.266                          | 472.266                                     | (58.290)                  | 413.976           |  |
| - Other comprehensive income (expense)         | -               | -                            | -                         | (433.510)  | (26.775)                                     | 2.058.666                    | 344.952                 | -              | -                   | -                                | 1.943.333                                   | 91.811                    | 2.035.144         |  |
| Dividends (Note: 5)                            | -               | -                            | -                         | -  | -  | -                            | -                       | -              | (1.115.505)         | -                                | (1.115.505)                                 | -                         | (1.115.505)       |  |
| <b>Closing balance as of 30 September 2023</b> | <b>370.000</b>  | <b>3.475</b>                 | <b>300.984</b>            | <b>(1.400.903)</b>                               | <b>(144.908)</b>                             | <b>5.465.221</b>             | <b>68.877</b>           | <b>695.927</b> | <b>5.898.132</b>    | <b>472.266</b>                   | <b>11.729.071</b>                           | <b>194.744</b>            | <b>11.923.815</b> |  |

The accompanying notes form an integral part of these condensed consolidated financial statements.  
Translated into English from the report originally issued in Turkish.

# TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

| Notes  | Unreviewed<br>1 January -<br>30 September<br>2023 | Unreviewed<br>1 January -<br>30 September<br>2022 |
|--|---|---|
| <b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>   | <b>(1.976.214)</b>                                | <b>(1.483.027)</b>                                |
| Profit for the Period  | 413.976   | 1.794.768   |
| Adjustments to Reconcile Net Profit  | 1.237.918   | 285.082   |
| - Depreciation and Amortization  | 12 571.185  | 425.742   |
| - Impairment/Reversed Provision  | 10 (7.599)  | (3.934)   |
| - Provision Adjustments  | 8, 14 364.747                                     | 15.229  |
| - Dividend Income and Expenses   | (40.647)  | (13.902)  |
| - Interest Income and Expense Adjustments  | 20 330.381  | 236.419   |
| - Gain/Loss on Fair Valuation  | 4,23 (128.456)                                    | (539.547)   |
| - Group's Share on Profit of Investments in Associates<br>Accounted by Equity Method                     | 11 13.023   | (41.332)  |
| - Allowance for Taxation   | 341.788   | 255.538   |
| - Adjustments for Gain/Loss on Sale of Fixed Assets  | 12 (93.518)                                       | (34.171)  |
| - Adjustments for Gain/Loss on Sales of Assets Held for Sale   | (112.986)   | -   |
| - Adjustments for Gain/Loss on Sales of Joint Ventures   | 11 -  | (14.960)  |
| Movements in Working Capital   | (2.337.052)                                       | (2.856.192)                                       |
| - Changes in Financial Investments   | 4 8.581   | (3.176.244)                                       |
| - Changes in Trade Receivables   | 8 (563.900)                                       | (2.144.766)                                       |
| - Changes in Other Assets  | (373.130)   | (40.442)  |
| - Changes in Contract Assets Arising from Ongoing Construction Works                                     | 9 (1.960.643)                                     | (186.715)   |
| - Changes in Inventories   | 10 523.630  | (2.931.545)                                       |
| - Changes in Prepaid Expenses  | (412.461)   | (345.540)   |
| - Changes in Trade Payables  | 8 (824.493)                                       | 3.423.337   |
| - Changes in Payables Related to Employee Benefits   | 282.128   | 37.730  |
| - Changes in Contract Liabilities Arising from Ongoing Construction Works                                | 9 79.150  | 665.588   |
| - Changes in Other Liabilities   | 70.496  | 171.077   |
| - Changes in Deferred Revenue  | 833.590   | 1.671.328   |
| Cash Generated by Operating Activities   | (685.158)   | (776.342)   |
| Interest Paid  | (411.571)   | (264.772)   |
| Interest Received  | 102.306   | 93.281  |
| Payments Related to Employee Benefits  | 14 (288.038)                                      | (191.717)   |
| Other Provision Paid   | 14 (1.602)  | (884)   |
| Tax Paid/Return  | (692.151)   | (342.593)   |
| <b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>   | <b>(152.579)</b>                                  | <b>(574.631)</b>                                  |
| Cash Inflows from Sales of Shares or Capital Decrease of Associates or Joint Ventures                    | 11 -  | 29.268  |
| Cash Outflows for Acquisition of Shares in Other Entities or Shares in Funds<br>or Borrowing Instruments | 4,23 (43.039)                                     | (89.066)  |
| Proceeds from Sales of Tangible and Intangible Assets  | 12 247.732  | 44.600  |
| Acquisition of Tangible and Intangible Assets  | 12 (785.335)                                      | (553.091)   |
| Proceeds from Sales of Investment Properties   | 12 -  | 1.650   |
| Acquisition of Investment Properties   | 12 (4.951)  | (10.794)  |
| Proceeds from Sales of Assets Held for Sale  | 416.382   | -   |
| Advances and Debts Given   | (15.836)  | (10.687)  |
| Dividend Received  | 32.468  | 13.489  |
| <b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>   | <b>321.366</b>                                    | <b>562.768</b>                                    |
| Proceeds from Borrowings   | 3.601.832   | 4.489.431   |
| Repayments of Borrowings   | (2.016.338)                                       | (3.539.065)                                       |
| Payments of Lease Obligations  | (148.623)   | (42.352)  |
| Dividend Paid  | (1.115.505)                                       | (345.246)   |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS BEFORE<br/>CURRENCY TRANSLATION RESERVE EFFECT</b>                | <b>(1.807.427)</b>                                | <b>(1.494.890)</b>                                |
| <b>D. CURRENCY TRANSLATION RESERVE EFFECT ON<br/>CASH AND CASH EQUIVALENTS</b>                           | 1.554.753   | 576.433   |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>                                    | <b>(252.674)</b>                                  | <b>(918.457)</b>                                  |
| <b>E. CASH AND CASH EQUIVALENTS AT THE BEGINNING<br/>OF THE PERIOD</b>                                   | 4.151.531   | 5.064.108   |
| <b>CASH AND CASH EQUIVALENTS AT THE END<br/>OF THE PERIOD (A+B+C+D+E)</b>                                | <b>3.898.857</b>                                  | <b>4.145.651</b>                                  |

The accompanying notes form an integral part of these condensed consolidated financial statements.  
Translated into English from the report originally issued in Turkish.



# TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

### 1. ORGANIZATION AND OPERATIONS OF THE GROUP

Majority shares of Tekfen Holding A.Ş. ("the Company") are controlled by Berker, Gökyiğit and Akçağlılar families. The Company and its subsidiaries are referred as "the Group" in the accompanying condensed consolidated financial statements.

As of 30 September 2023, the Group has 12.162 employees (31 December 2022: 11.950) including the personnel of subcontractors. Registered address of the Company is Kültür Mahallesi, Budak Sokak, Tekfen Sitesi A Blok, No: 7, Beşiktaş, İstanbul, Türkiye.

The Company shares are being publicly traded in Borsa İstanbul since 23 November 2007.

#### Changes in the Group's structure as of 30 September 2023:

Gate İnşaat Taahhüt Sanayi ve Ticaret A.Ş., one of the company's subsidiaries, was transferred to Tekfen İnşaat ve Tesişat A.Ş. (Tekfen İnşaat) on 18 August 2023, with all its assets and liabilities..

#### Approval of condensed consolidated financial statements:

The condensed consolidated financial statements are approved and published by the Board of Directors as of 9 November 2023.

### 2. BASIS OF PRESENTATION OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Company and its subsidiaries registered in Turkey maintain their books of account and prepare their statutory financial statements in accordance with the accounting principles in line with the Turkish Commercial Code ("TCC") and Tax Legislation. Subsidiaries those are registered in foreign countries maintain their books of account and prepare their statutory financial statements in local currencies and in accordance with the prevailing accounting principles in their registered countries.

The accompanying condensed consolidated financial statements have been prepared in accordance with the Communiqué Series II, 14.1 "Communiqué on the Principles of Financial Reporting In Capital Markets" ("the Communiqué") announced by the Capital Markets Board ("CMB") on 13 June 2013 which is published on Official Gazette numbered 28676. Turkish Accounting and Financial Reporting Standards ("TFRS") and additions and interpretations regarding these standards as adopted by the Public Oversight Accounting and Auditing Standards Authority ("POA") are predicated on in accordance with article 5th of the Communiqué.

The condensed consolidated financial statements and notes are presented in accordance with the formats of Examples of Financial Statements and Usage Guide announced by CMB and "Announcement regarding to TFRS Taxonomy" which was published by POA on 4 October 2022.

The Group has preferred to disclose its interim consolidated financial statements as of 30 September 2023 in condensed format in accordance with TAS 34 "Interim Financial Reporting" standard. The descriptions and disclosures which are needed in the financial statements prepared annually complying with TFRS are summarized appropriately in accordance with TAS 34 or not mentioned.

The accompanying condensed consolidated financial statements have to be considered with the consolidated financial statements which are independently audited as of 31 December 2022 and the related disclosures. Interim periods' financial statements cannot be the sole indicator of the year-end results by themselves.

For the condensed consolidated financial statements, the Group continues to apply the same accounting policies and accounting estimate methods which are mentioned in the audited consolidated financial statements as of 31 December 2022.

According to the announcement made by POA on 20 January 2022, it was stated that companies applying TFRS will not need to make any adjustments within the scope of TAS 29 Financial Reporting in High Inflation Economies in their financial statements for the year ended 31 December 2021. No new announcement has been made by the POA regarding the application of inflation accounting, and no inflation adjustment has been made according to TAS 29 while preparing the consolidated financial statements as of 30 September 2023.

Exchange rates used in the consolidation process as of 30 September 2023 are; 1 USD= 27,3767 TL, 1 EUR= 29,0305 TL, 1 AZN= 16,1039 TL, 1 SAR= 7,3005 TL, 1 QAR= 7,5005 TL, 1 RON= 5,8046 (Exchange rates as of 31 December 2022 are; 1 USD= 18,6983 TRY, 1 EUR= 19,9349 TRY, 1 AZN= 10,9990 TRY, 1 SAR= 4,9862 TRY, 1 QAR= 5,1228 TRY, 1 RON= 4,0062).

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 3. ADOPTION OF NEW AND REVISED STANDARDS

New and revised standards and interpretations are presented below:

- (a) **Amendments in standards affecting the notes and amounts in the condensed consolidated financial statements:**
- TAS 8 (amendments), "Definition of Accounting Estimates", effective for annual periods beginning after 1 January 2023.
  - TAS 1 (amendments), "Disclosure of Accounting Policies", effective for annual periods beginning after 1 January 2023.
  - TAS 12 (amendments), International Tax Reform - Pillar Two Model Rules, the deferred tax exception and the announcement of the exception came into effect, effective for annual periods beginning after 1 January 2023.
- (b) **Standards, amendments and interpretations to existing standards that are effective as of the year 2023, but not affecting the condensed consolidated financial statements of the Group:**
- TFRS 17 and TFRS 4 (amendments), postponement of the application of TFRS 9; effective for annual periods beginning after 1 January 2023.
  - TFRS 17 "Insurance Contracts", effective for annual periods beginning after 1 January 2023.
  - TAS 12 (amendments), "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction", effective for annual periods beginning after 1 January 2023.
- (c) **Standards and interpretations and amendments to existing standards that are issued but not yet effective and have not been early adopted by the Group:**
- TAS 1 (amendments), "Classification of Liabilities", effective for annual periods beginning after 1 January 2024.
  - TAS 7 ve TFRS 7 (amendments), Disclosures – Supplier Finance Arrangements, effective for annual periods beginning after 1 January 2024.
  - IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information" effective for annual periods beginning after 1 January 2024.
  - IFRS S2 "Climate-related Disclosures" effective for annual periods beginning after 1 January 2024.
  - TFRS 16 (amendments), "Sale and Leaseback Transactions" effective for annual periods beginning after 1 January 2024.
  - TAS 21 (amendments), "Lack of Exchangeability" effective for annual periods beginning after 1 January 2024.

The Group evaluates the effects of the standards issued but not yet effective as of 30 September 2023 on its consolidated financial position and performance.

#### 4. EVENTS AND TRANSACTIONS MATERIALLY AFFECTING THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

##### Construction Projects

In order to compensate for the losses caused by the negativities in various construction projects in the past years, the processes envisaged in the contracts with the Employer administrations have been initiated and the negotiations with the administrations are continue as of the report date.

The compensation and claim files prepared by the contract department together with international expert consulting firms have been submitted to the employer administrations. The Engineering and Contracting segment, which continues to work within the framework of contractual obligations during the extraordinary period, by taking every possible and reasonable precautions, will continue to negotiate diligently for these justified demands to be concluded positively.

Current information about related projects is as follows;

##### Qatar - Al-Thumama Stadium Project:

Pursuant to the contract signed between Tekfen-Al Jaber J.V., which Tekfen İnşaat holds 50% ownership, and Employer administration Qatar Supreme Committee for Delivery and Legacy on 10 December 2017, the engineering and construction works of the stadium complex project, where the 2022 World Cup Quarter Finals held in Qatar, were undertaken. The financial completion rate of the project is 97% as of the balance sheet date.

During the construction process, due to the changes, as requested by the Employer administration, made in the design of the project to comply with FIFA Standards, it has been an increase in the end-of-project cost and Group share of this increase has been included in the consolidated financial statements. No income has been recorded in the consolidated financial statements as no agreement has been reached on compensation claims as of the report date. Negotiations with the administration for the compensation of the losses incurred in the project continue as of the report date.

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 4. EVENTS AND TRANSACTIONS MATERIALLY AFFECTING THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

##### Construction Projects (cont'd)

###### Qatar - Al Khor Highway Project:

Pursuant to the contract signed between Tekfen İnşaat and Qatar Public Engineering Office (PEO) on 13 October 2016, the project, which consists of a 10-lane 34 km length highway and its infrastructure, various intersections, viaducts, under and overpasses, was undertaken. The financial completion rate of the project is 99% as of the balance sheet date.

During the construction of the project, the revenues from the additional works performed with the instructions of the Employer administration are recognized in the consolidated financial statements in accordance with "TFRS 15 Revenue from Customer Contracts" standard and the management estimations.

###### Russia - Gas Transmission Pipeline between Kharampur Gas Field and Gazprom Main Pipeline:

Rusfen, one of the subsidiaries of the Group, signed a contract with Kharampurneftgaz LLC on 27 December 2019, for the construction and installation of 90 km length 48" gas pipeline. The financial completion rate of the project is 97% as of the balance sheet date.

Due to various negativities experienced during the construction process of the project, which was undertaken in the Yamalo-Nenets autonomous region of Russia, some of the effects of the financial results reflected in the consolidated financial statements at the beginning of the project, the measures taken to reduce the costs and the different business methods developed, resulting in a decrease in the end-of-project costs. As of the report date, all of the expected loss at the end of the project is included in the accompanying consolidated financial statements. Negotiations with the Employer administration regarding the compensation of our remaining losses are continuing.

###### Saudi Arabia - Haradh Satellite Compressor Stations Pipelines Project:

Pursuant to the contract signed between Tekfen İnşaat and Saudi Arabian Oil Company on 30 July 2018, the Haradh Field Gas Increase Programme - Satellite Gas Compressor Stations Pipeline Construction Project was undertaken. The financial completion rate of the project is 97% as of the balance sheet date.

In the project, negativities are experienced due to the delays in the materials provided by the Employer administration and the time extensions caused by the Employer administration. All of the loss expected to increase in the estimated costs of the project as of the report date has been included in the consolidated financial statements. Additional work done, additional cost increases and time extension resources, additional income demand negotiations continue within the scope of the contract signed with the Employer administration.

###### North Field East Onshore Common Offsites 2 Project:

General Works for Offsites 2 (Inlets, Water Treatment and Flare) and South Interconnecting Piperack (PSM-007A) for North Field East Onshore Project EPC-1 project has been undertaken in Qatar pursuant to the contract signed between Tekfen İnşaat and Chiyoda Technip Joint Venture (CTJV) on 31 January 2022. The financial completion rate of the project is 38% as of the balance sheet date.

As of the report date, the estimated cost of the project is expected to increase due to the installation of temporary facilities, the negativities experienced during the mobilization phase, delays and the actions taken afterwards. Negative changes in the income/expense difference resulting from the said cost increase and the inclusion of additional revenues are included in the consolidated financial statements. Additional revenue demand negotiations with the Main Contractor (CTJV) continue within the scope of the signed contract.

##### Competition Authority Review

The Competition Authority, with its decision dated 12 August 2021 and numbered 21-38/543-M, started an investigation to seven companies operating in the fertilizer production sector, including Toros Tarım, whether Article 4 of the Law on the Protection of Competition No. 4054 is violated.

Investigation notification numbered E-13183850-110.01.04-30821 indicating that an investigation has been initiated reached the Company on 26 August 2021. Within the scope of the investigation, written defenses dated 29 September 2021, 11 October 2022 and 16 January 2023 and oral defense dated 25 July 2023 were submitted to the Competition Authority by Toros Tarım.

With the Competition Board's decision dated 3 August 2023 and numbered 23-36/670-226, it has been reported that Article 4 of the Law No. 4054 on the Protection of Competition was not violated and it is not necessary to impose administrative fines on the enterprises that are subject to the investigation.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 4. EVENTS AND TRANSACTIONS MATERIALLY AFFECTING THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

##### Financial Investments

###### Long term financial investments

During the nine month interim period ended 30 September 2023, the positive change of 149.329 and negative change of 19.963 in the fair value of the Group's fair value through profit or loss financial investments has been recognized in the investment income and expenses lines of condensed consolidated statement of profit or loss (30 September 2022: 14.387 positive, 123.154 negative). The Group has purchased 43.039 financial investments at fair value through profit or loss during the period. (30 September 2022: 76.668).

###### Short term financial investments

The currency protected deposits (KKM) are classified as fair value through profit or loss financial investments in the condensed consolidated financial statements as of 30 September 2023. The positive changes in the fair value of KKM amounting to 670.866 are recognized in the investment income in the condensed consolidated statement of profit or loss (30 September 2022: 630.794 positive). Total amount of KKM is presented in short-term financial investments as of 30 September 2023 is 1.538.202 (31 December 2022: 1.596.161).

As of 30 September 2023, the Eurobond total shown in short-term financial investments is 238.201 (31 December 2022: 171.464).

##### Current Tax Expense

In accordance with paragraph 27 of Article 10 of the "Law on the Restructuring of Certain Receivables and Amendments to Certain Laws" published in the Official Gazette dated March 12, 2023 and numbered 32130, by corporate taxpayers by being shown in their corporate tax return for the year 2022, Pursuant to the Law No. 5520 and the regulations in other laws, the exemption and deduction amounts subject to deduction from corporate income and the tax base subject to reduced corporate tax within the scope of Article 32/A of the same Law, at the rate of 10 percent without being associated with the period income and in accordance with the first paragraph of Article 5 (a) with the exception set out in the clause, it is stipulated that a one-time additional tax of 5% is collected on the exempt earnings obtained from abroad and proven to carry a tax burden of at least 15%. This tax will not be considered as an expense or deduction and cannot be deducted from any tax. The first installment of this tax will be paid within the payment period of the corporate tax, and the second installment will be paid in the fourth month following this period. Some exceptions and discounts listed in the Law No. 7440 are outside the scope of additional tax. The tax expense amounting to amount of 298.507 accrued has been accounted for under the current tax expense item in the condensed consolidated statement of profit or loss.

Article 32 of the Corporate Tax Law No. 5520, which regulates the corporate tax rate is amended with "Law on the Amendment of Additional Motor Vehicles Tax for Compensation of Economic Losses Caused by the Earthquakes Occurring on 6.2.2023 and Amendments to Some Laws and the Decree Law No. 375", which includes the regulation on increase in corporate tax rate from %20 to %25 for the institutions other than banks and financial institutions and from 25% to 30% for banks and financial institutions, entered into force after being published in the Official Gazette dated 15 July 2023 and numbered 32249. With the same article (article 21) of the aforementioned law, it is ensured that the corporate tax rate, which was applied with a reduction by 1% to the earnings of the exporting companies exclusively from exports, is applied with a reduction by 5% in order to promote export.

This amendment will be effective for the earnings of the corporations in 2023 and for the following tax periods, starting from the declarations that must be submitted after 1 October 2023. It will be effective in the tax calculation of the profits of the institutions subject to the special accounting period, obtained in the special accounting period starting in the 2023 calendar year and in the following taxation periods.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 4. EVENTS AND TRANSACTIONS MATERIALLY AFFECTING THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

##### Collections

A total of USD 28.949.672 was collected from the receivables arising from a single customer, which is included in the Group's trade receivables, of which USD 5.978.573 was collected after the balance sheet date.

After the balance sheet date, QAR 160.028.003 (1.200.285) were collected as a result of additional works completed in a single project within the Engineering and Contracting Group.

##### Other

Due to the negativities caused by the earthquakes that took place in Kahramanmaraş on February 6, 2023, affecting many of our provinces and shaking our whole country, in accordance with the Official Gazette numbered 32098 on Wednesday, February 8, 2023, Adana, Adıyaman, Diyarbakır, Gaziantep, Hatay, Kahramanmaraş, Kilis, Malatya, Osmaniye, Şanlıurfa and Elazığ provinces, it was decided to declare a state of emergency for three months. There is no negative situation affecting our activities in the earthquake-affected provinces due to the earthquake and the measures taken. The Group opened a cash and/or in-kind donation emergency use fund of 10.000, 3.000 of which is cash to AFAD. The accommodation needs of all group companies employees affected in the region were met, and a cash aid of 10.000 TL was provided. At the Ordinary General Assembly meeting held on 2023, the donations made until this date was submitted for the information of the shareholders within the framework of the Capital Markets Board's decision dated 9 February 2023 and numbered 8/174.

One piece of land, which was included in the Asset classified as held for sale in the Company's balance sheet, was sold for 744.097 + VAT on 29 August 2023.

In order to establish Tekfen Taşınmaz Yatırım ve Yönetim A.Ş. as a 100% subsidiary of Company with the "partial facilitated demerger through associate model" method; It has been decided to make all necessary applications and procedures before all necessary public and private institutions and organizations, especially the CMB, Competition Authority and Trade Registry Directorates.

#### 5. SIGNIFICANT CHANGES IN EQUITY

##### Gain (Loss) on Investments in Equity Instruments:

The negative change of 433.510 in the fair values of the fair value through other comprehensive income financial investments of the Group has been directly recognized in equity (30 September 2022: negative change of 170.986).

##### Legal Reserves:

In accordance with the resolutions taken during the Ordinary General Assemblies of Group companies as of 30 September 2023, 124.889 of legal reserves were transferred from retained earnings in the condensed consolidated financial statements as of 30 September 2023 (30 September 2022: 165.659).

##### Hedging Reserve:

The positive change of 344.952 (30 September 2022: negative 279.370) in the fair values of the effective derivative instruments which the Group uses for cash flow hedging has been recognized in equity.

##### Profit Distribution:

Upon the resolution of the Ordinary General Assembly held on 7 April 2023, it is decided to distribute 2,82 TL (2021: 0,69 TL) gross cash dividends per share attributable to the operations of the year of 2022. It has been decided to pay a total of 1.115.505 (2021: 274.164) dividends, 1.042.582 (2021: 256.688) to the shareholders and 72.923 (2021: 17.476) to the Tekfen Eğitim Sağlık Kültür Sanat ve Doğal Varlıkları Koruma Vakfı, which owns the dividend shares, and it was paid in the current period.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 6. SEGMENT REPORTING

During the current period, Group's management has decided to conduct its activities that it has managed in five business segments as Engineering and Contracting, Chemical Industry, Agricultural Production, Service and Investment in the previous year on the basis of five business segments as Engineering and Contracting, Agricultural Industry and Investment. Due to the mentioned revision in the business segments, comparative information on segmental reporting has been revised on the basis of three segments. Nature of the activities of the business segments of the Group can be summarized as follows:

##### Engineering and Contracting Segment

Engineering and Contracting segment undertakes infrastructure and industrial construction projects in Turkey, Azerbaijan, Kazakhstan, Saudi Arabia, Qatar and Iraq. Petroleum, gas and petrochemical facilities, pipelines, land and marine terminals, off-shore platforms, tank farms, oil refineries, pumping stations, power plants, and highway, subway, bridge and tunnel construction, electrical and instrumentation projects, infrastructure projects, production facilities, commercial and technical building complexes and major sports complexes are included in Engineering and Contracting segment's scope of activity. Income provided from the consolidation of Azfen by equity method is disclosed in this segment.

##### Agricultural Industry Segment

The Agricultural Industry segment continues its activities in the the production and sale of mineral fertilizers as well as special water soluble fertilizers and organic/organomineral fertilizers. It also manufactures bags used in fertilizer packaging in its own facility. Additionally, it generates biogas through the fermentation of organic wastes and electricity from biogas and also produces solid and liquid organic fertilizers from wastes that have completed the gasification process. In addition, plant tissue, banana sapling cultivation, high quality potato seed, certified wheat germ production and sale activities are carried out. Also production, packaging and export operations of cherry, apricot, pomegranate, plum, and figs are made. Terminal management, ship agency, free zone operations are among the other activities of the Agricultural Industry segment.

##### Investment Segment

Operations of Investment segment mainly comprise of Tekfen Ventures' investments in innovation-creating initiatives and holding operations. Holding operations are executed by the Company and include coordinating the Group's financial needs when needed. Dividend income, rent income, interest income, foreign exchange gains of Tekfen Holding and fair value gains of financial investments are main source of Investment Segment's revenue. In addition to Tekfen Ventures' investments, SOCAR Polymer Investments LLC, Akmerkez Gayrimenkul Yatırım Ortaklığı and Berlin Light JV S.a.r.l, some of the Group's major financial investments, are also within the scope of the Investment Segment's activities. Insurance services and building and facility management services are among the other activities of the Investment segment.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 6. SEGMENT REPORTING (cont’d)

##### a) Segment results:

|   | 1 January - 30 September 2023 |                          |                  |                  |
|---|-------------------------------|--------------------------|------------------|------------------|
|   | Engineering<br>& Contracting  | Agricultural<br>Industry | Investment       | Total            |
| Revenue   | 10.619.266                    | 15.961.509               | 191.634          | 26.772.409       |
| Cost of revenue (-)   | (10.197.241)                  | (13.351.853)             | (104.085)        | (23.653.179)     |
| <b>GROSS PROFIT</b>   | <b>422.025</b>                | <b>2.609.656</b>         | <b>87.549</b>    | <b>3.119.230</b> |
| General administrative expenses (-)                                 | (532.862)                     | (212.210)                | (289.846)        | (1.034.918)      |
| Marketing expenses (-)  | (23.508)                      | (1.026.877)              | -                | (1.050.385)      |
| Research and development expenses (-)                               | (15.687)                      | (21.940)                 | -                | (37.627)         |
| Other operating income  | 667.929                       | 942.717                  | 13.285           | 1.623.931        |
| Other operating expenses (-)  | (561.899)                     | (2.031.909)              | (37.630)         | (2.631.438)      |
| Share on profit (loss) of investments valued<br>by equity method    | (13.023)                      | -                        | -                | (13.023)         |
| <b>OPERATING PROFIT (LOSS)</b>                                      | <b>(57.025)</b>               | <b>259.437</b>           | <b>(226.642)</b> | <b>(24.230)</b>  |
| Investment income   | 321.573                       | 104.078                  | 789.480          | 1.215.131        |
| Investment expense (-)  | (116.971)                     | (31)                     | (19.965)         | (136.967)        |
| <b>PROFIT (LOSS) BEFORE FINANCIAL<br/>INCOME (EXPENSES)</b>         | <b>147.577</b>                | <b>363.484</b>           | <b>542.873</b>   | <b>1.053.934</b> |
| Financial income  | 68.861                        | 333.494                  | 463.961          | 866.316          |
| Financial expenses (-)  | (352.986)                     | (686.140)                | (125.360)        | (1.164.486)      |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS BEFORE TAXATION</b> | <b>(136.548)</b>              | <b>10.838</b>            | <b>881.474</b>   | <b>755.764</b>   |
| Tax expense from continuing operations                              | (149.665)                     | (48.669)                 | (143.454)        | (341.788)        |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS FOR THE PERIOD</b>  | <b>(286.213)</b>              | <b>(37.831)</b>          | <b>738.020</b>   | <b>413.976</b>   |

For the nine month interim period ended 30 September 2023, there is not any revenue obtained from a single non-related client which constitute higher than 10% of the Group’s total revenue.

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 6. SEGMENT REPORTING (cont’d)

##### a) Segment results (cont’d):

|   | 1 July - 30 September 2023   |                          |                 |                  |
|---|------------------------------|--------------------------|-----------------|------------------|
|   | Engineering<br>& Contracting | Agricultural<br>Industry | Investment      | Total            |
| Revenue   | 3.972.181                    | 4.662.339                | 73.020          | 8.707.540        |
| Cost of revenue (-)   | (3.966.901)                  | (3.684.759)              | (41.925)        | (7.693.585)      |
| <b>GROSS PROFIT</b>   | <b>5.280</b>                 | <b>977.580</b>           | <b>31.095</b>   | <b>1.013.955</b> |
| General administrative expenses (-)                                 | (229.320)                    | (90.511)                 | (106.830)       | (426.661)        |
| Marketing expenses (-)  | (8.317)                      | (288.014)                | -               | (296.331)        |
| Research and development expenses (-)                               | (5.973)                      | (9.300)                  | -               | (15.273)         |
| Other operating income  | 377.515                      | 330.887                  | 8.229           | 716.631          |
| Other operating expenses (-)  | (252.930)                    | (251.266)                | (7.667)         | (511.863)        |
| Share on profit (loss) of investments valued<br>by equity method    | (5.528)                      | -                        | -               | (5.528)          |
| <b>OPERATING PROFIT (LOSS)</b>                                      | <b>(119.273)</b>             | <b>669.376</b>           | <b>(75.173)</b> | <b>474.930</b>   |
| Investment income   | 285.262                      | 6.219                    | 94.239          | 385.720          |
| Investment expense (-)  | (116.836)                    | (18)                     | (2.104)         | (118.958)        |
| <b>PROFIT (LOSS) BEFORE FINANCIAL<br/>INCOME (EXPENSES)</b>         | <b>49.153</b>                | <b>675.577</b>           | <b>16.962</b>   | <b>741.692</b>   |
| Financial income  | 17.468                       | 69.129                   | 112.420         | 199.017          |
| Financial expense (-)   | (166.274)                    | (197.610)                | (122.187)       | (486.071)        |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS BEFORE TAXATION</b> | <b>(99.653)</b>              | <b>547.096</b>           | <b>7.195</b>    | <b>454.638</b>   |
| Tax expense from continuing operations                              | (109.422)                    | (3.276)                  | (13.740)        | (126.438)        |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS FOR THE PERIOD</b>  | <b>(209.075)</b>             | <b>543.820</b>           | <b>(6.545)</b>  | <b>328.200</b>   |

Translated into English from the report originally issued in Turkish.



## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 6. SEGMENT REPORTING (cont’d)

##### a) Segment results (cont’d):

|   | 1 January - 30 September 2022 |                          |                 |                  |
|---|-------------------------------|--------------------------|-----------------|------------------|
|   | Engineering<br>& Contracting  | Agricultural<br>Industry | Investment      | Total            |
| Revenue   | 7.612.076                     | 13.500.585               | 105.450         | 21.218.111       |
| Cost of revenue (-)   | (7.889.508)                   | (10.540.547)             | (57.677)        | (18.487.732)     |
| <b>GROSS PROFIT (LOSS)</b>  | <b>(277.432)</b>              | <b>2.960.038</b>         | <b>47.773</b>   | <b>2.730.379</b> |
| General administrative expenses (-)                                 | (389.449)                     | (131.540)                | (108.311)       | (629.300)        |
| Marketing expenses (-)  | (15.851)                      | (563.297)                | -               | (579.148)        |
| Research and development expenses (-)                               | (8.463)                       | (11.033)                 | -               | (19.496)         |
| Other operating income  | 1.042.055                     | 1.155.358                | 6.360           | 2.203.773        |
| Other operating expenses (-)  | (854.185)                     | (1.869.149)              | (16.404)        | (2.739.738)      |
| Share on profit of investments valued<br>by equity method           | 41.171                        | 161                      | -               | 41.332           |
| <b>OPERATING PROFIT (LOSS)</b>                                      | <b>(462.154)</b>              | <b>1.540.538</b>         | <b>(70.582)</b> | <b>1.007.802</b> |
| Investment income   | 34.948                        | 59.769                   | 635.060         | 729.777          |
| Investment expense (-)  | -                             | (4.017)                  | (124.120)       | (128.137)        |
| <b>PROFIT (LOSS) BEFORE FINANCIAL<br/>INCOME (EXPENSES)</b>         | <b>(427.206)</b>              | <b>1.596.290</b>         | <b>440.358</b>  | <b>1.609.442</b> |
| Financial income  | 243.116                       | 414.622                  | 756.549         | 1.414.287        |
| Financial expenses (-)  | (313.155)                     | (219.819)                | (440.449)       | (973.423)        |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS BEFORE TAXATION</b> | <b>(497.245)</b>              | <b>1.791.093</b>         | <b>756.458</b>  | <b>2.050.306</b> |
| Tax (expense) income from continuing operations                     | (207.344)                     | (122.345)                | 74.151          | (255.538)        |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS FOR THE PERIOD</b>  | <b>(704.589)</b>              | <b>1.668.748</b>         | <b>830.609</b>  | <b>1.794.768</b> |

For the nine month interim period ended 30 September 2022, revenues amounting 2.972.608 are obtained from one non-related client of Engineering and Contracting segment which constitute 14,0% of the Group’s revenue.

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 6. SEGMENT REPORTING (cont’d)

##### a) Segment results (cont’d):

|   | 1 July - 30 September 2022   |                          |                 | Total          |
|---|------------------------------|--------------------------|-----------------|----------------|
|   | Engineering<br>& Contracting | Agricultural<br>Industry | Investment      |                |
| Revenue   | 2.648.801                    | 5.535.507                | 38.657          | 8.222.965      |
| Cost of revenue (-)   | (2.834.810)                  | (4.380.888)              | (20.423)        | (7.236.121)    |
| <b>GROSS PROFIT (LOSS)</b>  | <b>(186.009)</b>             | <b>1.154.619</b>         | <b>18.234</b>   | <b>986.844</b> |
| General administrative expenses (-)                                 | (128.329)                    | (45.607)                 | (36.867)        | (210.803)      |
| Marketing expenses (-)  | (5.203)                      | (238.439)                | -               | (243.642)      |
| Research and development expenses (-)                               | (3.073)                      | (3.196)                  | -               | (6.269)        |
| Other operating income  | 332.181                      | 468.727                  | 644             | 801.552        |
| Other operating expenses (-)  | (266.484)                    | (660.208)                | (3.583)         | (930.275)      |
| Share on profit of investments valued<br>by equity method           | 23.204                       | -                        | -               | 23.204         |
| <b>OPERATING PROFIT (LOSS)</b>                                      | <b>(233.713)</b>             | <b>675.896</b>           | <b>(21.572)</b> | <b>420.611</b> |
| Investment income   | 24.047                       | 16.981                   | 206.540         | 247.568        |
| Investment expense (-)  | 133                          | (2.369)                  | (11.452)        | (13.688)       |
| <b>PROFIT (LOSS) BEFORE FINANCIAL<br/>INCOME (EXPENSES)</b>         | <b>(209.533)</b>             | <b>690.508</b>           | <b>173.516</b>  | <b>654.491</b> |
| Financial income  | 88.953                       | 88.261                   | 120.467         | 297.681        |
| Financial expense (-)   | (120.738)                    | (68.678)                 | (49.277)        | (238.693)      |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS BEFORE TAXATION</b> | <b>(241.318)</b>             | <b>710.091</b>           | <b>244.706</b>  | <b>713.479</b> |
| Tax (expense) income from continuing operations                     | (37.456)                     | 68.141                   | (15.558)        | 15.127         |
| <b>PROFIT (LOSS) FROM CONTINUING<br/>OPERATIONS FOR THE PERIOD</b>  | <b>(278.774)</b>             | <b>778.232</b>           | <b>229.148</b>  | <b>728.606</b> |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 6. SEGMENT REPORTING (cont’d)

##### b) Segment assets and liabilities;

|   | 30 September 2023            |                       |            |            |
|---|------------------------------|-----------------------|------------|------------|
|   | Engineering<br>& Contracting | Agricultural Industry | Investment | Total      |
| Balance sheet                               |                              |                       |            |            |
| Total assets                                | 19.487.018                   | 12.187.649            | 6.106.156  | 37.780.823 |
| Current and non-current liabilities         | 17.474.866                   | 7.669.898             | 712.244    | 25.857.008 |
| Equity attributable to owners of the parent | (1.823.469)                  | 6.752.655             | 6.799.885  | 11.729.071 |
| Non-controlling interests                   | 294.245                      | (99.613)              | 112        | 194.744    |

  

|   | 31 December 2022             |                       |            |            |
|---|------------------------------|-----------------------|------------|------------|
|   | Engineering<br>& Contracting | Agricultural Industry | Investment | Total      |
| Balance sheet                               |                              |                       |            |            |
| Total assets                                | 13.816.295                   | 13.954.408            | 4.416.662  | 32.187.365 |
| Current and non-current liabilities         | 12.369.270                   | 8.703.284             | 524.611    | 21.597.165 |
| Equity attributable to owners of the parent | (692.647)                    | 6.541.326             | 4.580.298  | 10.428.977 |
| Non-controlling interests                   | 198.834                      | (37.693)              | 82         | 161.223    |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 6. SEGMENT REPORTING (cont’d)

c) Segment information related to property, plant and equipment, intangible assets, investment property, right-of-use assets and revenue:

|  | 1 January - 30 September 2023 |                       |            |         |
|--|-------------------------------|-----------------------|------------|---------|
|  | Engineering & Contracting     | Agricultural Industry | Investment | Total   |
| Capital expenditures                                     | 472.622                       | 307.469               | 10.195     | 790.286 |
| Depreciation and amortization expense for the period (*) | 435.854                       | 125.996               | 9.335      | 571.185 |
| Intra-segment revenue                                    | 459.711                       | 268.073               | 27.931     | 755.715 |
| Inter-segment revenue                                    | -                             | 7.184                 | 134.546    | 141.730 |
|  | 1 July - 30 September 2023    |                       |            |         |
|  | Engineering & Contracting     | Agricultural Industry | Investment | Total   |
| Capital expenditures                                     | 170.870                       | 77.993                | 1.481      | 250.344 |
| Depreciation and amortization expense for the period (*) | 180.014                       | 43.421                | 3.514      | 226.949 |
| Intra-segment revenue                                    | 133.702                       | 113.173               | 10.994     | 257.869 |
| Inter-segment revenue                                    | -                             | 2.940                 | 48.256     | 51.196  |
|  | 1 January - 30 September 2022 |                       |            |         |
|  | Engineering & Contracting     | Agricultural Industry | Investment | Total   |
| Capital expenditures                                     | 93.178                        | 454.896               | 15.811     | 563.885 |
| Depreciation and amortization expense for the period (*) | 316.343                       | 101.931               | 7.468      | 425.742 |
| Intra-segment revenue                                    | 124.122                       | 110.197               | 19.172     | 253.491 |
| Inter-segment revenue                                    | -                             | 5.321                 | 31.893     | 37.214  |
|  | 1 July - 30 September 2022    |                       |            |         |
|  | Engineering & Contracting     | Agricultural Industry | Investment | Total   |
| Capital expenditures                                     | 25.462                        | 129.388               | 13.015     | 167.865 |
| Depreciation and amortization expense for the period (*) | 118.882                       | 34.850                | 2.314      | 156.046 |
| Intra-segment revenue                                    | 55.051                        | 41.937                | 7.603      | 104.591 |
| Inter-segment revenue                                    | -                             | 1.759                 | 9.511      | 11.270  |

(\*) Depreciation expense of 5.038 is added from the cost of inventory (30 September 2022: 2.322 added to the cost of inventory).

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 6. SEGMENT REPORTING (cont’d)

d) Geographical segment information is as follows:

|  | Turkey     | CIS        | Middle<br>Eastern<br>Countries | Other     | Eliminations | Total      |
|--|------------|------------|--------------------------------|-----------|--------------|------------|
| Revenue (1 January - 30 September 2023)              | 18.652.659 | 2.246.598  | 5.665.114                      | 1.105.483 | (897.445)    | 26.772.409 |
| Total Assets (30 September 2023)                     | 49.414.301 | 16.274.962 | 11.468.223                     | 8.193.620 | (47.570.283) | 37.780.823 |
| Capital Expenditures (1 January - 30 September 2023) | 389.996    | 12.762     | 387.433                        | 95        | -            | 790.286    |
|  | Turkey     | CIS        | Middle<br>Eastern<br>Countries | Other     | Eliminations | Total      |
| Revenue (1 July - 30 September 2023)                 | 5.916.297  | 629.454    | 2.153.234                      | 317.620   | (309.065)    | 8.707.540  |
| Capital Expenditures (1 July - 30 September 2023)    | 113.817    | 3.743      | 132.774                        | 11        | -            | 250.345    |
|  | Turkey     | CIS        | Middle<br>Eastern<br>Countries | Other     | Eliminations | Total      |
| Revenue (1 January - 30 September 2022)              | 13.646.157 | 4.329.240  | 2.371.042                      | 1.162.377 | (290.705)    | 21.218.111 |
| Total Assets (31 December 2022)                      | 40.454.370 | 12.598.332 | 7.086.867                      | 5.633.752 | (33.585.956) | 32.187.365 |
| Capital Expenditures (1 January - 30 September 2022) | 495.869    | 41.167     | 26.579                         | 270       | -            | 563.885    |
|  | Turkey     | CIS        | Middle<br>Eastern<br>Countries | Other     | Eliminations | Total      |
| Revenue (1 July - 30 September 2022)                 | 5.261.876  | 1.454.428  | 916.201                        | 706.321   | (115.861)    | 8.222.965  |
| Capital Expenditures (1 July - 30 September 2022)    | 147.986    | 6.833      | 13.013                         | 33        | -            | 167.865    |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 7. CASH AND CASH EQUIVALENTS

Time deposits with maturity of three months or less constitute the part of the cash and cash equivalents amounting to 2.070.808 (31 December 2022: 2.135.768). Demand deposits, liquid funds, and other cash equivalents with maturity of three months or less constitute the rest of the cash and cash equivalents.

#### 8. TRADE RECEIVABLES AND PAYABLES

a) Trade Receivables:

As at balance sheet date, details of trade receivables of the Group are as follows:

|   | 30 September<br>2023 | 31 December<br>2022 |
|---|----------------------|---------------------|
| <b>Short-term trade receivables</b>                           |                      |                     |
| Receivables from Engineering & Contracting segment operations | 2.454.492            | 2.578.768           |
| Receivables from Agricultural Industry segment operations     | 1.137.443            | 995.386             |
| Receivables from Investment segment operations                | 28.129               | 9.129               |
| Provision for doubtful receivables (-)                        | (227.843)            | (157.027)           |
| Retention receivables (Note: 9)                               | 561.482              | 601.921             |
| Due from related parties                                      | 81.872               | 66.136              |
| Other   | 88.073               | 58.016              |
|   | <u>4.123.648</u>     | <u>4.152.329</u>    |
| <b>Long-term trade receivables</b>                            |                      |                     |
| Retention receivables (Note: 9)                               | 551.551              | 353.134             |
| Receivables from Engineering & Contracting segment operations | 323.592              | -                   |
|   | <u>875.143</u>       | <u>353.134</u>      |

Postdated cheques amounting to 640.538 (31 December 2022: 746.184), notes receivables amounting to 14.917 (31 December 2022: 26.932), positive foreign currency differences amounting to 93.272 (31 December 2022: positive 12.689), are included in short and long-term trade receivables. There are no due date differences included in short and long-term trade receivables (31 December 2022: None).

Average maturity date for trade receivables varies between the segments. Average maturity date for Engineering and Contracting segment, for projects in abroad is 99 days (31 December 2022: 103 days), for domestic projects is 74 days (31 December 2022: 72 days), for Agricultural Industry segment is 43 days (31 December 2022: 38 days), and for Investment segment is 30 days (31 December 2022: 30 days).

As of 30 September 2023, receivables amounting 1.017.564 was obtained from a single non-related client which constitute 20,7% of the Group’s receivables (31 December 2022: 1.097.386, 24,7%).

As of 30 September 2023, 227.843 of provision for doubtful receivables was determined based on past uncollectible receivable cases encountered and future expectations (30 September 2022: 148.354).

The movement of the Group’s provision for doubtful trade receivables is as follows:

|                              | 2023             | 2022             |
|------------------------------|------------------|------------------|
| Provision as of 1 January    | (157.027)        | (157.370)        |
| Charge for the period        | (6.652)          | (1.287)          |
| Collected                    | 117              | 139              |
| Write off of bad debt        | 298              | 44.763           |
| Currency translation effect  | (64.579)         | (34.599)         |
| Provision as of 30 September | <u>(227.843)</u> | <u>(148.354)</u> |

All of doubtful receivable expense has been charged to general administrative expenses (2022: 197 and 1.090 of doubtful receivable expense has been charged to cost of revenue and general administrative expenses respectively).

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 8. TRADE RECEIVABLES AND PAYABLES (cont’d)

##### b) Trade Payables:

As at balance sheet date, details of trade payables of the Group are as follows:

|  | 30 September<br>2023 | 31 December<br>2022 |
|--|----------------------|---------------------|
| <b>Short-term trade payables</b>                           |                      |                     |
| Payables from Engineering & Contracting segment operations | 3.868.428            | 2.746.940           |
| Payables from Agricultural Industry segment operations     | 4.303.414            | 6.593.716           |
| Payables from Investment segment operations                | 139.445              | 96.096              |
| Due to related parties                                     | 20.459               | 8.963               |
| Retention payables (Note: 9)                               | 1.715.622            | 1.116.912           |
| Other  | 5.805                | 3.674               |
|  | <u>10.053.173</u>    | <u>10.566.301</u>   |
| <b>Long-term trade payables</b>                            |                      |                     |
| Retention payables (Note: 9)                               | 25.399               | 343.850             |
| Payables from Engineering & Contracting segment operations | 22.152               | 15.235              |
|  | <u>47.551</u>        | <u>359.085</u>      |

Foreign currency differences amounting to 397.685 (31 December 2022: 348.211) are included in short and long-term trade payables.

For Agricultural Industry segment, payables attributable to inventory supplied through imports constitute 93% (31 December 2022: 94%) of trade payables as at balance sheet date and average payable period for these import purchases is 84 days (31 December 2022: 92 days) whereas average payable period for domestic purchases is 30 days (31 December 2022: 29 days). The average payable period for Engineering and Contracting segment is 167 days (31 December 2022: 194 days), and for Investment segment is 30 days (31 December 2022: 41 days).

#### 9. CONTRACT ASSETS AND LIABILITIES ARISING FROM ONGOING CONSTRUCTION WORKS

|                                    | 30 September<br>2023 | 31 December<br>2022 |
|------------------------------------|----------------------|---------------------|
| Cost incurred on ongoing contracts | 151.728.723          | 99.855.438          |
| Recognised gain less losses (net)  | 1.289.915            | 1.072.351           |
|                                    | <u>153.018.638</u>   | <u>100.927.789</u>  |
| Less: Billings to date (-)         | (149.839.555)        | (99.630.199)        |
|                                    | <u>3.179.083</u>     | <u>1.297.590</u>    |

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 9. CONTRACT ASSETS AND LIABILITIES ARISING FROM ONGOING CONSTRUCTION WORKS (cont'd)

Costs and billings incurred on uncompleted contracts in condensed consolidated financial statements are as follows:

|   | 30 September<br>2023 | 31 December<br>2022 |
|---|----------------------|---------------------|
| Contract assets arising from ongoing construction works             | 4.316.079            | 2.355.436           |
| Contract liabilities arising from ongoing construction works        | (1.136.996)          | (1.057.846)         |
|   | <u>3.179.083</u>     | <u>1.297.590</u>    |
|   | 30 September<br>2023 | 31 December<br>2022 |
| <u>Contract assets arising from ongoing construction works</u>      |                      |                     |
| Contracts undersigned abroad  | 3.929.772            | 2.182.356           |
| Contracts undersigned in Turkey                                     | 386.307              | 173.080             |
|   | <u>4.316.079</u>     | <u>2.355.436</u>    |
| <u>Contract liabilities arising from ongoing construction works</u> |                      |                     |
| Contracts undersigned abroad  | (1.039.091)          | (914.906)           |
| Contracts undersigned in Turkey                                     | (97.905)             | (142.940)           |
|   | <u>(1.136.996)</u>   | <u>(1.057.846)</u>  |
|   | <u>3.179.083</u>     | <u>1.297.590</u>    |

The Group has 615.541 of advances given to subcontractors and other suppliers for construction projects classified in short-term prepaid expenses (31 December 2022: 323.679). Also, the Group has 2.372.699 of advances received for contracting projects classified in deferred revenue (31 December 2022: 1.656.205).

As of 30 September 2023, the Group has 1.741.021 of retention payables to subcontractors (31 December 2022: 1.460.762). Also, the amount of retention receivables is 1.113.033 (31 December 2022: 955.055) (Note: 8).

#### 10. INVENTORIES

|   | 30 September<br>2023 | 31 December<br>2022 |
|---|----------------------|---------------------|
| Raw materials                             | 1.676.294            | 1.646.871           |
| Work in progress                          | 1.519.555            | 1.901.283           |
| Finished goods                            | 376.990              | 499.969             |
| Trading goods                             | 532.579              | 1.046.002           |
| Goods in transit                          | 303.511              | 833.941             |
| Inventory at construction sites           | 2.736.040            | 1.810.050           |
| Other inventories                         | 278.414              | 203.859             |
| Allowance for impairment on inventory (-) | (3.503)              | (11.102)            |
|   | <u>7.419.880</u>     | <u>7.930.873</u>    |

As of 30 September 2023, there are no borrowing costs added to inventory (31 December 2022: None).

| Movement of allowance for impairment of inventory | 2023           | 2022           |
|---|----------------|----------------|
| Provision as of 1 January                         | (11.102)       | (11.073)       |
| Charge for the period                             | -              | (3.089)        |
| Provisions cancelled                              | 7.599          | 7.023          |
| Provision as of 30 September                      | <u>(3.503)</u> | <u>(7.139)</u> |

All of impairment expense on inventory has been charged to cost of revenue (2022: All of reversal of impairment on inventory has been deducted from cost of revenue).



## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 11. INVESTMENTS VALUED BY EQUITY METHOD

| Joint Ventures | Location of foundation and operation | 30 September 2023  |                  | 31 December 2022   |                  | Power to appoint | Industry     |
|----------------|--------------------------------------|--------------------|------------------|--------------------|------------------|------------------|--------------|
|                |                                      | Participation Rate | Amount           | Participation Rate | Amount           |                  |              |
| Azfen          | Azerbaijan                           | 40%                | 1.527.364        | 40%                | 1.054.172        | 40%              | Construction |
|                |                                      |                    | <u>1.527.364</u> |                    | <u>1.054.172</u> |                  |              |

Movements of Group’s joint ventures during the period is as follows:

|                                    | 2023             | 2022           |
|------------------------------------|------------------|----------------|
| Opening balance as of 1 January    | 1.054.172        | 95.625         |
| Group’s share on profit (loss)     | (13.023)         | 41.332         |
| Effect of the joint ventures sold  | -                | (14.373)       |
| Currency translation effect        | 486.215          | 41.531         |
| Closing balance as of 30 September | <u>1.527.364</u> | <u>164.115</u> |

Group’s share on profit (loss) of joint ventures is as follows:

|  | 1 January -<br>30 September<br>2023 | 1 January -<br>30 September<br>2022 |
|--|-------------------------------------|-------------------------------------|
| H-T Fidecilik(*)   | -                                   | 161                                 |
| Azfen  | (13.023)                            | 41.171                              |
| Shares on profit (loss) of joint ventures valued<br>by equity method | <u>(13.023)</u>                     | <u>41.332</u>                       |

(\*) Shares of H-T Fidecilik were sold on 19 April 2022.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 11. INVESTMENTS VALUED BY EQUITY METHOD (cont'd)

##### Information related to balance sheet:

| <u>Azfen</u>                       | <u>30 September 2023</u> | <u>31 December 2022</u> |
|------------------------------------|--------------------------|-------------------------|
| Cash and cash equivalents          | 392.534                  | 1.780.287               |
| Other current assets               | 3.764.215                | 1.463.307               |
| Non-current assets                 | 333.919                  | 285.963                 |
| <b>Total Assets</b>                | <b>4.490.668</b>         | <b>3.529.557</b>        |
| Other short-term liabilities       | 672.259                  | 894.120                 |
| Other long-term liabilities        | -                        | 7                       |
| <b>Total Liabilities</b>           | <b>672.259</b>           | <b>894.127</b>          |
| <b>Net Assets</b>                  | <b>3.818.409</b>         | <b>2.635.430</b>        |
| Group's Ownership Rate             | 40%                      | 40%                     |
| <b>Group's Share on Net Assets</b> | <b>1.527.364</b>         | <b>1.054.172</b>        |

##### Information related to statement of profit or loss:

| <u>1 January - 30 September 2023</u>                 | <u>H-T</u><br><u>Fidecilik</u> | <u>Azfen</u>    | <u>Total</u>    |
|--|--------------------------------|-----------------|-----------------|
| Revenue  | -                              | 1.756.273       | 1.756.273       |
| Depreciation and amortization expense (-)            | -                              | (56.774)        | (56.774)        |
| Operating profit                                     | -                              | (38.592)        | (38.592)        |
| Tax expense (-)                                      | -                              | 6.034           | 6.034           |
| <b>Profit (loss) for the Period</b>                  | <b>-</b>                       | <b>(32.558)</b> | <b>(32.558)</b> |
| Group's Ownership Rate                               | -                              | 40%             |                 |
| <b>Group's Share on Profit (Loss) for the Period</b> | <b>-</b>                       | <b>(13.023)</b> | <b>(13.023)</b> |

  

| <u>1 July - 30 September 2023</u>                    | <u>H-T</u><br><u>Fidecilik</u> | <u>Azfen</u>    | <u>Total</u>    |
|--|--------------------------------|-----------------|-----------------|
| Revenue  | -                              | 452.733         | 452.733         |
| Depreciation and amortization expense (-)            | -                              | (22.552)        | (22.552)        |
| Operating profit                                     | -                              | (19.913)        | (19.913)        |
| Tax expense (-)                                      | -                              | 6.092           | 6.092           |
| <b>Profit (loss) for the Period</b>                  | <b>-</b>                       | <b>(13.821)</b> | <b>(13.821)</b> |
| Group's Ownership Rate                               | -                              | 40%             |                 |
| <b>Group's Share on Profit (Loss) for the Period</b> | <b>-</b>                       | <b>(5.528)</b>  | <b>(5.528)</b>  |

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 11. INVESTMENTS VALUED BY EQUITY METHOD (cont'd)

##### Information related to statement of profit or loss (cont'd):

| 1 January - 30 September 2022             | H-T<br>Fidecilik(*) | Azfen     | Total     |
|---|---------------------|-----------|-----------|
| Revenue                                   | 22.430              | 2.843.047 | 2.865.477 |
| Depreciation and amortization expense (-) | (782)               | (32.247)  | (33.029)  |
| Operating profit                          | 2.461               | 253.133   | 255.594   |
| Financial income                          | 87                  | -         | 87        |
| Financial expense (-)                     | (2.195)             | -         | (2.195)   |
| Tax expense (-)                           | (30)                | (150.206) | (150.236) |
| Profit for the Period                     | 322                 | 102.927   | 103.249   |
| Group's Ownership Rate                    | 50%                 | 40%       |           |
| Group's Share on Profit for the Period    | 161                 | 41.171    | 41.332    |

| 1 July - 30 September 2022                | H-T<br>Fidecilik(*) | Azfen     | Total     |
|---|---------------------|-----------|-----------|
| Revenue                                   | -                   | 1.510.554 | 1.510.554 |
| Depreciation and amortization expense (-) | -                   | 5.089     | 5.089     |
| Operating profit                          | -                   | 80.596    | 80.596    |
| Tax expense (-)                           | -                   | (22.587)  | (22.587)  |
| Profit for the Period                     | -                   | 58.010    | 58.010    |
| Group's Ownership Rate                    | -                   | 40%       |           |
| Group's Share on Profit for the Period    | -                   | 23.204    | 23.204    |

(\*) Shares of H-T Fidecilik were sold on 19 April 2022.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 12. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, INVESTMENT PROPERTY AND RIGHT-OF-USE ASSETS

##### (a) Property, Plant and Equipment, Other Intangible Assets, Investment Property and Right-of-use Assets

|  | Property, Plant<br>and Equipment | Other Intangible<br>Assets | Investment<br>Property | Right-of-use<br>assets |
|--|----------------------------------|----------------------------|------------------------|------------------------|
| <b>Cost Value</b>                                |                                  |                            |                        |                        |
| Opening balance as of 1 January 2023             | 12.206.868                       | 296.102                    | 281.995                | 152.197                |
| Currency translation effect                      | 3.970.733                        | 110.053                    | 65.615                 | 162.578                |
| Additions  | 783.426                          | 1.909                      | 4.951                  | 258.263                |
| Disposals  | (582.165)                        | (43)                       | -                      | (22.741)               |
| Closing balance as of 30 September 2023          | 16.378.862                       | 408.021                    | 352.561                | 550.297                |
| <b>Accumulated Depreciation and Amortization</b> |                                  |                            |                        |                        |
| Opening balance as of 1 January 2023             | (7.751.855)                      | (237.890)                  | (51.262)               | (46.178)               |
| Currency translation effect                      | (3.009.735)                      | (99.355)                   | (203)                  | (42.698)               |
| Charge for the period                            | (434.621)                        | (8.977)                    | (3.326)                | (129.299)              |
| Disposals  | 427.956                          | 38                         | -                      | 22.062                 |
| Closing balance as of 30 September 2023          | (10.768.255)                     | (346.184)                  | (54.791)               | (196.113)              |
| Carrying value as of 30 September 2023           | 5.610.607                        | 61.837                     | 297.770                | 354.184                |
| <b>Cost Value</b>                                |                                  |                            |                        |                        |
| Opening balance as of 1 January 2022             | 9.353.059                        | 219.337                    | 209.406                | 124.428                |
| Currency translation effect                      | 2.629.474                        | 69.587                     | 42.805                 | 38.297                 |
| Additions  | 550.818                          | 2.273                      | 10.794                 | 10.372                 |
| Disposals  | (446.407)                        | (963)                      | (619)                  | (30.136)               |
| Transfers  | (20.616)                         | 2.291                      | 18.325                 | -                      |
| Closing balance as of 30 September 2022          | 12.066.328                       | 292.525                    | 280.711                | 142.961                |
| <b>Accumulated Depreciation and Amortization</b> |                                  |                            |                        |                        |
| Opening balance as of 1 January 2022             | (5.911.534)                      | (164.325)                  | (41.382)               | (62.234)               |
| Currency translation effect                      | (1.986.881)                      | (61.488)                   | (119)                  | (28.588)               |
| Charge for the period                            | (378.887)                        | (8.531)                    | (2.249)                | (38.397)               |
| Disposals  | 435.340                          | 538                        | 32                     | 29.403                 |
| Transfers  | 6.832                            | -                          | (6.832)                | -                      |
| Closing balance as of 30 September 2022          | (7.835.130)                      | (233.806)                  | (50.550)               | (99.816)               |
| Carrying value as of 30 September 2022           | 4.231.198                        | 58.719                     | 230.161                | 43.145                 |

The fair value of the Group's investment property has been determined based on a valuation carried out by independent experts which have no relation to the Group and are accredited by Capital Markets Board. Valuation work has been concluded based on fair value of similar properties. The fair value of the investment properties as of 30 September 2023 is 2.079.826 (30 September 2022: 1.629.781) according to the valuation carried out by independent experts. There are not any restrictions on the realizability of investment property or any remittances of income and proceeds of disposal.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

### 12. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, INVESTMENT PROPERTY AND RIGHT-OF-USE ASSETS (cont’d)

#### (b) Goodwill

| <b>Subsidiaries Acquired</b>                 | <b>Nature of Business</b> | <b>Date of Acquisition</b> | <b>Ratio of Shares Acquired</b> | <b>Acquisition Price</b> | <b>Goodwill</b> |
|--|---------------------------|----------------------------|---------------------------------|--------------------------|-----------------|
| Denkmal in Dahlem Otto-Hahn-Platz GmbH       | Engineering & Contracting | 30 July 2019               | 80%                             | 151.892                  | 64.708          |
| Toros Gönen Yenilenebilir Enerji Üretim A.Ş. | Agricultural Industry     | 31 July 2019               | 70%                             | 42.946                   | 41.608          |
| Toros Meram Yenilenebilir Enerji Üretim A.Ş. | Agricultural Industry     | 14 February 2020           | 99,9%                           | 24.814                   | 21.352          |
|  |                           |                            |                                 | <b>219.652</b>           | <b>127.668</b>  |

Breakdown of the acquisition price is as follows:

|                          | <b>Denkmal Dahlem</b> | <b>Gönen Enerji</b> | <b>Meram Enerji</b> | <b>Total</b>   |
|--------------------------|-----------------------|---------------------|---------------------|----------------|
| Paid in cash             | 151.892               | 42.946              | 24.814              | 219.652        |
| <b>Acquisition price</b> | <b>151.892</b>        | <b>42.946</b>       | <b>24.814</b>       | <b>219.652</b> |

The main items related to assets acquired and liabilities undertaken at the acquisition dates are as follows:

|                                | <b>Denkmal Dahlem</b> | <b>Gönen Enerji</b> | <b>Meram Enerji</b> | <b>Total</b>   |
|--------------------------------|-----------------------|---------------------|---------------------|----------------|
| <b>Current assets</b>          | <b>799.645</b>        | <b>19.361</b>       | <b>20.264</b>       | <b>839.270</b> |
| Cash and cash equivalents      | 3.426                 | 12.132              | 3.043               | 18.601         |
| Other current assets           | 796.219               | 7.229               | 17.221              | 820.669        |
| <b>Non-current assets</b>      | <b>9.493</b>          | <b>42.252</b>       | <b>12.898</b>       | <b>64.643</b>  |
| Tangible and intangible assets | 9.493                 | 40.268              | 12.784              | 62.545         |
| Other non-current assets       | -                     | 1.984               | 114                 | 2.098          |
| <b>Current liabilities</b>     | <b>291.466</b>        | <b>27.746</b>       | <b>29.697</b>       | <b>348.909</b> |
| <b>Non-current liabilities</b> | <b>408.691</b>        | <b>31.956</b>       | <b>-</b>            | <b>440.647</b> |
| <b>Net assets</b>              | <b>108.981</b>        | <b>1.911</b>        | <b>3.465</b>        | <b>114.357</b> |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 12. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS, INVESTMENT PROPERTY AND RIGHT-OF-USE ASSETS (cont'd)

##### (b) Goodwill (cont'd)

As a result of the acquisitions, the Group obtained control of the companies so that goodwill arisen. The goodwill arising from the acquisitions is as follows:

|  | <u>Denkmal Dahlem</u> | <u>Gönen Enerji</u> | <u>Meram Enerji</u> | <u>Total</u>   |
|--|-----------------------|---------------------|---------------------|----------------|
| Acquisition price                                      | 151.892               | 42.946              | 24.814              | 219.652        |
| Non-controlling interest                               | 21.797                | 573                 | 3                   | 22.373         |
| Less: Fair value of net assets of the acquired company | (108.981)             | (1.911)             | (3.465)             | (114.357)      |
| <b>Goodwill</b>  | <b>64.708</b>         | <b>41.608</b>       | <b>21.352</b>       | <b>127.668</b> |

Group has calculated recoverable amount of "Goodwill" and no impairment has been determined for the period ending 30 September 2023 (30 September 2022: None). The discounted cash flow method has been used in calculating the recoverable amounts of the cash generating units to which the goodwill is distributed, and the cash flows expected to be obtained in the future are discounted to the present using appropriate discount factors.

Net cash outflow concerning the acquisitions is as follows:

|   | <u>Denkmal Dahlem</u> | <u>Gönen Enerji</u> | <u>Meram Enerji</u> | <u>Total</u>   |
|---|-----------------------|---------------------|---------------------|----------------|
| Paid in cash  | 151.892               | 42.946              | 24.814              | 219.652        |
| Less: Cash and cash equivalents of the acquired company | (3.426)               | (12.132)            | (3.043)             | (18.601)       |
| <b>Net cash outflow</b>                                 | <b>148.466</b>        | <b>30.814</b>       | <b>21.771</b>       | <b>201.051</b> |

Movement of Goodwill is as follows:

|  | <u>Denkmal Dahlem</u> | <u>Gönen Enerji</u> | <u>Meram Enerji</u> | <u>Total</u>   |
|--|-----------------------|---------------------|---------------------|----------------|
| Opening balance as of 1 January 2023           | 44.435                | 41.608              | 21.352              | 107.395        |
| Currency translation effect                    | 20.273                | -                   | -                   | 20.273         |
| <b>Closing balance as of 30 September 2023</b> | <b>64.708</b>         | <b>41.608</b>       | <b>21.352</b>       | <b>127.668</b> |
| Opening balance as of 1 January 2022           | 32.727                | 41.608              | 21.352              | 95.687         |
| Currency translation effect                    | 7.224                 | -                   | -                   | 7.224          |
| <b>Closing balance as of 30 September 2022</b> | <b>39.951</b>         | <b>41.608</b>       | <b>21.352</b>       | <b>102.911</b> |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 13. SHORT AND LONG-TERM BORROWINGS

The Company's bank loans are reclassified as long-term whose maturities passed 30 September 2024 according to their opening dates. Annual weighted average interest rate of the existing short-term loans is 8,93% for USD, 4,22% for EUR, 29,19% for TL and 7,50% for QAR (31 December 2022: 5,65% for USD, 2,77% for EUR, 15,03% for TL and 6,50% QAR). Annual weighted average interest rate of the existing long-term loans is 7,50% for USD, 2,65% for EUR, and 10,19% for TL (31 December 2022: 6,65% for USD, EUR 2,65%, TL 10,19%).

Within the scope of TFRS 16 Leases standard implementation, lease liabilities of 373.233 and 42.478 in the aggregate 415.711 included in short-term and long-term borrowings respectively (31 December 2022: 89.171 short-term, 21.364 long-term, in the aggregate 110.535).

#### 14. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

|  | 30 September<br>2023 | 31 December<br>2022 |
|--|----------------------|---------------------|
| Short-term provisions                              | 1.044.867            | 678.634             |
| Long-term provisions                               | 594.989              | 491.372             |
| Total provisions                                   | <u>1.639.856</u>     | <u>1.170.006</u>    |
| Employment termination benefits provision          | 507.026              | 488.888             |
| Unused vacation pay liability provision            | 180.761              | 124.724             |
| Premium provision                                  | 184.739              | 144.910             |
| Total provisions attributable to employee benefits | <u>872.526</u>       | <u>758.522</u>      |
| Provision for litigation                           | 39.287               | 27.429              |
| Other liability provisions                         | 728.043              | 384.055             |
| Other provisions                                   | <u>767.330</u>       | <u>411.484</u>      |
| Total provisions                                   | <u>1.639.856</u>     | <u>1.170.006</u>    |

  

|   | Employment<br>Termination<br>Benefits<br>Provision | Unused<br>Vacation<br>Pay Liability<br>Provision | Premium<br>Provision | Total Provisions<br>Attributable to<br>Employee Benefits |
|---|--|--|----------------------|--|
| Opening balance as of 1 January 2023    | 488.888  | 124.724  | 144.910              | 758.522  |
| Currency translation effect             | 88.999   | 43.504   | 37.989               | 170.492  |
| Charge for the period                   | 49.623   | 76.889   | 118.618              | 245.130  |
| Interest expense                        | 42.433   | -  | -                    | 42.433   |
| Provision paid during the period        | (176.515)  | (64.197)   | (47.326)             | (288.038)  |
| Provision released                      | -  | (159)  | (69.452)             | (69.611)   |
| Actuarial loss                          | 13.598   | -  | -                    | 13.598   |
| Closing balance as of 30 September 2023 | <u>507.026</u>                                     | <u>180.761</u>                                   | <u>184.739</u>       | <u>872.526</u>   |
| Opening balance as of 1 January 2022    | 305.418  | 113.553  | 129.780              | 548.751  |
| Currency translation effect             | 61.084   | 30.585   | 31.373               | 123.042  |
| Charge for the period                   | 85.127   | 38.144   | 64.113               | 187.384  |
| Interest expense                        | 3.550  | -  | -                    | 3.550  |
| Provision paid during the period        | (97.678)   | (65.206)   | (28.833)             | (191.717)  |
| Provision released                      | (1.658)  | (1.942)  | (68.200)             | (71.800)   |
| Actuarial loss                          | 509  | -  | -                    | 509  |
| Closing balance as of 30 September 2022 | <u>356.352</u>                                     | <u>115.134</u>                                   | <u>128.233</u>       | <u>599.719</u>   |

Termination benefit pay calculated as of 30 September 2023 is subject to upper limit of 23.489,83 Turkish Lira (31 December 2022: 19.982,83 Turkish Lira).

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 14. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont’d)

|   | Provision for<br>Litigation | Other<br>Liability<br>Provisions | Total Other<br>Provisions |
|---|-----------------------------|----------------------------------|---------------------------|
| Opening balance as of 1 January 2023    | 27.429                      | 384.055                          | 411.484                   |
| Currency translation effect             | 6.883                       | 210.305                          | 217.188                   |
| Charge for the period                   | 7.246                       | 330.132                          | 337.378                   |
| Provision paid during the period        | (1.602)                     | -                                | (1.602)                   |
| Provision released                      | (669)                       | (196.449)                        | (197.118)                 |
| Closing balance as of 30 September 2023 | <u>39.287</u>               | <u>728.043</u>                   | <u>767.330</u>            |
| Opening balance as of 1 January 2022    | 40.102                      | 476.792                          | 516.894                   |
| Currency translation effect             | 1.543                       | 192.301                          | 193.844                   |
| Charge for the period                   | 4.142                       | 125.903                          | 130.045                   |
| Provision paid during the period        | (884)                       | -                                | (884)                     |
| Provision released                      | (18.982)                    | (171.353)                        | (190.335)                 |
| Closing balance as of 30 September 2022 | <u>25.921</u>               | <u>623.643</u>                   | <u>649.564</u>            |

#### Litigations:

As of 30 September 2023, lawsuit filed against the Group is totally 1.254.796 (31 December 2022: 1.102.880) and it has been decided to accrue 39.287 (31 December 2022: 27.429) of provision for lawsuits that might have high probability of potential outflow from the Group upon the consultation of legal advisors. Based on the legal advice of lawyers, there is no risk of outflow of resources for cases which no provision is made for.

#### *Libya Arbitration Claim*

Within the context of the Group’s decision taken on 30 January 2015 to apply for International Arbitration with the aim of claiming all of its rights, receivables and assets connected with The Great Man-Made River Project, which was undertaken in Libya by Tekfen-TML Joint Venture (Tekfen TML J.V.), a joint venture of the Group with 67% participation rate, – that having been halted on 21 February 2011 owing to events taking place in the aforesaid country and the instability thus caused – the Group applied to the International Court of Arbitration of the International Chamber of Commerce (ICC) for commercial arbitration against the Great ManMade River Authority (MMRA) as the ‘employer’, and against the State of Libya. A statement on this subject was duly made in the Announcement of 18 June 2015. In the subsequent announcement of 12 October 2015, we have further reported that a second arbitration case has been filed at the ICC against the Libyan State on the basis of the Agreement on the Mutual Promotion and Protection of Investments (“AMPPI”) signed between the Libyan and Turkish States. The partial award handed down in relation to the contractual arbitration case filed with the ICC on the basis of this Agreement has been notified to the Tekfen TML J.V.

In this partial award, the Arbitration Tribunal has ruled that the MMRA falls within its jurisdiction, but that the State of Libya does not; that the MMRA should pay the Tekfen TML J.V. the sum of 40.499 Thousand USD (of which the Group’s share is 27.134 Thousand USD) as compensation; that the MMRA should pay the Tekfen TML J.V. the sum of 5.000 Thousand USD (of which the Group’s share is 3.350 Thousand USD) in respect of the Tekfen TML J.V.’s legal expenses; that the parties should be asked to submit additional petitions for the determination of the rates of interest to be charged with respect to the aforementioned figures; that all counterclaims of the defendant (the MMRA) should be dismissed with the exception of a minor one for 365 Thousand USD and that only this amount should be deducted from the sum awarded to the Tekfen TML J.V.; that it was necessary for the agreement between the Tekfen TML J.V. and the MMRA to be readjusted in accordance with the changed conditions now in force; and that provision for matters such as the mechanical equipment needed in order for the Tekfen TML J.V. to continue its work should be evaluated within the framework of the revisions to be requested.

Based on the the decision of the Arbitral Tribunal, the parties started negotiations to redefine the terms of the contract for the remainder of the case. However, no agreement was reached.



## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 14. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES (cont'd)

##### Litigations (cont'd):

##### *Libya Arbitration Claim (cont'd)*

In accordance with the Memorandum of Understanding (MoU), which took effect on 13 August 2020 and 24 September 2020, for the settlement of the issues arising from the contracts of Turkish companies with the employer administrations in Libya between the Republic of Turkey and the Government of National Accord of the Libyan State, it is foreseen that the contractors will apply by letter to the Administrations within 90 days and start negotiations for the future of the projects. In this context, the employer MMRA has started to be more actively involved in the negotiations with the entry into force of the MoU. In this process, the Employer MMRA formed a four-person commission to discuss the terms of termination and Tekfen TML J.V.'s demands. The parties have agreed in principle to terminate the construction contract, provided that it does not prejudice their rights and demands in the arbitration process and that the agreed matters remain confidential, and it has been agreed to hold a meeting for the signing of the final agreement text.

Consequently, an agreement has been reached with the Employer MMRA to pay Tekfen TML J.V. a net sum of 35.408 Thousand USD. From the first part of this price, 12.678 Thousand USD, in the second arbitration, the remaining 9.013 Thousand USD was collected after deducting the amount Tekfen TML J.V. was decided to pay to Libya. An agreement has been reached to pay the remaining unsecured receivable in the amount of 22.730 Thousand USD in four installments of different amounts until 31.12.2025.

#### 15. COMMITMENTS

The guarantee, pledge and mortgage ("GPMB") position tables of the Group as of 30 September 2023 and 31 December 2022 are as follows:

| 30 September 2023   | Equivalent of<br>Thousands TL | <i>Thousands<br/>of US<br/>Dollars</i> | <i>Thousands<br/>of EUR</i> | <i>Other<br/>(Equivalent of<br/>Thousands TL)</i> |
|---|-------------------------------|--|-----------------------------|---|
| A. CPMB given on behalf of its own legal entity   | 2.098                         | -                                      | -                           | 2.098   |
| -Collateral   | 2.098                         | -                                      | -                           | 2.098   |
| -Pledge   | -                             | -                                      | -                           | -   |
| -Mortgage   | -                             | -                                      | -                           | -   |
| -Bill of Collateral   | -                             | -                                      | -                           | -   |
| B. CPMB given on behalf of subsidiaries that are included in full consolidation                       | 40.295.136                    | 935.366                                | 79.339                      | 12.384.655  |
| -Collateral   | 13.673.088                    | 265.633                                | 79.339                      | 4.097.692   |
| -Pledge   | -                             | -                                      | -                           | -   |
| -Mortgage   | -                             | -                                      | -                           | -   |
| -Bill of Collateral   | 26.622.048                    | 669.733                                | -                           | 8.286.963   |
| C. CPMB given in order to Collateral third parties' debts for the routine trade operations            | 2.290                         | -                                      | -                           | 2.290   |
| -Collateral   | -                             | -                                      | -                           | -   |
| -Pledge   | -                             | -                                      | -                           | -   |
| -Mortgage   | -                             | -                                      | -                           | -   |
| -Bill of Collateral   | 2.290                         | -                                      | -                           | 2.290   |
| D. Total amounts of other CPMB given  | -                             | -                                      | -                           | -   |
| i. Total amount of CPMB given on behalf of parent company   | -                             | -                                      | -                           | -   |
| ii. Total amount of CPMB given on behalf of other group companies that are not included group B and C | -                             | -                                      | -                           | -   |
| iii. Total amount of CPMB given on behalf of third parties that are not included group C              | -                             | -                                      | -                           | -   |
| <b>Total as of 30 September 2023</b>  | <b>40.299.524</b>             | <b>935.366</b>                         | <b>79.339</b>               | <b>12.389.043</b>                                 |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 15. COMMITMENTS (cont'd)

| 31 December 2022  | Equivalent of<br>Thousands TL | <i>Thousands<br/>of US<br/>Dollars</i> | <i>Thousands<br/>of EUR</i> | <i>Other<br/>(Equivalent of<br/>Thousands TL)</i> |
|---|-------------------------------|--|-----------------------------|---|
| A. CPMB given on behalf of its own legal entity   | 2.098                         | -                                      | -                           | 2.098   |
| -Collateral   | 2.098                         | -                                      | -                           | 2.098   |
| -Pledge   | -                             | -                                      | -                           | -   |
| -Mortgage   | -                             | -                                      | -                           | -   |
| -Bill of Collateral   | -                             | -                                      | -                           | -   |
| B. CPMB given on behalf of subsidiaries that are included in full consolidation                       | 31.826.725                    | 1.173.534                              | 70.214                      | 8.483.925   |
| -Collateral   | 10.683.395                    | 345.581                                | 70.199                      | 2.822.204   |
| -Pledge   | -                             | -                                      | -                           | -   |
| -Mortgage   | -                             | -                                      | -                           | -   |
| -Bill of Collateral   | 21.143.330                    | 827.953                                | 15                          | 5.661.721   |
| C. CPMB given in order to Collateral third parties' debts for the routine trade operations            | 4.800                         | -                                      | -                           | 4.800   |
| -Collateral   | 767                           | -                                      | -                           | 767   |
| -Pledge   | -                             | -                                      | -                           | -   |
| -Mortgage   | -                             | -                                      | -                           | -   |
| -Bill of Collateral   | 4.033                         | -                                      | -                           | 4.033   |
| D. Total amounts of other CPMB given  | -                             | -                                      | -                           | -   |
| i. Total amount of CPMB given on behalf of parent company   | -                             | -                                      | -                           | -   |
| ii. Total amount of CPMB given on behalf of other group companies that are not included group B and C | -                             | -                                      | -                           | -   |
| iii. Total amount of CPMB given on behalf of third parties that are not included group C              | -                             | -                                      | -                           | -   |
| <b>Total as of 31 December 2022</b>   | <b>31.833.623</b>             | <b>1.173.534</b>                       | <b>70.214</b>               | <b>8.490.823</b>                                  |

Since there are not any GPMBs mentioned under D item, the ratio to the total equity is not presented.

#### 16. SIGNIFICANT RELATED PARTY TRANSACTIONS

According to TAS 24, the shareholders of the Company, Group companies and their subsidiaries, management and other related parties are classified as related parties.

Transactions with related parties are distinct and measurable. Transactions with related parties during the nine month interim period ended 30 September 2023 consist of sales of goods and services amounting 17.487 (30 September 2022: 47.177), dividend income amounting 40.647 (30 September 2022: 13.902) and other net expenses amounting 648 (30 September 2022: 238 net other expenses). The remuneration of key management during the period is 50.327 (30 September 2022: 26.519).

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 17. EQUITY

##### Capital / Capital Structure Adjustment

The capital structure as of 30 September 2023 and 31 December 2022 is as follows:

| Shareholders                 | (%)    | 30 September<br>2023 | (%)    | 31 December<br>2022 |
|------------------------------|--------|----------------------|--------|---------------------|
| Berker family                | 23,55% | 87.122               | 23,55% | 87.122              |
| Gökyiğit family              | 19,86% | 73.488               | 20,06% | 74.233              |
| Akçağlılar family            | 6,65%  | 24.611               | 6,65%  | 24.611              |
| Publicly traded              | 49,94% | 184.779              | 49,74% | 184.034             |
| Paid in capital              | 100%   | 370.000              | 100%   | 370.000             |
| Capital structure adjustment |        | 3.475                |        | 3.475               |
| Restated capital             |        | <u>373.475</u>       |        | <u>373.475</u>      |

#### 18. EARNINGS PER SHARE

|   | 1 January-<br>30 September<br>2023 | 1 July-<br>30 September<br>2023 | 1 January -<br>30 September<br>2022 | 1 July-<br>30 September<br>2022 |
|---|------------------------------------|---------------------------------|-------------------------------------|---------------------------------|
| Average number of ordinary shares outstanding during the period (in full)     | 370.000.000                        | 370.000.000                     | 370.000.000                         | 370.000.000                     |
| Net profit for the period attributable to owners of the parent (Thousands TL) | 472.266                            | 335.436                         | 1.813.145                           | 735.537                         |
| Earnings per share from continuing operations (TL)                            | 1,276                              | 0,907                           | 4,900                               | 1,988                           |

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 19. OTHER OPERATING INCOME AND EXPENSES

|   | 1 January-<br>30 September<br>2023 | 1 July-<br>30 September<br>2023 | 1 January -<br>30 September<br>2022 | 1 July-<br>30 September<br>2022 |
|---|------------------------------------|---------------------------------|-------------------------------------|---------------------------------|
| <b>Other operating income</b>               |                                    |                                 |                                     |                                 |
| Foreign exchange income from operations     | 988.502                            | 365.849                         | 1.202.840                           | 345.464                         |
| Hedging income (Note: 21)                   | 347.308                            | 239.173                         | 686.096                             | 322.361                         |
| Due date difference income                  | 129.825                            | 41.691                          | 90.254                              | 40.403                          |
| Rental income                               | 43.632                             | 21.601                          | 87.770                              | 49.635                          |
| Indemnity income                            | 19.285                             | 17.663                          | 9.159                               | 2.984                           |
| Social security premium refund income       | 18.703                             | 7.809                           | 6.694                               | 2.567                           |
| Discount income                             | 11.125                             | 1.367                           | 83.782                              | 29.515                          |
| Scrap sales income                          | 7.435                              | 3.818                           | 2.530                               | 284                             |
| Government grants and incentives income     | 3.587                              | 2.165                           | 3.241                               | 822                             |
| Reversal of litigation provision (Note: 14) | 669                                | 151                             | 1.396                               | 376                             |
| Other income                                | 53.860                             | 15.344                          | 30.011                              | 7.141                           |
|   | <b>1.623.931</b>                   | <b>716.631</b>                  | <b>2.203.773</b>                    | <b>801.552</b>                  |
|   |                                    |                                 |                                     |                                 |
|   | 1 January-<br>30 September<br>2023 | 1 July-<br>30 September<br>2023 | 1 January -<br>30 September<br>2022 | 1 July-<br>30 September<br>2022 |
| <b>Other operating expenses (-)</b>         |                                    |                                 |                                     |                                 |
| Foreign exchange losses from operations     | (2.194.046)                        | (456.792)                       | (2.607.703)                         | (876.340)                       |
| Hedging expenses (Note: 21)                 | (305.410)                          | -                               | (2.088)                             | (624)                           |
| Due date difference expenses                | (51.564)                           | (24.703)                        | (42.516)                            | (38.509)                        |
| Discount expenses                           | (21.049)                           | 1.748                           | (58.392)                            | (36)                            |
| Grants and contributions                    | (8.022)                            | (224)                           | (1.342)                             | (106)                           |
| Litigation provision (Note: 14)             | (7.246)                            | (6.404)                         | (4.142)                             | (2.963)                         |
| Penalty and damages expenses                | (653)                              | (353)                           | (1.371)                             | (14)                            |
| Damages subject to litigation               | (254)                              | (254)                           | (74)                                | (6)                             |
| Other expenses                              | (43.194)                           | (24.881)                        | (22.110)                            | (11.677)                        |
|   | <b>(2.631.438)</b>                 | <b>(511.863)</b>                | <b>(2.739.738)</b>                  | <b>(930.275)</b>                |

#### 20. FINANCIAL INCOME AND EXPENSES

|                                     | 1 January-<br>30 September<br>2023 | 1 July-<br>30 September<br>2023 | 1 January -<br>30 September<br>2022 | 1 July-<br>30 September<br>2022 |
|-------------------------------------|------------------------------------|---------------------------------|-------------------------------------|---------------------------------|
| <b>Financial income</b>             |                                    |                                 |                                     |                                 |
| Foreign exchange gains              | 697.167                            | 179.680                         | 1.264.780                           | 246.004                         |
| Interest income                     | 108.501                            | 40.090                          | 95.389                              | 29.258                          |
| Currency translation reserve gains  | 60.635                             | 21.188                          | 54.050                              | 22.577                          |
| Other financial income              | 13                                 | (41.941)                        | 68                                  | (158)                           |
|                                     | <b>866.316</b>                     | <b>199.017</b>                  | <b>1.414.287</b>                    | <b>297.681</b>                  |
|                                     |                                    |                                 |                                     |                                 |
|                                     | 1 January-<br>30 September<br>2023 | 1 July-<br>30 September<br>2023 | 1 January -<br>30 September<br>2022 | 1 July-<br>30 September<br>2022 |
| <b>Financial expenses (-)</b>       |                                    |                                 |                                     |                                 |
| Foreign exchange losses             | (568.587)                          | (191.698)                       | (462.862)                           | (28.579)                        |
| Interest expenses                   | (432.687)                          | (214.813)                       | (291.013)                           | (122.596)                       |
| Bank commission expenses            | (130.291)                          | (52.777)                        | (27.925)                            | (10.680)                        |
| Currency translation reserve losses | (3.610)                            | (2.760)                         | (8.486)                             | (950)                           |
| Swap expense accrual (Note: 21)     | -                                  | -                               | (143.791)                           | (44.764)                        |
| Other financial expenses            | (29.311)                           | (24.023)                        | (39.346)                            | (31.124)                        |
|                                     | <b>(1.164.486)</b>                 | <b>(486.071)</b>                | <b>(973.423)</b>                    | <b>(238.693)</b>                |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 21. DERIVATIVE INSTRUMENTS

|                                    | 30 September 2023 |               | 31 December 2022 |                |
|------------------------------------|-------------------|---------------|------------------|----------------|
|                                    | Assets            | Liabilities   | Assets           | Liabilities    |
| Forward foreign exchange contracts | 169.339           | 77.485        | 8.528            | 353.686        |
| Current                            | 169.339           | 77.485        | 8.528            | 353.686        |
|                                    | <u>169.339</u>    | <u>77.485</u> | <u>8.528</u>     | <u>353.686</u> |

Currency derivatives:

The subsidiary of the Group, Toros Tarım utilizes currency derivatives to hedge significant future transactions and cash flows. Toros Tarım is party to a variety of foreign currency forward contracts in the management of its exchange rate exposures. The instruments purchased are primarily denominated in the currencies of the Toros Tarım's principal markets.

As of balance sheet date, the total notional amount of outstanding forward foreign exchange contracts to which Toros Tarım is committed are as follows:

|                                    | 30 September<br>2023 | 31 December<br>2022 |
|------------------------------------|----------------------|---------------------|
| Forward foreign exchange contracts | 3.276.049            | 4.913.599           |
|                                    | <u>3.276.049</u>     | <u>4.913.599</u>    |

As of 30 September 2023, the fair value of the Toros Tarım's currency derivatives is estimated to be 169.339 assets and 77.485 liabilities which is positive 91.854 (31 December 2022: assets 8.528, liabilities 353.686, negative 345.158). These amounts are based on quoted market prices for equivalent instruments at the balance sheet date and fair value hierarchy classification of derivative instruments is Level 2 (31 December 2022: Level 2). There have been no changes in the purpose or use of derivative instruments.

The fair value of currency derivatives that are designated and effective as cash flow hedges amounting to positive 68.877 has been deferred in equity, there is not any ineffective foreign currency derivative transactions during the period. (31 December 2022: Effective negative 276.075, 30 September 2022: effective negative 86.994). Gains amounting to 347.308 and expenses amounting to 305.410 concerning matured derivative contracts during the period have been recognized in profit or loss (30 September 2022: Gains amounting to 686.096 and losses amounting to 2.088 concerning matured derivative contracts during the period have been recognized in profit or loss).

#### Swap transactions:

Tekfen İnşaat performed currency swap transactions to hedge significant future transactions and cash flows from financial risk. As of 30 September 2023, Tekfen İnşaat has no cross currency swap transactions (31 December 2022: None). As of 30 September 2023, there is not any gain or loss recognized in profit or loss related to swap transactions (30 September 2022: 143.791 loss).

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 22. FOREIGN CURRENCY POSITION

| 30 September 2023   | Equivalent of<br>Thousands of TL | Thousands of US<br>Dollars | Thousands of EUR | Thousands of<br>GBP | Other (Equivalent of<br>Thousands of TL) |
|---|----------------------------------|----------------------------|------------------|---------------------|--|
| 1. Trade Receivables  | 3.229.610                        | 98.297                     | 4.119            | 56                  | 417.111                                  |
| 2. Monetary Financial Assets  | 3.485.767                        | 113.323                    | 8.648            | 16                  | 131.766                                  |
| 3. Other  | 855.934                          | 14.756                     | 13.837           | 234                 | 42.434                                   |
| 4. CURRENT ASSETS   | 7.571.311                        | 226.376                    | 26.604           | 306                 | 591.311                                  |
| 5. Trade Receivables  | 313.738                          | 7                          | 5.099            | -                   | 165.520                                  |
| 6. Monetary Financial Assets  | 1.287                            | -                          | -                | -                   | 1.287                                    |
| 7. Other  | 49.261                           | 1.477                      | 304              | -                   | -  |
| 8. NON-CURRENT ASSETS   | 364.286                          | 1.484                      | 5.403            | -                   | 166.807                                  |
| 9. TOTAL ASSETS   | 7.935.597                        | 227.860                    | 32.007           | 306                 | 758.118                                  |
| 10. Trade Payables  | 4.819.658                        | 153.927                    | 12.420           | 136                 | 240.532                                  |
| 11. Financial Liabilities   | 1.764.829                        | 55.121                     | 5.887            | -                   | 84.895                                   |
| 12. Monetary Other Liabilities  | 1.860.942                        | 23.682                     | 25.400           | -                   | 475.232                                  |
| 12b. Non-Monetary Other Liabilities   | 492.814                          | 2.795                      | 335              | -                   | 406.571                                  |
| 13. CURRENT LIABILITIES   | 8.938.243                        | 235.525                    | 44.042           | 136                 | 1.207.230                                |
| 14. Trade Payables  | 5.523                            | 136                        | 12               | -                   | 1.451                                    |
| 15. Financial Liabilities   | 302.556                          | -                          | 10.422           | -                   | -  |
| 16. Monetary Other Liabilities  | 102.964                          | 518                        | -                | -                   | 88.783                                   |
| 17. NON-CURRENT LIABILITIES   | 411.043                          | 654                        | 10.434           | -                   | 90.234                                   |
| 18. TOTAL LIABILITIES   | 9.349.286                        | 236.179                    | 54.476           | 136                 | 1.297.464                                |
| 19. Net Position of Off-balance Sheet Derivative Instruments (19a-19b)                            | 3.158.997                        | 115.390                    | -                | -                   | -  |
| 19a. Derivative Assets  | 3.158.997                        | 115.390                    | -                | -                   | -  |
| 19b. Derivative Liabilities   | -                                | -                          | -                | -                   | -  |
| 20. Net Foreign Currency Assets / Liabilities Position  | 1.745.308                        | 107.071                    | (22.469)         | 170                 | (539.346)                                |
| 21. Monetary Items Net Foreign Currency Assets / Liabilities position (1+2+5+6-10-11-12-14-15-16) | (1.826.070)                      | (21.757)                   | (36.275)         | (64)                | (175.209)                                |
| 22. Fair Value of Derivative Instruments Held for Hedging   | 91.854                           | 3.355                      | -                | -                   | -  |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 22. FOREIGN CURRENCY POSITION (cont’d)

| 31 December 2022  | Equivalent of<br>Thousands of TL | Thousands of US<br>Dollars | Thousands of EUR | Thousands of<br>GBP | Other (Equivalent of<br>Thousands of TL) |
|---|----------------------------------|----------------------------|------------------|---------------------|--|
| 1. Trade Receivables  | 2.056.523                        | 75.142                     | 6.131            | -                   | 529.274                                  |
| 2. Monetary Financial Assets  | 3.343.670                        | 167.562                    | 3.058            | 12                  | 149.315                                  |
| 3. Other  | 291.392                          | 5.245                      | 6.825            | -                   | 57.264                                   |
| 4. CURRENT ASSETS   | 5.691.585                        | 247.949                    | 16.014           | 12                  | 735.853                                  |
| 5. Trade Receivables  | 228.502                          | 47                         | 3.712            | -                   | 153.625                                  |
| 6. Monetary Financial Assets  | 920                              | -                          | -                | -                   | 920                                      |
| 7. Other  | 33.035                           | 1.335                      | 404              | -                   | 19                                       |
| 8. NON-CURRENT ASSETS   | 262.457                          | 1.382                      | 4.116            | -                   | 154.564                                  |
| 9. TOTAL ASSETS   | 5.954.042                        | 249.331                    | 20.130           | 12                  | 890.417                                  |
| 10. Trade Payables  | 7.122.260                        | 347.570                    | 8.273            | 37                  | 457.538                                  |
| 11. Financial Liabilities   | 209.476                          | -                          | 4.112            | -                   | 127.504                                  |
| 12. Monetary Other Liabilities  | 1.317.434                        | 27.267                     | 25.878           | -                   | 291.712                                  |
| 12b. Non-Monetary Other Liabilities   | 12.721                           | 498                        | 171              | -                   | -  |
| 13. CURRENT LIABILITIES   | 8.661.891                        | 375.335                    | 38.434           | 37                  | 876.754                                  |
| 14. Trade Payables  | 3.343                            | 84                         | 12               | -                   | 1.533                                    |
| 15. Financial Liabilities   | 280.026                          | -                          | 14.047           | -                   | -  |
| 16. Monetary Other Liabilities  | 83.675                           | 223                        | -                | -                   | 79.505                                   |
| 17. NON-CURRENT LIABILITIES   | 367.044                          | 307                        | 14.059           | -                   | 81.038                                   |
| 18. TOTAL LIABILITIES   | 9.028.935                        | 375.642                    | 52.493           | 37                  | 957.792                                  |
| 19. Net Position of Off-balance Sheet Derivative Instruments (19a-19b)                            | 4.514.405                        | 241.434                    | -                | -                   | -  |
| 19a. Derivative Assets  | 4.514.405                        | 241.434                    | -                | -                   | -  |
| 19b. Derivative Liabilities   | -                                | -                          | -                | -                   | -  |
| 20. Net Foreign Currency Assets / Liabilities Position  | 1.439.512                        | 115.123                    | (32.363)         | (25)                | (67.375)                                 |
| 21. Monetary Items Net Foreign Currency Assets / Liabilities position (1+2+5+6-10-11-12-14-15-16) | (3.386.599)                      | (132.393)                  | (39.421)         | (25)                | (124.658)                                |
| 22. Fair Value of Derivative Instruments Held for Hedging   | (345.158)                        | (18.459)                   | -                | -                   | -  |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira (“TL”) unless otherwise stated.)

#### 22. FOREIGN CURRENCY POSITION (cont'd)

##### Foreign currency sensitivity

The Group is exposed to foreign exchange risk primarily with respect to US Dollars and Euro.

The following table details the Group’s sensitivity to a 5% increase and decrease in foreign currency rates. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management’s assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the nine month interim period end for a 5% change in foreign currency rates. Positive number indicates an increase in profit or loss.

|   | 30 September 2023                                 |                                       |
|---|---|---------------------------------------|
|   | Profit / (Loss)                                   |                                       |
|   | Appreciation of<br>foreign currencies             | Depreciation of<br>foreign currencies |
|   | If US Dollars changes 5% against TL               |                                       |
| US Dollars net assets / liabilities             | 146.563   | (146.563)                             |
|   | If Euro changes 5% against TL                     |                                       |
| Euro net assets / liabilities                   | (32.614)  | 32.614                                |
|   | If other foreign currencies changes 5% against TL |                                       |
| Other foreign currency assets / liabilities     | (26.684)  | 26.684                                |
| TOTAL   | 87.265  | (87.265)                              |
|   | 31 December 2022                                  |                                       |
|   | Profit / (Loss)                                   |                                       |
|   | Appreciation of<br>foreign currencies             | Depreciation of<br>foreign currencies |
|   | If US Dollars change 5% against TL                |                                       |
| US Dollars net assets / liabilities             | 107.630   | (107.630)                             |
|   | If Euro changes 5% against TL                     |                                       |
| Euro net assets / liabilities                   | (32.258)  | 32.258                                |
|   | If other foreign currencies change 5% against TL  |                                       |
| Other foreign currency net assets / liabilities | (3.396)   | 3.396                                 |
| TOTAL   | 71.976  | (71.976)                              |



## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 23. FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities are determined and grouped as follows:

- Level 1: The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- Level 2: The fair value of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on using prices from direct or indirect observable current market transactions.
- Level 3: The fair value of the financial assets and financial liabilities are determined where there is no observable market data.

Long-term financial investments and derivative instruments of the Group are measured at their fair values. Book values of other financial assets and liabilities approximate their fair values.

There are 1.538.202 KKM in short-term financial investments. The relevant amount is presented at fair value (31 December 2022: 1.596.161). The fair value hierarchy is shown as Level 2.

Except for the financial investments mentioned above, Eurobonds amounting to 238.201 were shown in short-term financial investments are classified as financial assets measured at amortized cost (31 December 2022: short-term financial investments 171.464).

The fair values of financial assets and liabilities are as follows:

|   | 30 September<br>2023 | Fair value level as of reporting date |                |                  |
|---|----------------------|---------------------------------------|----------------|------------------|
|   |                      | Level 1                               | Level 2        | Level 3          |
| <b>Financial instruments</b>  |                      |                                       |                |                  |
| Fair value through other comprehensive income financial investments | 1.533.257            | 538.438                               | -              | 994.819          |
| Fair value through profit or loss financial investments             | 1.710.277            | 17.995                                | -              | 1.692.282        |
| Derivative instruments  | 169.339              | -                                     | 169.339        | -                |
| <b>Total</b>  | <b>3.412.873</b>     | <b>556.433</b>                        | <b>169.339</b> | <b>2.687.101</b> |
| <b>Financial liabilities</b>  |                      |                                       |                |                  |
| Derivative instruments  | 77.485               | -                                     | 77.485         | -                |
| <b>Total</b>  | <b>77.485</b>        | <b>-</b>                              | <b>77.485</b>  | <b>-</b>         |
|   |                      |                                       |                |                  |
|   | 31 December<br>2022  | Fair value level as of reporting date |                |                  |
|   |                      | Level 1                               | Level 2        | Level 3          |
| <b>Financial instruments</b>  |                      |                                       |                |                  |
| Fair value through other comprehensive income financial investments | 1.038.530            | 324.926                               | -              | 713.604          |
| Fair value through profit or loss financial investments             | 1.024.408            | 10.669                                | -              | 1.013.739        |
| Derivative instruments  | 8.528                | -                                     | 8.528          | -                |
| <b>Total</b>  | <b>2.071.466</b>     | <b>335.595</b>                        | <b>8.528</b>   | <b>1.727.343</b> |
| <b>Financial liabilities</b>  |                      |                                       |                |                  |
| Derivative instruments  | 353.686              | -                                     | 353.686        | -                |
| <b>Total</b>  | <b>353.686</b>       | <b>-</b>                              | <b>353.686</b> | <b>-</b>         |

Translated into English from the report originally issued in Turkish.

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 23. FINANCIAL INSTRUMENTS (cont'd)

Changes of financial investments measured at their fair values during the period are as follows:

|   | Fair value through profit or loss financial investments |           | Fair value through other comprehensive income financial investments |          | Total     |
|---|---|-----------|---|----------|-----------|
|   | Level 1   | Level 3   | Level 1   | Level 3  |           |
|   | Opening balance as at 1 January 2023                    | 10.669    | 1.013.739   | 324.926  |           |
| Additions                               | -   | 43.039    | -   | -        | 43.039    |
| Fair value increase (decrease)          | 4.035   | 125.331   | 213.512   | (35.185) | 307.693   |
| Disposals                               | (2.110)   | -         | -   | -        | (2.110)   |
| Currency translation effect             | 5.401   | 510.173   | -   | 316.400  | 831.974   |
| Closing balance as at 30 September 2023 | 17.995  | 1.692.282 | 538.438   | 994.819  | 3.243.534 |

  

|   | Fair value through profit or loss financial investments |           | Fair value through other comprehensive income financial investments |           | Total     |
|---|---|-----------|---|-----------|-----------|
|   | Level 1   | Level 3   | Level 1   | Level 3   |           |
|   | Opening balance as at 1 January 2022                    | 78.885    | 713.301   | 170.857   |           |
| Transfers                               | 12.447  | (12.447)  | -   | -         | -         |
| Additions                               | -   | 76.668    | -   | 12.398    | 89.066    |
| Fair value increase (decrease)          | (99.091)  | (9.676)   | 55.547  | (4.759)   | (57.979)  |
| Currency translation effect             | 22.371  | 309.615   | -   | 383.156   | 715.142   |
| Closing balance as at 30 September 2022 | 14.612  | 1.077.461 | 226.404   | 1.294.037 | 2.612.514 |

The following methods have been used in measuring the fair values of the significant financial investment of the Group, those fair value level are determined to be Level 3:

#### Non-traded fair value through other comprehensive income financial investments

##### *SOCAR Polymer Investments LLC*

| <i>Valuation Method</i>               | <i>30 September 2023 Fair Value</i> | <i>Unobservable Inputs</i>                    | <i>Relation Between Unobservable Inputs and Fair Value Measurement</i>  |
|---------------------------------------|-------------------------------------|---|---|
| Income Approach, Discounted Cash Flow | 855.393                             | Weighted average cost of capital ratio: 13,2% | If the weighted average cost of capital ratio is increased to 14,2%, the estimated fair value decreases by 103.372; If it is decreased to 12,2%, the estimated fair value increases by 123.119. |

  

| <i>Valuation Method</i>               | <i>31 December 2022 Fair Value</i> | <i>Unobservable Inputs</i>                    | <i>Relation Between Unobservable Inputs and Fair Value Measurement</i>  |
|---------------------------------------|------------------------------------|---|---|
| Income Approach, Discounted Cash Flow | 584.234                            | Weighted average cost of capital ratio: 13,2% | If the weighted average cost of capital ratio is increased to 14,2%, the estimated fair value decreases by 70.603; If it is decreased to 12,2%, the estimated fair value increases by 84.090. |

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 23. FINANCIAL INSTRUMENTS (cont'd)

##### Non-traded fair value through other comprehensive income financial investments (cont'd)

##### ***Berlin Light JV S.a.r.l and Cording Dortmund Hiltropwall SCSp***

Discounted cash flow and adjusted equity methods have been used in the fair value measurements of the related financial investments, and the cash flows expected to be obtained in the future are discounted to the present by using appropriate discount factors and the shareholders' equity is adjusted according to the discounted amounts.

##### Non-traded fair value through profit or loss financial investments

| <i>Industry</i>    | <i>Valuation Method</i> | <i>30 September 2023 Fair Value</i> | <i>Unobservable Inputs</i>         | <i>Relation Between Unobservable Inputs and Fair Value Measurement</i>  |
|--------------------|-------------------------|-------------------------------------|------------------------------------|---|
| <i>Contracting</i> | Equivalent value        | 127.544                             | Valuation multiplier : 1,16 - 1,39 | If the average valuation multiplier is increased by 10%, the estimated fair value increases by 23.705, in case of a 10% decrease, the estimated fair value decreases by 23.705.   |
|                    | Held at cost            | 109.507                             | Valuation multiplier : 1,00        |   |
| <i>Agriculture</i> | Equivalent value        | 1.238.903                           | Valuation multiplier : 2,21 - 2,46 | If the average valuation multiplier is increased by 10%, the estimated fair value increases by 123.890, in case of a 10% decrease, the estimated fair value decreases by 123.890. |
| <i>Other</i>       | Equivalent value        | 216.328                             | Valuation multiplier : 0,61 - 2,94 | If the average valuation multiplier is increased by 10%, the estimated fair value increases by 21.633, in case of a 10% decrease, the estimated fair value decreases by 21.633.   |

| <i>Industry</i>    | <i>Valuation Method</i> | <i>31 December 2022 Fair Value</i> | <i>Unobservable Inputs</i>        | <i>Relation Between Unobservable Inputs and Fair Value Measurement</i>  |
|--------------------|-------------------------|------------------------------------|-----------------------------------|---|
| <i>Contracting</i> | Equivalent value        | 92.012                             | Valuation multiplier: 1,16 - 3,51 | If the average valuation multiplier is increased by 10%, the estimated fair value increases by 16.681, in case of a 10% decrease, the estimated fair value decreases by 16.681. |
|                    | Held at cost            | 74.793                             | Valuation multiplier: 1,00        |   |
| <i>Agriculture</i> | Equivalent value        | 692.562                            | Valuation multiplier: 1,11 - 2,25 | If the average valuation multiplier is increased by 10%, the estimated fair value increases by 69.256, in case of a 10% decrease, the estimated fair value decreases by 69.256. |
| <i>Other</i>       | Equivalent value        | 154.372                            | Valuation multiplier: 0,48 - 2,94 | If the average valuation multiplier is increased by 10%, the estimated fair value increases by 15.437, in case of a 10% decrease, the estimated fair value decreases by 15.437. |

## TEKFEN HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTH INTERIM PERIOD ENDED 30 SEPTEMBER 2023

(Amounts are expressed in thousands of Turkish Lira ("TL") unless otherwise stated.)

#### 23. FINANCIAL INSTRUMENTS (cont'd)

##### Non-traded fair value through profit or loss financial investments (cont'd)

Industrial distribution of the fair value movement of non-traded fair value through profit or loss financial investments is as follows:

|   | Fair value through profit or loss financial investments<br>(Level 3) |                  |                |                  |
|---|--|------------------|----------------|------------------|
|   | Contracting  | Agriculture      | Other          | Total            |
| Opening balance as at 1 January 2023    | 166.805  | 692.562          | 154.372        | 1.013.739        |
| Additions                               | 4.265  | 33.235           | 5.539          | 43.039           |
| Fair value change                       | (10.068)   | 148.776          | (13.377)       | 125.331          |
| Currency translation effect             | 76.049   | 364.330          | 69.794         | 510.173          |
| Closing balance as at 30 September 2023 | <u>237.051</u>   | <u>1.238.903</u> | <u>216.328</u> | <u>1.692.282</u> |
|   | Contracting  | Agriculture      | Other          | Total            |
| Opening balance as at 1 January 2022    | 103.822  | 402.346          | 207.133        | 713.301          |
| Transfers (Level 1)                     | -  | -                | (12.447)       | (12.447)         |
| Additions                               | 31.724   | 37.012           | 7.932          | 76.668           |
| Fair value change                       | 8.613  | 5.774            | (24.063)       | (9.676)          |
| Currency translation effect             | 50.929   | 178.453          | 80.233         | 309.615          |
| Closing balance as at 30 September 2022 | <u>195.088</u>   | <u>623.585</u>   | <u>258.788</u> | <u>1.077.461</u> |

#### 24. SUBSEQUENT EVENTS

Tekfen İnşaat ve Tesisat A.Ş.'s The National Road Infrastructure Management Company S.A. in Romania. It won the tender to undertake the "Ploiesti-Buzau Highway Lot 3: Pietroasele-Buzau, km 49+350 –km 63+250" Project, which was planned to be built by (CNAIR), and it was contestation against the results of the tender. In the letter received from the Romanian Highway Administration dated 23 October 2023, it was stated that as a result of revaultation that was made after the contestation, Tender has been awarded to an another tenderer contestated against the results of the tender.

Tekfen Yenilenebilir Enerji Çözümleri A.Ş. was established on 23 October 2023.

After the balance sheet date, a positive difference of 158.392 was realized in the fair value of one of the Group's publicly traded financial investments whose fair value difference was reflected in other comprehensive income.

After the balance sheet date, there was a negative difference of 2.474 in the fair value of one of the Group's financial investments whose fair value difference is reflected in profit or loss.