SUCCESS ACROSS THE SHORES

GLOBAL
INVESTMENT HOLDINGS

ANNUAL REPORT 2023

Contents

AS GLOBAL INVESTMENT HOLDINGS, WE NAVIGATE SUCCESSFULLY ON A GLOBAL LEVEL, OPERATING IN 17 COUNTRIES ACROSS FOUR CONTINENTS, WITH INVESTMENTS IN A DIVERSE RANGE OF BUSINESS LINES.

IN 2023, WE TOOK POWERFUL GROWTH STEPS IN NUMEROUS BUSINESS AREAS, SURMOUNTING CHALLENGING CONDITIONS. OUR PROFITABILITY INCREASED SIGNIFICANTLY, THANKS TO ACTIVITY IN ALL LINES OF BUSINESS, INCLUDING ESPECIALLY THE CRUISE PORT.

OUR ACHIEVEMENTS DRIVE EVER MORE AMBITIOUS GOALS. WE PROGRESS STEADILY, FOCUSING ON THE ENVIRONMENT, SOCIETY AND GOVERNANCE ALONG AN EFFICIENCY-DRIVEN ROUTE TO THE FUTURE.

INCREASE IN CONSOLIDATED REVENUES

34%

(WITHOUT IAS29)

SUCCESS IS THE ABILITY TO

HA LONG-VIETNAM

NEGOTIATE BOTTLENECKS

WE ARE UNDERGOING A PERIOD CHARACTERIZED BY ELEVATED GEOPOLITICAL RISKS FOR THE GLOBAL ECONOMY, AND TIGHT MONETARY POLICIES IN RESPONSE TO HIGH INFLATION WORLDWIDE. DESPITE OPERATING AMID UNCERTAINTY, WE CONTINUE TO ATTAIN POSITIVE RESULTS, THANKS TO OUR COMPETENT AND EXPERIENCED LEADERSHIP, ACHIEVING OUTSTANDING RESULTS IN TERMS OF NET PROFIT, REVENUES, AND EBITDA.

INCREASE IN
CONSOLIDATED
EBITDA

52%

(WITHOUT IAS29)

SUCCESS IS MAKING

NASSAU - THE BAHAMAS

NEW DISCOVERIES

GLOBAL PORT OPERATIONS ARE NOW NOT ONLY BACK TO NORMAL BUT ARE BETTER THAN EVER. WE NOW HAVE 30 CRUISE PORTS ACROSS 17 DIFFERENT COUNTRIES, THUS FULFILLING OUR PROMISE. IN 2023, WE SUCCESSFULLY COMPLETED THE CONSTRUCTION OF NASSAU CRUISE PORT AS PLANNED AND ON SCHEDULE.

TOTAL INSTALLED CAPACITY IN THE POWER GENERATION BUSINESS

98

MW

SUCCESS IS PROVING

TARANTO - ITALY

YOUR STRENGTH

GLOBAL PORTS HOLDING SUCCESSFULLY ISSUED USD 330 MILLION IN A SECURED PRIVATE PLACEMENT, WHICH RECEIVED INVESTMENT-GRADE CREDIT RATINGS FROM TWO PROMINENT RATING AGENCIES. LEADING INSURANCE AND ASSET MANAGEMENT ORGANIZATIONS WORLDWIDE PARTICIPATED IN THIS TRANSACTION, MAKING IT ONE OF THE MOST SUCCESSFUL DEBT TRANSACTIONS BY A TÜRKİYE-BASED COMPANY. THIS ACHIEVEMENT IS ATTRIBUTED TO SECURING FAVORABLE CONDITIONS, SUCH AS LOW INTEREST RATES AND EXTENDED MATURITY PERIODS. OUR ENERGY COMPANIES, CONSUS AND NATURELGAZ, TOOK STRONG STEPS TOWARD THE FUTURE DESPITE CHALLENGING CONDITIONS. WE CONTINUE TO GROW OUR OPERATIONS IN THE ENERGY BUSINESS BY FOCUSING ON SOLAR.

EBITDA GROWTH IN SECURITIES AND ASSET MANAGEMENT

127%

(WITHOUT IAS29)

SUCCESS IS

WE CONSISTENTLY CREATE VALUE IN THE FIELD OF FINANCE. ISTANBUL ASSET MANAGEMENT CONTINUES TO RANK AS THE LARGEST INDEPENDENT, NON-BANK ASSET MANAGEMENT COMPANY. IN A YEAR CHARACTERIZED BY NUMEROUS PUBLIC OFFERINGS, OUR BROKERAGE FIRM – GLOBAL SECURITIES – GREATLY EXCEEDED EXPECTATIONS.

RENEWABLE ENERGY INVESTMENTS

41.8

MW

SUCCESS IS GETTING

READY FOR THE FUTURE

AS A HOLDING, WE ARE ENTERING A PERIOD IN WHICH WE MUST DEFINE CLEAR TARGETS IN TERMS OF SUSTAINABILITY. IN ADDITION TO COST CONTROL ACTIONS AND EXPANSION INTO NEW BUSINESS AREAS; WE WILL FOCUS ON ENVIRONMENTAL, SOCIAL, AND GOVERNANCE-BASED INVESTMENTS. WE WILL DESIGN SUSTAINABILITY-ALIGNED ESG INITIATIVES FOR LONG-TERM SUCCESS BASED ON RESPONSIBLE CORPORATE GOVERNANCE AND BUSINESS STRATEGIES.

Chairman's Message

I AM PLEASED TO REPORT THAT IN 2023 OUR PERFORMANCE ACROSS MOST BUSINESS LINES WAS WELL

Dear Shareholders and Stakeholders,

Perplexing contrasts seemed to be a feature of 2023. On one hand, the increasingly common use of artificial intelligence heralded the greatest change since the IBM 8086/88 started to edge out electronic typewriters in offices. On the other, humans continued to kill each other and orchestrate wars in a pattern existing before the invention of writing. On the one hand, the movie Barbie dominated the box office. On the other, it was teamed up with Oppenheimer. On the one hand, the COP 28 met again to try to avert the disaster of global warming; on the other, the summit was held in the United Arab Emirates. In the United States, Joe Biden continued his run as the oldest serving president, at the sprightly age of 81 outstripping even Ronald Reagan. Meanwhile, his likely challenger, Donald Trump, would – if he wins in 2024 – become the second-oldest person to be president of the United States. And at the same time, life expectancy in the US was last reported to be slightly lower than in Sri Lanka.

In Türkiye, we had a period before the general elections during which forward-looking real interest rates were probably around negative forty percent. Following the elections, we have come to a point where these rates are now neutral, possibly slightly positive. From an environment in which the Central Bank of the Republic of Türkiye (CBRT) policy was crafted to wean people off foreign currency accounts by offering guarantees on lira deposits, we are back to the old normal where the market effectively sets demand for different classes of assets. From being highly heterodox, we have moved to generally orthodox. The first economic impacts of this reversal of policy can already be felt, with current borrowing costs effectively double what they were a year ago, and we shall no doubt see more of an impact in the first half of 2024.

In most of the world, central banks have paused their interest rate hikes as the post-Covid surge in inflation seems to have been brought under control, and there is a likelihood that a rate-cutting cycle will start in the last quarter of 2024. Türkiye joined the ranks late, but moved far more aggressively; it is possible that we may see some rate-cutting start in the final quarter of 2024. However, I apologise to our stakeholders for the fact that our accounts for 2023 and likely 2024 will be a little different to what they have become accustomed. Inflation accounting is the order of the day, for now.

The order of the day is AI-regulation and de-risking global supply chains. Fortunately, we are not a company that is excessively exposed to either of these megatrends. For example, the ships arriving at our ports with Chinese passengers should not pose an existential threat to the EU or the US, nor should our solar energy business attract the geopolitical wrath of China. We are not in manufacturing, nor do we mine strategic minerals. Similarly, it is also too early to consider whether turning bionic or uploading ourselves into a computer realm would suit Global's interests. In the much shorter term, 2024 should see a gradual return to a more comfortable – and at the very least more normal – economic backdrop across the world, and better operating conditions for most corporations.

I am pleased to report that in 2023 our performance across most business lines was well ahead of inflation as well as budget figures, and that our expansion continues. The first of the two exceptions was the natural gas business, and that was as expected; not every year will be as stunningly good as 2022. The second was mining and, again, that was foreseen. To compensate, it was the best ever year for our ports business, which is set to grow strongly again in 2024. I would like to emphasize that, in 2023, any performance below what we would normally consider unacceptable was almost entirely caused either by unsustainable growth due to interesting economic policies being partially reversed, or because the treatment prescribed for said policies was having a temporary negative impact.

Mehmet Kutman
Chairman

2023 WAS THE BEST YEAR EVER FOR OUR PORTS BUSINESS

NET REVENUES

9.6

TL BILLION (WITHOUT IAS29 AND EXCLUDING IFRIC 12)

Chairman's Message

NATURELGAZ HAD SIGNIFICANTLY BOLSTERED ITS MARKET SHARE, COMMANDING NEARLY 35% OF THE LNG/CNG MARKET AND AN IMPRESSIVE NEARLY 85% IN THE CNG MARKET ALONE

Global Ports Holding is now back to normal and has exceeded its budget figures by a great margin. We have delivered on our promises and reached 30 cruise ports in 17 countries. We organized a grand opening ceremony for Nassau Cruise Port following completion of the construction works as expected. We expect to welcome over 20 million passengers at our ports next year; this will translate into an EBITDA of over USD 150 million for GPH's fiscal year if we maintain the momentum and expand on our ancillary revenue business, which will be the main focus going forward, along with environment, social and governance (ESG), though the eventual impact of ESG is still unfolding.

The year 2023 marked a period of robust performance for Global Ports Holding, outpacing both our plans and the achievements of the previous year. This success was primarily realized in the first nine months, driven by a conservative forecast that underestimated the rapid resurgence in traffic beginning in spring 2023. From October onwards, our performance has aligned closely with our budget, maintaining satisfactory traffic levels. However, we have encountered challenges in maintaining cost efficiency due to inflationary pressures and a scarcity of human resources, which have influenced pricing. Given these developments, cost control has emerged as a critical focus area in recent weeks. Looking ahead, I am optimistic about our prospects, anticipating double-digit growth in FY2025. This optimism is partly based on the limited impact of a full recovery in our ongoing FY2024, but more so on the structural growth trends within our industry.

Our experience in 2023 reaffirms that economic headwinds, such as high inflation and broader macroeconomic concerns, have a minimal effect on the cruise industry's appeal. The value proposition to customers remains strong, with cruises continuing to sell briskly, and ships operating at full capacity. Our focus on yield management has begun to bear fruit, underlining the inherent high margins of our business model.

There are, of course, specific challenges ahead. The high debt load, despite extended maturities, and the strain on our human resources at Global Ports Holding are internal concerns that need careful management. On the macro level, geopolitical tensions, particularly the Israel-Gaza conflict, have impacted our operations in Turkish ports, highlighting the complexity of navigating geopolitical uncertainties and their effects on travel patterns. Looking further ahead, sustainability and ESG issues pose both unknowns and certainties. While these considerations are likely to increase costs and impose more stringent restrictions across the entire tourism sector, the cruise industry may face disproportionately higher impacts, potentially affecting its relative appeal.

In summary, while Global Ports Holding has navigated the past year with significant success, the path forward requires careful attention to cost control, strategic management of resources, and a proactive approach to emerging challenges such as ESG concerns and geopolitical uncertainties. Our industry's structural growth trends and the enduring appeal of cruising provide a solid foundation for optimism, but we must remain vigilant and adaptable to sustain our growth trajectory in the face of these evolving dynamics.

The drivers affecting our LNG subsidiary **Naturelgaz** were quite different. By the close of 2023, Naturelgaz had significantly bolstered its market share, commanding nearly 35% of the LNG/CNG market and an impressive nearly 85% in the CNG market alone. This growth trajectory underscores the Company's robust market positioning and its ability to capitalize on emerging opportunities within the energy sector. The Company's strategic initiatives in 2023 were noteworthy, encompassing an ambitious expansion plan that saw the signing of new city gas and CNG contracts. These contracts, covering an average of three years across 35 districts, totalled 222 million m^3, significantly enhancing Naturelgaz's footprint across Türkiye. By year's end, the Company's service reach extended to 132 districts and towns, spanning all seven regions of the country, and particularly marking substantial achievements in the city gas segment.

INCREASE IN REVENUE EXCLUDING GAS & MINING

98%

(WITHOUT IAS29)

While Naturelgaz will remain known as our natural gas subsidiary, a significant aspect of Naturelgaz's operations in 2023 was its diversification, as evidenced by continued investments in solar energy projects. Notable projects included the commissioning of a 2.4 MWp facility in Konya and the initiation of an 18.7 MWp GES project in Muş. These investments not only reinforce the Company's dedication to sustainable energy solutions, but also align with ESG objectives. Naturelgaz pledged to prioritize ESG considerations across its operations, implementing necessary regulations and improving internal management practices to reflect these values.

The year 2023 was earmarked as a pivotal investment year for Naturelgaz, with a clear focus on augmenting capacity and reducing operational costs. The Company's investment strategy was multifaceted, involving the commissioning of new industrial CNG facilities, the acquisition of tractors, and the aforementioned forays into solar energy. These initiatives were aimed at cutting expenses in logistics and electricity, underscoring a commitment to operational efficiency and sustainability. Additionally, investments in manufacturing facilities for pressure reduction equipment were targeted at boosting the efficiency of customer-site equipment, with all investment expenditures for the year fully funded through the Company's equity, thanks to its strong balance sheet.

Following the energy cost volatilities in 2022, largely attributed to the Ukraine war, 2023 was relatively more stable for Naturelgaz and the broader energy market. The outlook for 2024 is positive, with expectations of a calmer year for natural gas markets, characterized by low volatility and no significant supply concerns. BOTAŞ's LNG and CNG tariffs for 2024 have been set close to cost levels, with TTF gas futures contracts indicating a decrease in average prices from 2023. Predictions suggest a continued pressure on future prices due to factors such as mild winter conditions in the Northern Hemisphere, early filling of European gas storages, and ongoing economic slowdowns, including in China.

Moreover, despite the geopolitical tensions observed in the Red Sea and their impact on trade flows, the energy market has shown resilience, with Brent crude prices rebounding in response to these developments. The narrative around these geopolitical tensions and their potential implications on energy prices highlights the complex interplay between global events and market dynamics; Naturelgaz is navigating these challenges with strategic foresight and operational agility.

In sum, Naturelgaz's journey through 2023 was marked by strategic expansion, significant investments in sustainability and efficiency, and a steadfast commitment to ESG principles. Despite facing regulatory and demand-related challenges, the Company not only managed to enhance its market share and operational footprint, but also set a strong foundation for continued growth and innovation in the energy sector. Looking ahead, Naturelgaz remains poised to leverage its market strengths, sustainability initiatives, and stakeholder support to navigate the evolving energy landscape, with a positive outlook for the natural gas markets in 2024.

Consus and Straton, our energy and mining companies, performed much in line with their budget figures, but the price of natural gas did not rise as expected and increasing operation costs had a negative impact on our trigen/cogen business arm.

Looking forward, in the biomass power segment, we have a good supply of biomass fuel, with nearly 70% of 2024's projected needs in place, thus minimizing cost fluctuations. Our power generation has shown positive trends over the past three to four years, except for the smaller capacity Urfa plant. Anticipating no unforeseen events, we expect to maintain this performance level. Additionally, we are expanding our Mardin biomass plant with a 7 MW solar addition, slated for July commissioning. Timely completion of this capex program is crucial to avoid any negative impact on our operations.

Chairman's Message

ISTANBUL ASSET MANAGEMENT HAS ALSO HAD AN EXCELLENT YEAR, GIVEN THE GYRATIONS IN ECONOMIC POLICY

For distributed power and cogeneration, profitability largely hinges on the margin between electricity sales prices and natural gas costs. As this margin expands, so does our profitability – although these price dynamics are beyond our control. We will adapt our operations to the prevailing price conditions.

In the distributed solar power segment, our revenue is tied to electricity prices and solar radiation levels. With no significant cost items in this line, we do not foresee major deviations in performance. Similarly, our solar operations, which benefit from a USD-denominated feed-in tariff, are expected to perform as budgeted.

Most of our revenue in Consus is tied to foreign currency tariffs, while our operating expenses are largely in Turkish Lira. Consequently, the forecast relative strength of the lira in 2024 is expected to put pressure on margins, rendering cost control of the utmost importance.

In Consus's mining division, the global economic slowdown, particularly in our main export market, Europe, led to reduced sales volumes in 2023. Our 2024 budget is built on the premise of no significant recovery in these volumes. Despite overall volume contraction, we anticipate sustained demand for quality/processed products, which, although smaller in volume compared to unprocessed/bulk feldspar, offer higher margins. We plan to maintain our sales prices at 2023 levels to preserve market share and client relations, despite the inflationary trend in Europe.

Operating expenses in mining are projected with the same inflation and currency depreciation assumptions as in the power sector. Given the mining business's low leverage (around 1x EBITDA), financial management appears more straightforward in this segment. We are targeting an improvement in our EBITDA performance in 2024.

Overall, both energy and mining face their unique set of challenges and opportunities. The power sector's strategic investments and operational adjustments in response to market conditions, alongside the mining sector's focus on high-margin products and market position maintenance, outline our proactive approach to navigating the anticipated economic landscape. Through careful management of operational expenses, currency impact, and debt financing, we are poised to not only confront the challenges ahead but also capitalize on opportunities to strengthen our market position and financial performance in the coming year.

In our **real estate** division, we expect to see a continued normalisation after the Covid period. The performance of our Van shopping centre in 2023 was excellent, and we expect to see good real increases in profitability driven by turnover-related rental income in 2024. Conversely, the Rıhtım 51 project continues – a rebuilding and transformation of our previous headquarters – and this will act as a small net negative to the division's performance in 2024 as well. The longer-term prospects for both Van and Rıhtım 51 look solid, which is in sharp contrast to the travails of previous years. The Company is to be commended.

Istanbul Asset Management has also had an excellent year, given the gyrations in economic policy. Assets under management have increased substantially to nearly TL 68 billion and Istanbul Asset Management remains the largest independent asset management company. In response to the implementation of economic strategies influenced by the government's proprietary economic policy, the disparity between interest rates and asset prices led to an unsustainably high increase in performance fees in 2022. However, 2023 was a more challenging year than 2022 due to a combination of factors: an earthquake in February, elections in May, and a shift in macroeconomic policies following the May elections. This led the Central Bank of the Republic of Türkiye (CBRT) to increase the benchmark interest rate from 8.5% to 42.5%, coupled with the stock market's relatively weaker performance.

Consequently, Istanbul Asset Management's performance fees saw a reversal of the "unsustainable" part of the 2022 performance, though the overall performance relative to 2022 was nonetheless very strong. Despite

NET PROFIT
2.0
TL TRILLION

the modest growth in performance fees in 2023 and an increase in corporate tax from 25% to 30% for financial companies, Istanbul Asset Management was still able to increase its net profit roughly in line with inflation, this being helped by proprietary income.

With the expectation of continued strict monetary policy and a higher-interest rate environment, 2024 looks to be a challenging year for the Turkish asset management industry. However, we expect the more orthodox operating environment to provide accelerating revenues as the year progresses, and 2024 to see a better performance in real terms than 2023.

In the case of **Global Securities** (our securities company), 2023 was a year in which the same factors driving the Istanbul Asset Management performance affected the outcome, but in reverse: the very low interest rate boosted interest in the stock market in particular and, though companies' performance was pulled in different directions as a result of the unorthodox economic policy, a lack of alternatives meant that the year was overall very good, driven by both trading and corporate finance. A partial reversal is likely in the second quarter of 2024, though the expected normalization of the economy in the fourth quarter should stabilize performance into a healthier long-term trend.

Specific to the Company, a rise in trading volumes in Turkish equities and derivatives is expected. This is driven by several factors: the inauguration of new branches, contributions from foreign clients to the overall trading volume, adoption of colocation practices at Borsa Istanbul, enhancements in the electronic interfaces, and partnerships with IT firms such as Matriks and Foreks.

Corporate finance revenues for 2024 are projected to continue, from advisory services and earnings from initial public offerings (IPOs) and private sector bond issues, similar to 2023. Our Company has secured deals for IPO processes with four different companies for the year 2024. With these contributions, we are aiming for a 60% increase in corporate finance transaction revenues.

However, continued high inflation and currency appreciation in 2024 will adversely affect general expenses, though increases in these expense categories have been accounted for in our budget. Key expense areas, including salaries, income tax, provisions for unused leave, severance payments and IT expenses, have been adjusted upwards, closely aligning with the rate of inflation in Türkiye.

Returning to Global Investment Holdings as a whole, may I express my pleasure at the fact that the debt level of the Group as a whole has improved. In 2021, net debt to EBITDA was above 11x, which was a little too high for our liking. In 2022, this improved to under 5x, and was again under 5x in 2023. Separating this by company, we see the tremendous impact of our rapid growth (and hence investment) at the ports; stripped of Global Ports Holding, this ratio is as low as 2x for 2023. This we believe is easily sustainable, but also highlights the importance of the good financial management at Global Ports Holding, which I noted earlier.

I would like to thank all stakeholders in Global Investment Holdings for their contributions to the Company. I look forward to many more years of exciting developments and growth.

Mehmet Kutman
Chairman

Global Investment Holdings Group in Summary

GIH FOCUSES ON MAXIMIZING SHAREHOLDER VALUE BY DIVERSIFYING INVESTMENTS IN ITS OPERATIONAL AREAS AND EXECUTING AGILE INVESTMENT STRATEGIES

GIH AT A GLANCE

Global Investment Holdings (GIH) is a diversified conglomerate with investments in a number of businesses – port infrastructure, energy generation, non-piped natural gas sales and distribution, mining, real estate development, brokerage and asset management. GIH focuses on maximizing shareholder value by diversifying investments in its operational areas and executing agile investment strategies. The Group, founded as a brokerage firm in 1990, has operated as a holding, and multi-faceted group of companies since 2005, transforming into a dynamic investment vehicle. The Holding focuses on a variety of nascent business sectors and traditional non-banking financial service providers that offer high growth potential with "first mover" advantages. GIH functions as an umbrella to manage key issues, such as investment, financing, organization, and management, of its affiliates by participating in their capital and management.

Global Investment Holdings is registered with the Capital Markets Board of Türkiye (CMB). GIH has been listed on Borsa Istanbul (BIST) since May 1995. (GIH stock formerly traded under the company name Global Menkul Değerler A.Ş. from May 1995 to 1 October 2004.) Currently, 99.99% of GIH's shares are traded on BIST. GIH completed its first IPO abroad, on the London Stock Exchange, in May 2017 with its ports subsidiary Global Ports Holding Plc. Additionally, among the Group companies, Naturelgaz, non-piped natural gas subsidiary, Consus Enerji, operating in renewables and distributed power and Global Securities offering brokerage services, are listed on Borsa Istanbul, trading under the tickers NTGAZ, CONSE and GLBMD, respectively. Furthermore, Ardus Gayrimenkul Yatırımları A.Ş. operating in the field of real estate and Istanbul Asset Management operating in the field of independent portfolio management.

Currently, Global Investment Holdings Group operates in six key business areas:

- **Port Infrastructure:** Operation of cruise ports;
- **Power Generation:** Renewables (biomass and solar) and distributed power plants (cogeneration and trigeneration);
- **Gas:** Non-piped natural gas sales and distribution;
- **Mining:** Extraction of feldspar in the most efficient and environmentally responsible manner while producing added-value feldspar products;
- **Real Estate:** Development and operation of real estate projects;
- **Finance:** Non-banking financial services, including brokerage, advisory and asset management.

INCREASE IN EBITDA EXCLUDING GAS & MINING

106%

(WITHOUT IAS29)

STRATEGIC FOCUS: PORT INFRASTRUCTURE, GAS, POWER GENERATION, MINING AND ASSET MANAGEMENT

Going forward, the Group's strategy is to develop regional and global enterprises in selected core businesses: port infrastructure, gas, power generation, mining, and asset management. This focus will allow GIH to target its resources more efficiently and expand more rapidly in these strategic, high-growth areas:

- **Port Infrastructure:** Make acquisitions in high-value regions of the Americas and Med, consolidate the market further while seeking horizontal growth in port/passenger related businesses;
- **Gas:** Maintain the leadership position in the Turkish non-piped natural gas market and expand to international markets;
- **Power Generation:** Develop green energy projects with attractive long-term feed-in tariffs and innovative energy efficiency solutions;
- **Mining:** Grow the current mining business with acquisitions in Türkiye and abroad;
- **Asset Management:** Grow and create Türkiye's largest independent asset manager.

The Holding maintains its rapid growth by using the resources efficiently in these crucial industries estimated to grow significantly in the near future targets maximizing its share values with active investment strategies as diversifying its investments. With its robust and diversified portfolio and capable management team, GIH always aims to contribute to the development of the countries where it operates through responsible investment. GIH is also committed to providing sustainable returns to its shareholders by putting sustainability at the centre of all its operations. The core of GIH's sustainability approach is maintaining and developing its corporate reputation and the trust of its all stakeholders – GIH's most valuable asset. The Group also believes that financial returns alone are not sufficient. GIH aims for its enterprises to also generate social benefits and contribute to sustainable development in the regions where it operates.

CAPABILITIES

Fast Moving
- Identifies attractive investment opportunities in rapidly growing industries
- Not limited by geographic or sector restrictions
- Proven track record of successful exits

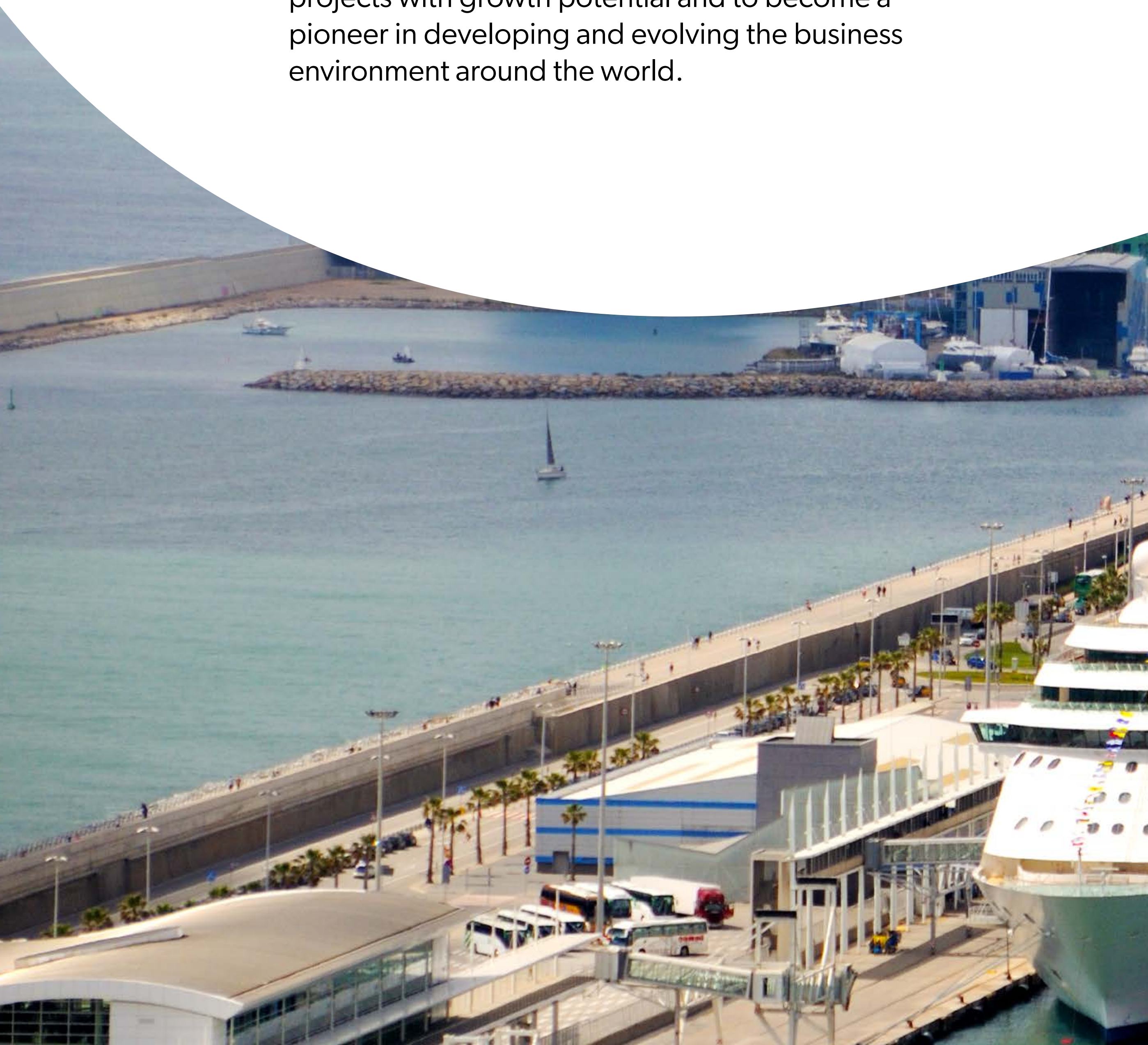
First Entrant
- Unique position as industry consolidator in its port operations
- Always prioritizes potential for future growth

Dynamic
- Investment portfolio unlike traditional holding companies
- Robust investment vehicle with interests across a variety of emerging business sectors
- Immediately responsive to a continuously changing business environment and focused on operational efficiency
- Significant operational value-added capabilities to improve underlying business Fundamentals

Global Investment Holdings Group in Summary

VISION

Global Investment Holdings aims to become a leader in its operations, to initiate new and innovative projects with growth potential and to become a pioneer in developing and evolving the business environment around the world.



MISSION

The Holding is committed to developing a portfolio of competitive companies, within the sectors in which it operates, with strong and healthy growth prospects in conformity with global standards. The Holding is also responsible for updating strategies for its subsidiaries, in response to changing local and global environments to ensure their quick adaptations to changing business conditions and help their continuous growth.

Global Investment Holdings Group in Summary

GIH HAS BEEN LISTED ON BORSA ISTANBUL (BIST) SINCE MAY 1995

Our Key Investment Principles
- Businesses with robust/defensible competitive positions and regional/global expansion potential
- High and sustainable barriers to entry
- Business models with high revenue visibility
- Multiple value creation levers that we have the power to influence
- Partnerships with global leaders on a case-by-case basis

Our Strategy
- Expanding all our portfolio companies
- Creating a worldwide & top-tier (consolidating the cruise port industry globally)
- Attach value to portfolio companies
- Create regional/international entities with a strategic focus on port infrastructure, gas, power generation, mining, and asset management
- Opportunistic approach to new business areas

GLOBAL INVESTMENT HOLDINGS' SHAREHOLDING STRUCTURE

Global Investment Holdings' shareholder structure as of 31 December 2023 is as follows:

Strong and Committed Shareholder Structure

	31 December 2023	
	Shares (TL)	(%)
Turkcom Turizm Enerji İnşaat Gıda Yatırımlar A.Ş.*	168,588,264	25.94%
Mehmet Kutman	57,031,478	8.77%
Bülent Büyükuğur	69,406,675	10.68%
Other	354,973,583	54.61%
Total	**650,000,000**	**100.00%**

** Fully owned by Mehmet Kutman, the founding shareholder, Chairman and Chief Executive Officer of Global Investment Holdings.*

Global Investment Holdings Group

GLOBAL INVESTMENT HOLDINGS IS A DIVERSIFIED CONGLOMERATE WITH INVESTMENTS IN A NUMBER OF BUSINESSES

World's largest independent cruise port operator with 30 ports, in 17 different countries across 4 continents

Our cruise port network is now expected to handle over 20 million passengers annually with an established presence in the Mediterranean, Caribbean-America, Asia-Pacific, Africa, and Northern Europe.

Listed on the London Stock Exchange

Americas
Antigua Cruise Port
Nassau Cruise Port
Prince Rupert Cruise Port
San Juan Cruise Port
St Lucia Cruise Port

West Med & Atlantic
Alicante Cruise Port
Barcelona Cruise Port
Bremerhaven Cruise Port
Fuerteventura Cruise Port
Kalundborg Cruise Port
Lanzarote Cruise Port
Las Palmas Cruise Port
Lisbon Cruise Port
Malaga Cruise Port
Tarragona Cruise Port
Valencia Cruise Port
Vigo Cruise Port

Central Med
Cagliari Cruise Port
Catania Cruise Port
Crotone Cruise Port
La Goulette Cruise Port
Taranto Cruise Port
Valletta Cruise Port
Venice Cruise Port

East Med & [Adriatic]
Bodrum Cruise Port
Ege Port Kuşadası
Port of Adria, Bar
Zadar

Asia
Ha Long Cruise Port
Singapore Cruise Port

Port Infrastructure

Combined capacity of 98.0 MW, of which 41.8 MW is from renewable sources (Biomass: 31.0 MW, Solar: 10.8 MW)

Co/tri-generation plants with 56.2 MW installed capacity in distributed power business

Aydın
12 MW biomass power plant

Şanlıurfa
5.2 MW biomass power plant

Mardin
12 MW biomass power plant
10.8 MWp solar power plant+ Solar power plant as secondary source with 1.8 MWp capacity

Tekirdağ
2.05 MWp solar power plant (operating in a distributed power plant)

Distributed Power Plants
(Cogeneration/Trigeneration) 56.2 MW capacity at 9 different points in Türkiye

Power Generation

Non-piped Natural Gas (CNG & LNG) Sales and Distribution
Türkiye and Europe's leading non-piped natural gas (CNG: Compressed Natural Gas/ LNG: Liquefied Natural Gas) distributor in terms of plant infrastructure and bulk sales volume

Infrastructure: all plants, stations and equipment established and used by the company conform to international standards and regulations

Nationwide CNG plant infrastructure in Türkiye with 14 bulk CNG plants (1 Bulk CNG plant with a partnership agreement) and 3 Auto CNG stations

- **Bulk (Industrial) CNG Plants:** Antalya, Bursa, Denizli, Elazığ, Erzurum (with a partnership agreement), İzmir, Kayseri, Kırıkkale, Keşan, Konya, Lüleburgaz, Ordu, Osmaniye, Rize
- **Auto CNG Stations:** Istanbul/Alibeyköy, Bolu, Kocaeli/Çayırova.

Gas

Mining

Straton
One of Türkiye's leading players in industrial minerals with ~1.0 million tons feldspar annual production capacity

Total feldspar sales
318,531 tons

Export volume
233,203 tons

Real Estate

Developing and operating real estate projects

- **Sümerpark Real Estate Project:** Sümerpark Project, which is the new living centre of Denizli, is on 100,908.07 m² total gross construction area. The project is composed of Sümerpark Evleri, consisting of 608 houses, private school, and hospital lands.
- **Van Shopping Centre:** Van Shopping Centre is the first shopping centre in the city and provides a strong selection on 55,000 m² building area and 26,047 m² leasable area.
- **Rıhtım 51 (Karaköy):** Rıhtım 51 is a 2nd degree listed historical building. The renovation projects of the property for the 6,603 m² hotel project is scheduled to be completed in Q1 2025.
- **Cyprus Project:** Maya Turizm, established to develop the Aqua Dolce Tourism and Entertainment Centre Project.

Finance

Asset Management
Largest independent asset management company with domestic capital and without a bank/brokerage house/insurance company as a parent, serving domestic, international, corporate, and individual investors with its innovative product portfolio

Brokerage
Ranking among Türkiye's leading independent brokerage firms offering securities and derivatives trading and portfolio management services to international and Turkish investors

Istanbul Asset Management Assets Under Management
TL 68.8 billion

Global MD Portfolio Management Assets Under Management
TL 1.7 billion

Global Securities
Trading volume of TL 576 billion

Consolidated Financial Highlights

NET REVENUE[1] (WITHOUT IAS29)

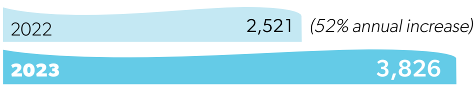
TL MILLION

NET REVENUE[1] (AS PER IAS29)

TL MILLION

OPERATING EBITDA[1] (WITHOUT IAS29)

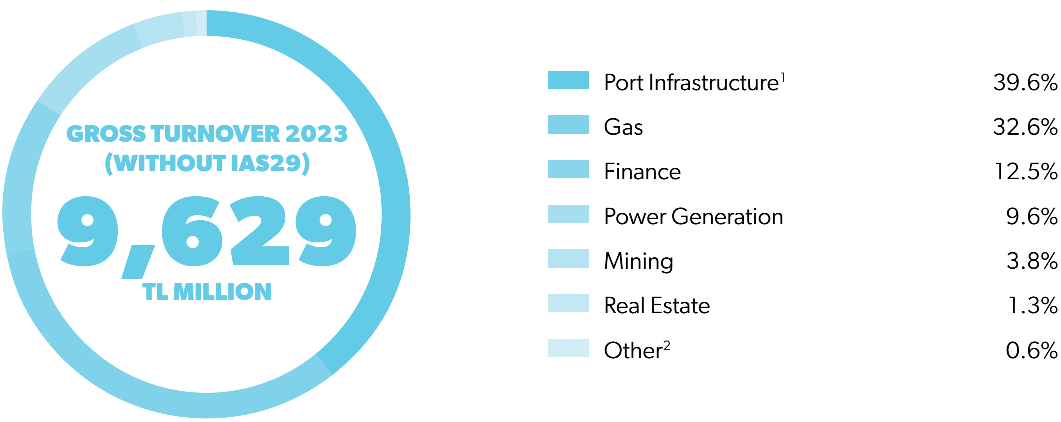
TL MILLION



OPERATING EBITDA[1] (AS PER IAS29)

TL MILLION

[1] Revenues exclude the impact of IFRIC 12 on Cruise Ports amounting to TL 909.3 mn for 2023 and TL 3,033.1 mn for 2022.



[2] Includes Global Investment Holdings' solo operations.

Key Financial Indicators

CONSOLIDATED NET REVENUES IS TL 12,176 BILLION; WHILE CONSOLIDATED OPERATING EBITDA IS TL 4,690 BILLION

Consolidated Balance Sheet (TL million)[2]	2022	2023
Current Assets	8,565.6	8,859.6
Non-Current Assets	32,949.1	35,661.9
Total Assets	41,514.7	44,521.5
Short-term Liabilities	9,059.4	8,876.7
Long-term Liabilities	23,260.1	25,058.5
Total Shareholders' Equity	9,203.7	10,585.7
Total Liabilities and Shareholders' Equity	41,514.7	44,521.5

Consolidated Income Statement (TL million)[2]	2022	2023
Net Revenues[1]	13,606	12,176
Gross Profit	5,326.81	5,380.87
Operating EBITDA[1]	4,684.25	4,690.34
Profit/(Loss) Before Tax	2,010.56	2,549.16
Net Profit/(Loss) for the Period	1,141.63	2,007.82

[1] Revenues exclude the impact of IFRIC 12 on Cruise Ports amounting to TL 909.3 mn for 2023 and TL 3,033.1 mn for 2022.
[2] The amounts for the years 2022 and 2023 are presented as per IAS 29.

Milestones

GLOBAL INVESTMENT HOLDINGS' STAKE IN GPH'S ISSUED SHARE CAPITAL REACHED 66.3%

1990
- GIH was established (as Global Securities)

2004
- Global Securities became GIH
- GPH was established (commenced operations in Ege Port Kuşadası in 2003)
- Acquired Energaz at USD 36.3 million valuation

2006
- Acquired 40% stake in Port Akdeniz, Antalya

2007
- Acquired Yeşil Energy at USD 33.7 million valuation

2008
- Acquired 60% stake in Bodrum Cruise Port

2009
- Sold Yeşil Energy to Statkraft (Norway) at USD 115.8 million valuation

2010
- Acquired remaining stake in Port Akdeniz, Antalya (59.8%)

2011
- Global Asset Management sold 60% shares to Azimut, Italy at TL 7.8 million valuation
- IPO of Global Securities for 10,000,000 shares (25%) at TL 66.2 million valuation
- Sale of 22% of GPH shares to VEI, Italy at USD 350 million valuation
- Acquisition of 25% of Naturelgaz CNG Distributor
- Opened Sümerpark Shopping Centre

2012
- Sold Energaz to STFA at USD 75 million valuation
- Acquired additional 55% of Naturelgaz
- Sümerpark Apartments Phase I completed

2013
- Acquired minority stake in Creuers (Barcelona, Málaga and Singapore Cruise Ports)
- Acquired 62% stake in Port of Adria, Bar, commercial port
- Straton Mining acquired

2014
- Acquired further stake in Creuers (GPH stake 62%)
- Signed concession agreement for Lisbon Cruise Port (GPH's effective stake: 46%)
- Opened Final Private School in Denizli

2015
- Acquired 55.6% stake in Valletta Cruise Port
- European Bank for Reconstruction and Development (EBRD) acquired 10.84% stake in GPH
- GIH decided to enter the Biomass business in Türkiye
- Opened VAN Shopping Centre
- Sümerpark Apartments phase II completed
- Global Securities completed the acquisition of a 100% stake in Eczacıbaşı Securities

2016
- Acquired 44.5% stake in Venice Cruise Port as part of a strong consortium together with Costa Crociere, MSC Cruises and Royal Caribbean Cruises
- Acquired 53.7% indirect stake in Ravenna Cruise Port
- Acquired 62.2% indirect stake in Catania Cruise Port
- Acquired 70.9% indirect stake in Cagliari Cruise Port

2017
- IPO of GPH on the London Stock Exchange @ GBP 465 mn market cap
- Centricus investment into GIH (31% share sale)
- Greenfield investments for 2 biomass pp's with 17.2 MW installed capacity completed
- SkyCity (Sümerpark Office) project phase I completed

2018
- GIH is included in the BIST Sustainability Index
- Signed a concession agreement for Zadar Cruise Port, Croatia
- Extended Bodrum Cruise Port concession to 2067
- Operational biomass portfolio increased to 29.2 MW
- Construction of 10.8 MWp solar power plant started (Mardin/Türkiye)

2019
- Started operating Nassau Cruise Port, the Bahamas for a 25-year term
- Commenced cruise port operations in Antigua & Barbuda for a 30-year term
- Reached merger agreement with Istanbul Asset Management
- Extended Marina Bay Cruise Centre Singapore concession to 2027
- Added first solar power plant, Ra Solar, to a renewable portfolio with 10.8 MWp installed capacity in Mardin/Türkiye
- Signed a 15-year management service agreement for Ha Long Cruise Port, Vietnam

2020

- 30th anniversary of Group foundation
- Concluded acquisition of the operator of La Goulette Cruise Port, Tunisia
- Concluded acquisition of remaining shares in Malaga Cruise Port concession (GPH stake 62%)
- Acquired Socar Türkiye LNG at TL 32.4 million valuation
- Signed a sale and purchase agreement to sell Port Akdeniz
- Signed an agreement to operate and manage Valencia Cruise Port, Spain, for 35-years
- Awarded a 20-year concession to manage Taranto Cruise Port, Italy
- Finalized the merger of Actus Asset Management and Istanbul Asset Management, creating the largest domestic and independent asset management company in Türkiye

2021

- Completed the sale of Port Akdeniz for an EV of TL 1,033,158,000 (USD 140 mn)
- Refinanced the USD 250 mn Eurobond at interest costs lower than the Eurobond with a 5-year maturity
- Completed a 5-year loan agreement for up to USD 261.3 mn with a leading global investment firm
- Increased its issued share capital in cash, from TL 325,888,409.93 to TL 650,000,000, resulting in total proceeds of TL 487,180,209.05, which is used to reduce indebtedness
- Signed a 20-year lease agreement with the Port of Authority of Kalundborg to manage the cruise services in Kalundborg Cruise Port, Denmark
- Preferred bidder status (in a joint venture with a local partner) for Las Palmas, Fuerteventura, Lanzarote Cruise Ports
- Signed an agreement with Petrol Ofisi to create synergies in the Auto CNG business
- Following an exceptionally Successful IPO, Naturelgaz shares started to float on Borsa Istanbul as of 1 April 2021 with a free float of 30%
- Applied to the Capital Markets Board to get approval to amend the Articles of Association for the purpose of the IPO of Consus Enerji
- Exercised its option to buy additional 40% stake in Istanbul Asset Management in September 2021, increasing its stake in the company from 26.6% to 66.6%
- Established GYH Danışmanlık ve Yönetim Hizmetleri A.Ş., 100% subsidiary to collect the Group's financial services companies under one roof

2022

- The IPO process of a fully owned subsidiary, Consus Enerji, was completed. Consus Enerji shares started to float on Borsa Istanbul as of 20 April 2022 with a free float of 30%.
- Tarragona Port Authority awarded Global Ports Holding a 12-year concession, with a six-year extension option, to manage the services for cruise passengers in Tarragona, Spain.
- A Concession Agreement was signed for a four-year renewable concession to manage the services for cruise passengers in the Port of Crotone, Italy.
- Global Ports Canary Islands S.L. ("GPCI"), an 80:20 joint venture between GPH and our local partner Sepcan S.L., has successfully completed the competitive RFP process for Las Palmas de Gran Canaria, Arrecife (Lanzarote) and Puerto del Rosario (Fuerteventura) cruise ports.
- H. Faik Açıkalın and Gülsüm Azeri were appointed as independent board members.
- GPH signed a 30-year concession agreement with the Puerto Rico Ports Authority for San Juan Cruise Port, Puerto Rico.
- GPH signed a Memorandum of Understanding (MoU) with the Government of St Lucia for a 30-year concession, with a potential 10-year extension option for the cruise-related operations in St Lucia.
- GIH, together with its 100% subsidiary Ardus Gayrimenkul Yatırımları A.Ş., sold their shares in Pera GYO, having no direct or indirect shares left in Pera GYO.
- GPH signed a 10-year concession, with a 10-year extension option, with Prince Rupert Port Authority to manage cruise services at Prince Rupert Cruise Port in British Columbia, Canada.

2023

- GPH signed a 30-year concession, with a potential 10-year extension option, with the Government of Saint Lucia for the cruise-related operations in Saint Lucia.
- Servicios Portuarios Canarios ("Sepcan"), an 80:20 joint venture between GPH and our local partner Sepcan S.L., has signed a 15-year cruise port concession for the operation of the Alicante Cruise Port.
- GPH successfully refinanced the Nassau Cruise Ports local bond issued in June 2020. The refinancing resulted in an increase in the nominal outstanding amount to USD 145 million (from USD 134.4 million) and a reduction in the fixed coupon to 6.0% (from 8.0%), reducing the annual interest payment by USD 2.0 million.
- GPH successfully extended its concession for the iconic Turkish port, Ege Port, by 19 years to 2052 and expanded its ownership in a number of ports (Barcelona, Malaga, Singapore and Lisbon) when it purchased the remaining 38% holding in Barcelona Port Investments S.L. (BPI) from the minority shareholder
- GPH reached a 10-year port concession agreement, with a potential five-year extension option, with bremenports GmbH & Co. KG ("bremenports") on behalf of the city of Bremen regarding the operations at the Cruise Terminal Columbusbahnhof Bremerhaven ("Bremerhaven Cruise Port").
- GPH issued USD 330 million of secured private placement notes ("Notes") to insurance companies and long-term asset managers at a fixed coupon of 7.87%. The Notes have received an investment grade credit rating from two rating agencies and will fully amortize over 17 years, with a weighted average maturity of 13 years.
- GPH signed a 30-year concession agreement with the Puerto Rico Ports Authority regarding the San Juan Cruise Port, Puerto Rico.

PORT INFRASTRUCTURE

GPH SERVES THE NEEDS OF THE WORLD'S CRUISE LINES, FERRIES AND MEGA YACHTS THROUGH INTERESTS IN A STRATEGICALLY LOCATED NETWORK OF CRUISE PORTS

Global Ports Holding at a Glance

GPH OPERATES 30 PORTS IN 17 COUNTRIES ACROSS FOUR CONTINENTS AND CONTINUES TO GROW STEADILY

WHO WE ARE

Global Ports Holding Plc (GPH) is the world's largest independent cruise port operator with a prominent presence in the Mediterranean, Caribbean-America, Asia-Pacific, Africa, and Northern European regions. GPH serves the needs of the world's cruise lines, ferries and mega yachts through interests in a strategically located network of cruise ports.

GPH operates 30 ports in 17 countries across four continents and continues to grow steadily.

GPH provides services for approximately 20 million passengers. The Group also manage a small commercial port operation specializing in container and general cargo handling in Bar, Montenegro. We offer our customers and their passengers leading levels of service tailored to their needs, delivered with leading standards of safety, security, and performance worldwide.

PASSENGERS

20

MILLION

Our Cruise Port Business

GPH operates or manages a network of cruise ports primarily through long-term concession agreements or management agreements.

We aim to be a key enabler of sustainable cruise tourism in our destinations, for the benefit of all stakeholders. This 'all stakeholder' philosophy brings a mindful approach to the development and promotion of our ports and destinations.

WHAT WE DO

We consider our cruise revenue based on two defined segments.

1. Primary Port Services

Across our network, we generate revenue derived from handling cruise ships and their passengers and crew through terminal services, port services and marine services.

These revenues are generated primarily through per passenger charges for a range of core services at each port.

Examples of primary port services:

- **Terminal services:** embarkation and disembarkation services, check-in, luggage operations and security;
- **Port services:** berthing and mooring;
- **Marine services:** pilotage and towage.

2. Ancillary Services

Across our network, we generate revenue from a portfolio of additional services offered at each port.

We break ancillary services down into four key areas:
- Ancillary Port Services
- Destination & Shoreside Services
- Area & Terminal Management
- Crew Services

The services available at each port vary according to the specifics of the concession or management agreement, as well as the physical layout of the port. Often, GPH will partner with local stakeholders to deliver these services, providing an authentic local experience in the port and helping to integrate the port into the fabric of the local economy.

Examples of our ancillary services port services can be seen below.

Ancillary Port Services	Destination & Shoreside Services	Area & Terminal Management	Crew Services
Stevedoring	Transportation services	Retail & Duty-free shops	Catering
Waste removal	Guest Information Centres	Food & Beverage outlets	Transportation
	Baggage storage		Crew lounges

Cruise port development: Our inorganic growth strategy is the driving component of our business model and strategy. We transform cruise ports through carefully considered investment in a port's infrastructure and the adoption of our global standards and best practice sharing from across our network.

Key Inputs & Drivers

Cruise passenger volumes

The primary driver of our cruise operations is the volume of cruise passengers. These volumes are the foundation for a significant portion of our revenue and play a pivotal role in the successful delivery of organic growth. The number of calls at our ports and each ship's capacity and occupancy rate collectively drive passenger volumes.

Typically, cruise lines set itineraries 12 to 18 months in advance, and cruise ships sail with occupancy levels of over 100%, which provides good short- to medium-term visibility over our most important business driver. In the medium to long term, further growth in passenger volumes across the industry is supported by the global cruise ship order book and the increasing number and capacity of cruise ships entering the market. This visibility into future industry growth is invaluable for anticipating trends and plays a crucial role in the long-term planning of all stakeholders.

Global Ports Holding at a Glance

WE MAKE EXTENSIVE INVESTMENTS TO ENHANCE AND EXPAND CRUISE PORT INFRASTRUCTURE

Ancillary services

Beyond our primary port revenue, ancillary revenues are central to our business model. The ancillary services we provide enhance each port's profitability and elevate the guest experience through destination and shoreside services, area and terminal management services, and crew services.

Costs

Given the dynamic nature of our ports, we contend with monthly, weekly and daily changes in resourcing needs. The majority of our costs rise and fall with volume and we use third parties and contractors to best match the ports' staffing needs day-to-day.

Cruise infrastructure development

The rising number and capacities of cruise ships create exciting opportunities for cruise ports, along with potential risks. Many ports currently lack the infrastructure to accommodate the size of these ships and the volume of passengers they will bring. To remain relevant in the industry, many cruise ports will require significant investment in cruise port infrastructure.
This need for investment serves as a major impetus for the emergence of new port opportunities for GPH, highlighting the critical role of infrastructure development in maintaining a port's position in the industry.

Competitive advantage

Our cruise ports are located in some of the world's most captivating and must-see destinations, and the unique allure of these destinations cannot be replicated just anywhere.

The surrounding waterfronts at our ports are nearly always well-developed and carefully protected, creating a significant competitive advantage.

Creating value and delivering for our customers and stakeholders

Our global operating procedures bring the best practices to each port, cultivated and refined from our extensive experiences worldwide. Attaining this level of expertise would be challenging for a singular port, emphasizing the unique advantage derived from our collective global knowledge and operational insights.

By addressing every stakeholder's needs – passengers, cruise lines, crew, ports, regulators and destinations – we believe we create a virtuous circle with benefits for all.

Our USPs

Size and scale

As the world's largest independent cruise port operator, we have a proven track record of transforming traditional cruise ports and terminals into world-leading destinations, while delivering excellent customer experiences.

Recognised across the industry for leadership and reliability as a port operator, GPH is the natural partner for cruise lines and local stakeholders.

Operational excellence

We excel at operating our ports and running them professionally and safely. We are significant investors in optimisation technology, including our proprietary GPH Health, Safety and Environmental (HSE) Policy and cloud-based port operating systems. We understand all stakeholders' needs and bring a mindful 'all stakeholder' approach to developing destinations.

Modern infrastructure

GPH brings significant cruise port investment experience to our destinations and, where appropriate, we make extensive investments to enhance and expand cruise port infrastructure. This involves the development of state-of-the-art cruise terminals and the use of modern and energy-efficient equipment, as well as the expansion of capacity. This investment drives a step change in the cruise lines and the passenger experience, while simultaneously increasing the economic benefit of cruise passengers to the destination.

Marketing and influential strength

Our local management teams leverage our centralized marketing capability to promote and present a superior branded value proposition for our destinations and all stakeholders as an integrated cruise port network.

NUMBER OF PORTS

30

A TRULY GLOBAL NETWORK

Unrivalled size and reach: GPH operates the world's largest independent cruise port network. Our presence in the world's leading cruise markets and strong track record of infrastructure investment and operational know-how represent a barrier to entry for aspiring competitors.

- **Long-term revenues:** The concessions we operate are long-term in nature.

- **Year-on-year organic expansion:** The number of cruise ships continues to grow and the ships are getting larger, leading to increased demand for new and comprehensive port infrastructure and services.

- **Ancillary revenue growth:** There are significant opportunities to grow ancillary services at our ports and third-party operated ports.

- **A single, effective Group:** Our unified approach opens up operational synergies, global standards and best practice sharing across our network.

- **Flexible business model:** Our business model is inherently flexible. A large portion of our costs rise and fall with cruise ship calls and passenger volumes.

- **Strong cash-generative business model:** Our business model requires low working capital and limited maintenance CapEx, ensuring strong cash conversion.

- **Market leader:** The growth and size of our network, coupled with our unrivalled success in investing and transforming cruise port infrastructure, and supported by a proven management team with deep experience in port investments, operations and marketing, makes GPH the demonstrable market leader.

Industry Sector Report and Outlook

Cruise Industry Report 2023

In 2023, the global cruise industry navigated a dynamic landscape marked by the continued resurgence in passenger demand, ongoing geopolitical challenges, strategic initiatives to drive further growth in the industry, and further investment in sustainable technologies and practices, as well as a welcome return to industry profitability.

Global Ports Holding at a Glance

IN 2023, THE NEW SHIPS ENTERING THE MARKET HELPED DRIVE THE AVAILABLE BERTHS IN THE INDUSTRY TO OVER 34 MILLION, A NEW ALL-TIME HIGH

New Ships in 2023

The cruise industry witnessed a wave of excitement in 2023 with the launch of several new cruise ships, showcasing a combination of innovation, unforgettable experiences, luxury and sustainability.

Historically, passenger volumes in the cruise industry have grown consistently year over year. New ships entering the market effectively create their own demand, fuelling this growth.

While the pandemic led to a temporary acceleration in the retirement of older, less fuel-efficient ships from the global cruise fleet, new ships have continued to enter the market. In 2023, the new ships entering the market helped drive the available berths in the industry to over 34 million, a new all-time high and 9% above the pre-pandemic peak in 2019.

Among the standout additions to the fleet, Royal Caribbean International introduced the eagerly anticipated Icon of the Seas, the largest cruise ship ever built. This ship, which welcomed its first paying guests in early 2024, offers many onboard attractions for its 7,600 passengers, from the largest water park at sea to immersive entertainment experiences, including a new AquaDome, a unique transformational venue featuring a huge waterfall. The first of Royal Caribbean's new Icon class, this ship is literally in a class of its own.

Elsewhere, MSC Cruises introduced Euribia, a state-of-the-art 6,327 passenger vessel. This ship sets new thresholds for environmental design. The second LNG ship in the MSC fleet, Euribia utilises an advanced wastewater treatment system; a freshwater production plant; a catalytic reduction system; an underwater radiated noise management system; and smart heating, ventilation and air conditioning systems; as well as energy efficient lighting and specialist paint, to reduce drag and enhance efficiency.

Major New Cruise Ships in 2024

Cruise Ship	Cruise Line	PAX Capacity	Gross Tonnage
Icon of the Seas	Royal Caribbean International	7,600	250,800
MSC Euribia	MSC Cruises	6,327	177,100
Silver Nova	Silversea Cruise	728	54,700
Carnival Jubilee	Carnival Cruise Line	6,631	183,900
Explora I	Explora Journeys	1,473	64,000
Norwegian Viva	Norwegian Cruise Line	3,950	140,000
Adora magic City	Adora Cruises	5,246	135,000
Vista	Oceania Cruises	1,469	67,000
Celebrity Ascent	Celebrity Cruises	3,950	140,600
Resilient lady	Virgin Voyages	2,860	110,000

Source: CLIA and Cruise Mapper

The cruise industry continues to innovate to widen its appeal to new customers and enhance the customer experience. Investments in digitalization, guest engagement platforms, and onboard amenities aimed at enhancing the overall guest experience continue to grow passengers and revenue. By embracing innovation and sustainability, cruise lines continue to differentiate their brands in an increasingly competitive market landscape.

Sustainability

Against the backdrop of rising consumer awareness and regulatory scrutiny regarding environmental sustainability, major global cruise lines continue to prioritize investments in innovative technologies and eco-friendly initiatives. From the adoption of LNG-powered ships to the implementation of shore power capabilities and waste reduction strategies, cruise operators demonstrated a commitment to responsible tourism practices and environmental stewardship.

Notably, over 50% of the new ships introduced in 2022 or 2023 embraced Liquified Natural Gas (LNG) technology, a marked shift towards environmentally friendly propulsion systems. Cruise lines also invested in exhaust gas cleaning systems (EGCS), with 69% of diesel-powered ships equipped with technology capable of removing 98% of the sulphur content from exhaust emissions.

In addition to adopting LNG-powered ships and EGCS, cruise lines and ports introduced new projects and technologies to advance sustainability goals. Holland America Line, for instance, equipped all its ships with shore power connections, demonstrating its commitment to reducing emissions while docked.

The debut of groundbreaking vessels like the Silver Nova, featuring fuel cells, batteries and dual-fuel engines running on LNG, exemplified the industry's commitment to greener operations. Moreover, milestone initiatives such as MSC Cruises' net-zero greenhouse emission cruise aboard the MSC Euribia showcased the industry's dedication to introducing pioneering sustainable practices.

As the cruise industry continues its journey towards sustainability, collaboration between stakeholders, investment in cutting-edge technologies, and a commitment to responsible tourism will remain essential to preserving the world's oceans and ecosystems for future generations.

Return to Profitability

The world's leading cruise corporations delivered an improved financial performance in 2023, returning to profitability after weathering the storm of recent years' pandemic-led disruption.

During 2023, cruise operations globally returned to normal with increased ship deployment in all regions and a swift return to normal occupancy levels. Higher deployment and occupancy rates contributed to strong revenue growth for the major cruise operators. As a result, many cruise lines reported positive financial results in 2023.

Future Growth

The cruise industry has grown consistently year-on-year, with the exception of the years impacted by the pandemic. Looking into 2024 and beyond, this growth looks set to continue.

All the major cruise lines have reported strong booking patterns for 2024, with record bookings being achieved at record prices.

Global Ports Holding at a Glance

GPH WELCOMED A RECORD NUMBER OF CRUISE SHIPS AND PASSENGERS ACROSS ITS GLOBAL OPERATIONS IN 2023

Looking beyond 2024, according to the Cruise Industry News Annual Report 2024, the cruise industry will experience close to 30% growth in the number of berths by 2028 compared to 2023. This would represent more than 40% growth from pre-pandemic levels, a clear demonstration of the industry's continued strength and unique appeal.

This growth will bring new innovations, experiences and technologies to the market, driving high levels of passenger satisfaction. Most important, the industry will deliver this growth in a more sustainable way than ever before.

2023 GPH Cruise Port Report

In 2022, following the challenges posed by the global pandemic, GPH rebounded with resilience; in 2023 the strength of GPH's business model and its successful strategy to grow its port network came to the forefront.

GPH welcomed a record number of cruise ships and passengers across its global operations in 2023, and the Company again expanded its port network with the addition of several new cruise ports.

During the year, GPH expanded in the West Mediterranean and Atlantic region, signing a 15-year concession agreement for Alicante Cruise Port, Spain and a 10-year concession agreement for Bremerhaven Cruise Port, Germany. Meanwhile, the expansion in the Americas continued with the signing of a 30-year concession with a 10-year extension option for St Lucia Cruise Port.

In addition to this expansion, GPH successfully extended its concession for its iconic Ege Port in Türkiye, by 19 years to 2052, and increased its ownership in a number of ports (Barcelona, Malaga, Singapore and Lisbon) by purchasing the remaining 38% holding in Barcelona Port Investments S.L. (BPI) from the minority shareholder.

GPH also made considerable progress in its financial structure during the year. Nassau Cruise Port successfully refinanced the local bond issued in June 2020; this refinancing resulted in an increase in the nominal outstanding amount to USD 145 million (from USD 134.4 million) and a reduction in the fixed coupon to 6.0% (from 8.0%), reducing the annual interest payment by USD 2.0 million. In September, GPH issued USD 330 million of secured private placement notes to insurance companies and long-term asset managers at a fixed coupon of 7.87%.

The notes received an investment grade credit rating from two rating agencies and will fully amortize over 17 years, with a weighted average maturity of 13 years. The majority of the proceeds were used to repay the outstanding senior secured loan from Sixth Street, with the balance of proceeds to be primarily used to fund further Caribbean expansion.

This financing generates material savings of cash interest expenses and creates a stable, long-term funding base for the Group, and helps secure the financing of GPH's growth pipeline.

The record number of calls and passenger numbers saw GPH break passenger volume and EBITDA records across all regions in its network.

Americas

GPH's cruise operations in the Americas include Prince Rupert, Canada, and the Company's two Caribbean ports, Nassau and Antigua. Following a robust recovery in 2022, trading in the Americas soared to new heights in 2023. Passenger volumes rose 46%, reaching 5.2 million, a substantial increase from the 3.6 million recorded in 2022. These volumes far exceeded the pre-Covid passenger volumes handled by these ports. Call volumes rose a more modest 9%, with the strong volumes being primarily driven by the upsurge in occupancy rates compared to 2022.

During the year GPH made further progress with its expansion in the Americas region, signing a 30-year concession, with a 10-year extension option, for St Lucia Cruise Port, following the signing of Memorandum of Understanding in 2022. As part of this concession, GPH is committed to substantial upgrades to the cruise port facilities, including the expansion of existing berths. GPH expects St Lucia, which welcomed approximately 800,000 passengers annually prior to the pandemic, to see a rise in passenger volumes to over one million in the medium term due to these enhancements.

The 30-year concession for San Juan Cruise Port, Puerto Rico began shortly after year-end. Ideally positioned for inclusion in both Eastern Caribbean and Southern Caribbean itineraries and benefitting from its status as a US territory with sound airport and hotel infrastructure, San Juan Cruise Port is an attractive homeport destination. During an initial phase, GPH plans to invest in critical infrastructure repairs and upgrades, focusing on terminal buildings and walkways. San Juan Cruise Port handled 2.2 million passenger movements in 2019 and is expected to become GPH's third largest port.

West Mediterranean and Atlantic

GPH's West Med and Atlantic region includes Spanish ports Alicante, Barcelona, Fuerteventura, Lanzarote, Las Palmas, Malaga, Tarragona and Vigo, as well as Bremerhaven, Germany and Kalundborg, Denmark, and the equity pick-up contribution from Lisbon and Singapore.

Cruise activity in the West Med and Atlantic region experienced a strong rise in 2023, delivering a 68% rise in call volumes compared to 2022, while passenger volumes rose an impressive 105% to 4.4 million. A key factor in this strong year-on-year improvement was the negative impact in the prior year of pandemic-related restrictions as the industry ramped up operations. These restrictions had been fully removed by the end of 2022, driving the strong improvement in 2023.

During the year, GPH's joint venture with Servicios Portuarios Canarios signed a 15-year concession for Alicante Cruise Port, Spain. The agreement followed the announcement of preferred bidder status in December 2022. The joint venture plans to invest up to EUR 2.0 million in refurbishing and modernising the cruise terminal.

With more than 100,000 annual passengers, Alicante Cruise Port is among the growing cruise destinations on the east coast of Spain. The port has strong airlift connectivity and is well located for inclusion in diverse Mediterranean itineraries.

GPH secured a 10-year port concession agreement, with a potential five-year extension option, for Bremerhaven Cruise Port, Germany. Currently undergoing a multimillion-euro investment by the local authorities, the cruise facilities at the port are poised for expansion and renewal. GPH is expected to assume port operations in the first quarter of the 2025 calendar year.

During the year, GPH purchased a 38% stake in Barcelona Port Investments S.L., bringing its holding to 100%. This transaction resulted in GPH's indirect holding in Creuers De Port de Barcelona S.A increasing to 100%, raising GPH's interest in both Barcelona Cruise Port and Malaga Cruise Port to 100% from 62%. Additionally, GPH's effective interest in Singapore Cruise Port rose to 40% from 24.8% and its effective interest in Lisbon Cruise Port rose from 46.2% to 50%.

Global Ports Holding at a Glance

IN 2023, PASSENGER VOLUMES IN CENTRAL MEDITERRANEAN SURGED 79%

Central Mediterranean
Our Central Mediterranean region encompasses Valletta Cruise Port, Malta, GPH's four Italian ports (Cagliari, Catania, Crotone, and Taranto), and the equity pick-up contribution from La Goulette, Tunisia, and Venice Cruise Port, Italy.

In 2023, cruise calls in this region experienced a modest 3% increase. However, passenger volumes surged 79% to 1.7 million, a substantial addition to the 1.0 million passengers welcomed in 2022 and surpassing the pre-pandemic figure of 1.4 million in 2019. The performance in 2023 mirrored that of the West Med and Atlantic region, driven by similar factors.

During the year, GPH successfully extended its concession at Cagliari Cruise Port by an additional two years to 2029. Shortly after year-end, a similar concession extension was secured for Catania Cruise Port, extending it to 2028.

The project to bring shore power to five cruise ship quays at Valletta Cruise Port was completed during the year. This initiative, funded by Infrastructure Malta and Transport Malta, will help reduce harmful emissions by up to 90%. GPH hopes it will act as a blueprint for other destinations and stakeholders as our ports and the cruise industry move to a more sustainable future.

East Mediterranean and Adriatic
On 6 February 2023, an earthquake struck the eastern region of Türkiye, resulting in significant damage to buildings and infrastructure and triggering a humanitarian crisis. Our Turkish ports and their surrounding communities were unaffected, so we were able to open these ports to support the relief efforts, utilising them as logistics centres and temporary accommodation for some of the earthquake victims. In collaboration with local and international NGOs, we launched an earthquake relief campaign at our ports, to assist in the provision of essential aid and support to those affected.

During the year, GPH agreed to extend its concession agreement for Ege Port in Kuşadası, adding 19 years to the concession period, which will now end in July 2052. As part of this agreement, Ege Port paid an upfront concession fee of TL 725.4 million. Additionally, Ege Port committed to investing an amount equivalent to 10% of the upfront concession fee within the next five years to enhance its cruise port and retail facilities.

To fund the upfront concession fee, a capital increase was implemented at Ege Port, with GPH providing the necessary funds. This capital increase led to GPH increasing its equity stake in Ege Port to 90.5%, up from 72.5%.

In the East Mediterranean and Adriatic region, there was an 8% increase in cruise calls and a remarkable 44% rise in passenger volumes during the year. This increase brought passenger volumes to 1.3 million, a dramatic upturn from the figures in 2019, which were less than 600,000. The continued success of Ege Port has been instrumental in driving this growth, solidifying its position as the premier cruise port in Türkiye.

Other
GPH's "Other" reporting segment encompasses various operations, including our commercial port, Port of Adria in Montenegro, our management agreement for Ha Long Cruise Port in Vietnam, and contributions from our Ancillary Port Services businesses.

GPH's Ancillary Port Services include services such as stevedoring and waste removal, as well as Destination and Shoreside Services, Area & Terminal Management Services and Crew Services. During the year, GPH was successful in growing the number of ports where it offers this portfolio of services.

Port of Adria, GPH's only commercial port, once again performed well during the year. The Board of Global Ports Holding is considering its options regarding Port of Adria, including its potential sale.

Global Ports Holding at a Glance

Below ratios in bracket indicate GIH's Effective Ownership

Puerto Rico/San Juan (66.24%)

General Information
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 278 m - 362 m
Width: 38 m - 65 m Draught: 8.05 m - 9.3 m

Quays/Berths
Total Berthing Line Length: 870 m
Quays Depth: 12.0 m

Distances/Transportation
City Centre: 0.5 km
Airport: 12 km
Shuttle Services: Yes

GPH Acquisition Date: 2024
End of Concession: 2054

St Lucia/St Lucia (66.24%)

General Information
Terminal: 1
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 348 m
Width: No Restrictions Draught: 10 m

Quays/Berths
Total Number of Berths: 3
Total Berthing Line Length: 950 m
Quays Depth: 11.0 m

Distances/Transportation
City Centre: 0 m
Airport: 50 km
Shuttle Services: No

GPH Acquisition Date: 2024
End of Concession*: 2054
*10- year extension option

Antigua & Barbuda/Antigua (66.24%)

General Information
Terminal: 1
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 275 m
Width: No Restrictions Draught: 7 m-9 m

Quays/Berths
Total Number of Berths: 5
Total Berthing Line Length: 1,720 m
Quays Depth: 10.3 m

Distances/Transportation
City Centre: 5 m
Airport: 25 km
Shuttle Services: Not needed

GPH Acquisition Date: 2019
End of Concession*: 2049

*10-year extension option

Montenegro Adria/Bar (41.85%)

General Information
Bus Capacity: 80

Maximum Ship Dimensions for Berthing
Length: 330 m
Width: No limit
Draught: Max 12 m

Quays/Berths
Total Berths: 2 for cruise ships
Total Berthing Lines Length: 490 m
Quays Depth: 10.5 m -12 m
Ship Capacity: 2
Berthing /Mooring: Yes

Distances/Transportation
City Centre: 1 km
Airport: 45 km
Shuttle Service: At terminal

GPH Acquisition Date: 2013
End of Concession: 2043

GPH SIGNED A 30-YEAR CONCESSION, WITH A POTENTIAL 10-YEAR EXTENSION OPTION, WITH THE GOVERNMENT OF SAINT LUCIA

Spain/Barcelona

(66.24%)

General Information
Terminal: 5
Bus Capacity: 78
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: No limit
Width: No limit
Draught: Up to 8 m (Barcelona Pier)
Up to 12 m (Adossat Pier)

Quays/Berths
Total Number of Berths: 6
Total Berthing Line Length: 1,700 m
Quay Depth: Up to 8 m (Barcelona) Up to 12 m (Adossat Pier)

Distances/Transportation
City Centre: 2.5 km
Airport: 12 km
Shuttle Service: Yes

GPH Acquisition Date: 2013-2014
End of Concession*: 2027 (WTC wharf), 2030 (Adossat wharf)

* 3-year extension option for Adossat wharf.

Türkiye/Bodrum

(39.74%)

General Information
Terminal: 1
Bus Capacity: 20
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 340 m
Width: No limit
Draught: 9 m

Quays/Berths
Total: 4
Total Berthing Lines Length: 680 m
Quays Depth: 8 m - 22 m

Distances/Transportation
City Centre: 1.5 km
Airport: 35 km
Shuttle Service: Sea Shuttle Available

GPH Acquisition Date: 2007
End of Concession: 2067

Italy/Cagliari

(46.96%)

General Information
Terminal: 1
Bus Capacity: 75
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 400 m
Width: No limit
Draught: 9.5 m

Quays/Berths
Total Berth: 3
Total Berthing Lines Length: 1,040 m

Distances/Transportation
City Centre: 800 m
Airport: 6 km
Shuttle Service: Free shuttle bus to the port gate

GPH Acquisition Date: 2016
End of Concession: 2029

Spain/Tarragona

(66.24%)

General Information
Terminal: 1 (Under Development)
Bus Capacity: 55-71
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: No limit
Width: No limit
Draught: 17-19 m

Quays/Berths
Total Number of Berths: 4
Total Berthing Line Length: 1,435 m
Quay Depth: 17 m

Distances/Transportation
City Centre: 5.8 km
Shuttle Service: Yes (under request)

GPH Acquisition Date: 2022
End of Concession*: 2034

*6-year extension option

Global Ports Holding at a Glance

CATANIA
CRUISE PORT

Italy/Catania
(41.86%)

General Information
Terminal: 1
Bus Capacity: 30
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 340 m
Width: No Restriction
Draught: 9.5 m

Quays/Berths
Total Berth: 4
Total Berthing Lines Length: 818 m
Quays Depth: 10 m -14 m

Distances/Transportation
City Centre: 700 m
Airport: 5.3 km
Shuttle Service: No

GPH Acquisition Date: 2016
End of Concession*: 2026

*Potential extension

CROTONE
CRUISE PORT

Italy/Crotone
(66.24%)

General Information
Terminal: 1
Turnaround Port: No

Maximum Ship Limitation for Berthing
Length: 280 m
Width: No Limits
Draught: 7.5 m

Quays/Berths
Berths: 1
Total Berthing Length: 330 m
Draught: 8 m
Terminal: 1

Distances/Transportation
City Centre: 250 m
Airport: 15 km
Shuttle Service: No

GPH Acquisition Date: 2022
End of Concession: 2026

VIGO
CRUISE PORT

Spain/Vigo
(16.89%)

General Information
Terminal: 1
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: 702 m
Width: 80 m
Draught: 11 m

Quays/Berths
Total Number of Berths: 2
Total Berthing Line: 702 m
Quay Depth: 12 m

Distances/Transportation
City Centre: 100 m
Airport: 25 km
Shuttle Service: No

GPH Acquisition Date: 2018
End of Concession*: 2024

*+3 years extension

EGE PORT
KUŞADASI

Türkiye/Kuşadası
(59.95%)

General Information
Terminal: 1
Bus Capacity: 75
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 370 m
Width: No limit
Draught: 10 m

Quays/Berths
Total Berth: 8
Total Berthing Lines Length: 1,297 m
Quays Depth: 9 m-19 m

Distances/Transportation
City Centre: 50 m
Airport: 64 km
Shuttle Service: No

GPH Acquisition Date: 2003
End of Concession: 2033

GPH SUCCESSFULLY REFINANCED THE NASSAU CRUISE PORTS LOCAL BOND ISSUED IN JUNE 2020

HA LONG CRUISE PORT

Vietnam/Ha Long

General Information
Terminal: 1
Bus Capacity: 30
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: 362 m
Width: 65.7 m
Draught: 9.3 m

Quays/Berths
Total Number of Berths: 2
Total Berthing Line Length: Approx. 924 m
Quay Depth: Vary from 10 m-14 m

GPH Acquisition Date: 2019
End of Concession*: 2034

*+10 years extension option

KALUNDBORG CRUISE PORT

Denmark/Kalundborg

(66.24%)

General Information
Terminal: In progress
Bus Capacity: 30
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 340 m
Width: No restrictions
Draught: 9 m

Quays/Berths
Total Number of Berths: 2
Total Berthing Line Length: 830 m
Quay Depth: 10 m-15 m

Distances/Transportation
City Centre: 5 km
Airport: 15 km
Shuttle Service: Yes

GPH Acquisition Date: 2021
End of Concession*: 2041

*+10 years extension option

LA GOULETTE CRUISE PORT

Tunisia/La Goulette

(33.12%)**

General Information
Terminal: 2
Bus Capacity: 150
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: 340 m
Width: No Limit
Draught: 8.4 m

Quays/Berths
Total Number of Berths: 3
Total Berthing Line Length: 657 m
Quay Depth: 5.1 m - 10 m

Distances/Transportation
City Centre: 12.2 km
Airport: 17 km
Shuttle Service: No

GPH Acquisition Date: 2019
End of Concession: 2036

**Equity accounted investee

MALAGA CRUISE PORT

Spain/Málaga

(66.24%)

General Information
Terminal: 3
Bus Capacity: 78
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: No limit
Width: No limit
Draught: Max 17 m

Quays/Berths
Total Berth: 5
Total Berthing Lines Length: 1,350 m
Quays Depth: 11 m-17 m

Distances/Transportation
City Centre: 500 m
Airport: 8 km
Shuttle Service: No

GPH Acquisition Date: 2013-2014
End of Concession*: 2038 (Levante), 2041 (Palmeral)

*Spanish legislation provides for extension of port concessions up to 49 years in return for CAPEX commitment or upfront payment. In addition to the extension under legislation, provision under concession agreement for 10+5 year extensions

Global Ports Holding at a Glance

Portugal/Lisbon
(33.12%)

General Information
Terminal: 2
Bus Capacity: 80
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: No Limit
Width: No Limit
Draught: 10 m

Quays/Berths
Total Berth: 4
Total Berthing Lines Length: 1,425 m (With a Possible Further 483 m)
Quays Depth: 7 m-10 m

Distances/Transportation
City Centre: 500 m
Airport: 10 km
Shuttle Service: Yes

GPH Acquisition Date: 2014
End of Concession: 2049

Bahamas/Nassau
(32.46%)

General Information
Terminal: 1
Bus Capacity: n/a
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: 362 m
Width: 65.7 m
Draught: 9.3 m

Quays/Berths
Total Berth: 6
Total Berthing Lines Length: 2,230 m
Quays Depth: 8.9 m-12.5 m

Distances/Transportation
City Centre: 500 m
Airport: 22 km
Shuttle Service: No

GPH Acquisition Date: 2019
End of Concession*: 2051

* With an option to extend the term for an additional 15 years.

Italy/Taranto
(66.24%)

General Information
Terminal: 2
Bus Capacity: 80
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: 185-330 m
Width: No limit
Draught: 6-10 m

Quays/Berths
Total Berth: 5
Total Berthing Lines Length: 1,395

Distances/Transportation
City Centre: 500 m
Airport: 75 km

GPH Acquisition Date: 2021
End of Concession: 2041

Singapore
(26.50%)**

General Information
Terminal: 1
Bus Capacity: 30
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 360 m
Width: No Limit
Draught: 11.3 m

Quays/Berths
Total Number of Berths: 2
Total Berthing Line Length: 695 m
Quay Depth: 11.3 m-11.5 m

Distances/Transportation
City Centre: 500 m
Airport: 25 km

GPH Acquisition Date: 2014
End of Concession: 2027

**Equity accounted investee

GPH SUCCESSFULLY EXTENDED ITS CONCESSION FOR THE EGE PORT, BY 19 YEARS TO 2052

VALLETTA CRUISE PORT

Malta/Valletta

(36.82%)

General Information
Terminal: 3
Bus Capacity: 50+
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 360 m
Width: No limit
Draught: 12 m

Quays/Berths
Total Berth: 7
Total Berthing Lines Length: 2,117 m
Quays Depth: 12 m

Distances/Transportation
City Centre: 1.5 km
Airport: 6 km
Shuttle Service: Yes

GPH Acquisition Date: 2015
End of Concession: 2066

VENICE CRUISE PORT

Italy/Venice

(7.29%)**

General Information
Terminals: 10
Bus Capacity: 40
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 340 m
Width: No Limit
Draught: Up to 9.1 m
Turning Basin: Up to 340 m

Quays/Berths
Total Number of Berths: 12
Total Berthing Line Length: 3,400 m

Distances/Transportation
City Centre: 500 m
Airport: 13 km

GPH Acquisition Date: 2016
End of Concession*: 2024

* Consortium is currently in the advance stage of discussions with Ministry of Transport for extending Venice Cruise Port concession for a minimum of 35 years.

** Equity accounted investee

VALENCIA CRUISE PORT

Spain/Valencia

(66.24%)

General Information
Terminal: 1
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 365 m
Width: 65.7 m
Draught: 10 m

Quays/Berths
Total Number of Berths: 2
Total Berthing Line Length: 1,700 m
Quay Depth: 12 m

Distances/Transportation
City Centre: 3 km
Airport: 25 km

GPH Acquisition Date: 2022
End of Concession*: 2057

* +15 years extension option depending on CAPEX investment

ZADAR CRUISE PORT

Croatia/Zadar

(66.24%)

General Information
Terminal: 1
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: No limit
Width: No limit
Draught: 7-12 m

Quays/Berths
Total Number of Berths: 5
Total Berthing Lines Length: 1,150 m
Quay Depth: 7-13 m

Distances/Transportation
City Centre: 4 m
Airport: 7 km (high speed)

GPH Acquisition Date: 2018
End of Concession: 2038

Global Ports Holding at a Glance

Canada/Prince Rupert

(66.24%)

General Information
Terminal: 1
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: 335 m
Width: No Restrictions
Draught: 15 m

Quays/Berths
Total Number of Berths: 1
Total Berthing Line Length: 325 m
Quays depth: 21 m

Distances/Transportation
City Centre: 2 m
Airport: 9.9 km
Shuttle Services: No

GPH Acquisition Date: 2022
End of Concession*: 2032

*+10 years extension option

Spain/Alicante

(52.99%)

General Information
Terminal: 1
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: Unlimited
Width: Unlimited
Draught: Unlimited

Quays/Berths
Total Number of Berths: 4
Total Berthing Line Length: 700 m
Quays Depth: 8.5 m-11.5 m

Distances/Transportation
City Centre: 1 km
Airport: 12 km
Shuttle Service: Yes

GPH Acquisition Date: 2023
End of Concession*: 2038

*7.5-year extension option

Canary Islands/Las Palmas

(52.99%)

General Information
Terminal: In Development
Bus Capacity: 40
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: No Limit
Width: No Limit
Draught: 11 m

Quays/Berths
Total Number of Berths: 4
Total Berthing Line Length: 1,615 m
Quays Depth: 11 m
Terminal: Under Development

Distances/Transportation
City Centre: 390 m
Airport: 27 km
Shuttle Service: No

GPH Acquisition Date: 2022
End of Concession: 2062

Canary Islands/ Fuerteventura

(52.99%)

General Information
Terminal: In Development
Bus Capacity: 12
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 390 m
Width: No Limit
Draught: 9 m

Quays/Berths
Total Number of Berths: 1
Total Berthing Line: 304 m
Quay Depth: 9 m

Distances/Transportation
City Centre: 500 m
Airport: 10 km
Shuttle Service: No

GPH Acquisition Date: 2022
End of Concession: 2042

GPH REACHED A 10-YEAR PORT CONCESSION AGREEMENT, WITH A POTENTIAL FIVE-YEAR EXTENSION OPTION, BY BREMENPORTS GMBH & CO. KG

Lanzarote
Canary Islands/Fuerteventura
(52.99%)

General Information
Terminal: In Development
Bus Capacity: 18
Turnaround Port: Yes

Maximum Ship Dimensions for Berthing
Length: 345 m-640 m
Width: No Limit
Draught: 11 m

Quays/Berths
Total number of Berths: 2
Total Berthing Line: 350 m-640 m
Quay Depth: 11 m

Distances/Transportation
City Centre: 1.2 km
Airport: 9.4 km
Shuttle Service: No

GPH Acquisition Date: 2022
End of Concession: 2042

Bremerhaven
Germany/Bremerhaven
(66.24%)

General Information
Terminal: In Development
Turnaround Port: No

Maximum Ship Dimensions for Berthing
Length: 160 m
Width: No Limit
Draught: 9-11 m

Quays/Berths
Total Number of Berths: 3
Total Berthing Line: 160 m
Quay Depth: 9-11 m

Distances/Transportation
City Centre: 2.0 km
Airport: 25 minutes to Nordholz, 45 minutes to Bremen
Train station: Bremerhaven Main Station approx.. 10 minutes

GPH Acquisition Date: 2025
End of Concession*: 2035

*+5 years extension option

POWER GENERATION

THE POWER DIVISION WILL HAVE INCREASED ITS TOTAL INSTALLED CAPACITY TO 112 MW UPON COMPLETION OF ONGOING CAPEX

Power Generation

IN 2023, THE NEWLY INSTALLED RENEWABLE ENERGY CAPACITY WORLDWIDE RECORDED A 50% INCREASE COMPARED TO THE PREVIOUS YEAR

General View on the Energy Sector

In 2023, from production to supply and from cost prices to geostrategic importance, energy ranked among the year's most significant sectors, experiencing dramatic developments. Due to the war between Russia and Ukraine, which broke out in 2022, spikes in energy prices across the global energy market continued, putting pressure on the global economy with rises in both oil and natural gas prices. This pressure began to dissipate from the beginning of 2023 and, by the end of 2023, oil and natural gas prices could return to pre-war levels.

The negative impact of these price jumps on local economies – causing inflation in almost every area and creating constraints on production – once again underscored the importance of energy efficiency, energy independence and, perhaps most important, sustainable and renewable energy sources for countries.

CONSUS TOTAL INSTALLED CAPACITY

98

MW

The expanding global population, coupled with the rapid growth of the global economy and industry, makes it increasingly evident that the rising energy demand cannot be met solely by dwindling fossil fuel sources. The unequal distribution and limited supply of energy obtained from these sources not only pose serious constraints on economic growth but also present risks to the future of the planet, nature and humanity – a message reiterated at the COP 28 Summit held in Dubai this year. The common point of the Summit, in general terms, was the need to accelerate actions toward a clear zero-emission journey that aligns with the Paris Agreement.

In terms of making great strides in the field of renewable energy, 2023 was a notable year. The global share of renewable energy sources in total electricity generation went up by 1.6% compared to 2022, reaching 28.6% in 2023.

Further expansion in the share of renewable energy within the overall energy market will be possible through other energy-intensive sectors also transitioning to clean energy. In this context, the critical importance of issues such as energy and resource efficiency, waste management, and circular economy investment for energy-intensive end-use sectors is evident.

The share of renewable energy is growing in Türkiye

As a country where the share of renewable energy sources in electricity generation has been rising over the last 10 years, Türkiye demonstrated its commitment to renewable energy transformation by obtaining approximately 42% of its total electricity generation from renewable energy sources in 2023.

According to the December 2023 Electricity Generation and Consumption Report published by the Turkish Electricity Transmission Corporation (TEİAŞ), the electricity generation in 2023 consisted of 36.3% coal, 21.4% natural gas, 19.6% hydroelectric energy, 10.4% wind, 5.7% solar, 3.4% geothermal energy, 3.0% biomass and 0.2% other sources. Thus, in Türkiye, the share of thermal power plants in gross production remained at last year's level of 58%.

Power Generation

TÜRKİYE OBTAINED APPROXIMATELY 42% OF ITS TOTAL ELECTRICITY GENERATION FROM RENEWABLE ENERGY SOURCES IN 2023

In 2023, electricity consumption in Türkiye fell by 0.5% compared to the previous year, reaching 330.3 TWh, while electricity production contracted by 0.1% compared to the previous year, reaching 326.0 TWh. According to the results of the Türkiye National Energy Plan study, electricity consumption is expected to reach 380.2 TWh in 2025, 455.3 TWh in 2030, and 510.5 TWh in 2035. Within the framework of the same plan, it is projected that by the year 2035, the share of electricity in final energy consumption will reach 24.9%, and the total installed electricity capacity will increase to 189.7 GW. By the year 2035, it is anticipated that within this expected installed capacity, the share of solar energy will rise to 52.9 GW, while the shares of wind energy and nuclear energy are expected to reach 29.6 GW and 7.2 GW, respectively.

According to the Installed Capacity data published by TEİAŞ, as of the end of December 2023, Türkiye's total installed capacity recorded a 3.1% increase compared to the previous year, reaching 107,050 MW. At the year-end, the share of renewable energy in total installed capacity reached 59,600 MW, with its overall contribution expanding to 55.7%, representing a 1.4% increase compared to the end of last year. As of the end of 2023, hydroelectric power plants once again took the lead in total installed capacity.

The distribution of the installed capacity by energy sources at the end of 2023 was as follows: 29.9% hydroelectric energy, 23.7% natural gas, 20.4% coal, 11% wind, 10.9% solar, 1.6% geothermal, 2.3% biomass, and the remaining 0.2% from other sources.

Additionally, the number of electricity generation plants in our country grew by 34% compared to the previous year, reaching 15,319 by the end of 2023 (including unlicensed plants). Of the existing plants, 756 are hydroelectric, 68 are coal-fired, 365 are wind, 63 are geothermal, 349 are natural gas, 13,227 are solar, 478 are biomass, and the remaining 13 are from other sources. Solar energy generation plants reached an 86% share of the total number of plants, showing an increase of approximately 4% compared to the previous year.

According to the December 2023 Installed Capacity Report published by the Turkish Electricity Transmission Corporation (TEİAŞ), the total installed capacity of solar energy power plants reached 11,691 MW.

Inflation also affected electricity prices

In Türkiye, cost formation in the electricity market is closely related to changes in natural gas and imported coal prices due to the determinant effect of natural gas and imported coal power plants on electricity prices.

According to data from the Energy Exchange Istanbul (EXIST) – Enerji Piyasaları İşletme A.Ş. (EPİAŞ) in Turkish – the Market Clearing Price (PTF) recorded an average of 1,008.6 TL/MWh in December 2021 and closed the year 2022 at 3,724.4 TL/MWh. With the waning impact of the Russia-Ukraine War on commodity prices, electricity costs have gradually decreased globally, leading to a decline in prices in Türkiye as well. The monthly average Market Clearing Price (PTF) started the year 2023 at levels around 3,400 TL/MWh and gradually went down due to favourable weather conditions, reaching 1,623.9 TL/MWh in June. Although there was an increase after June, the average for October remained below 2,250.0 TL/MWh. The average Market Clearing Price (PTF) for the year 2023 was realized as 2,237.38 TL/MWh.

Moreover, considering the low levels of electricity prices and the reduced vulnerabilities, the Maximum Reconciliation Price Mechanism (AUF), introduced by the EMRA in 2022 with the aim of protecting consumers and ensuring energy supply security, was terminated with a decision announced in September 2023.

Renewable Energy Resources Support Mechanism (YEKDEM) prices and benefit periods

In May 2023, the escalation model for Turkish Lira-based prices for renewable energy plants was updated in favour of foreign currency, introducing ceiling and floor prices in US Dollars.

ELECTRICITY CONSUMPTION IN TÜRKİYE

330.3

TWH

There have been changes in the utilization periods of the plants at these prices. In this new YEKDEM, which can be referred to as YEKDEM-3, the prices determined for Renewable Energy Source-certified generation facilities to be commissioned by 31 December 2025 have been updated on a monthly basis, indexed to 60% foreign currency (Euro and US Dollar) and 40% price developments (producer price index and consumer price index) based on the source.

A total of 778 power plants with a combined installed capacity of 17,624 MW stand out for their inclusion in the final Renewable Energy Resources Support Mechanism (YEKDEM) list, which incorporates applications made to the Energy Market Regulatory Authority (EPDK) in 2023 for benefiting from YEKDEM in 2024. (In 2022: 19,993 MW and 882 power plants).

Compared to the total installed capacity of power plants benefiting from this mechanism in 2023, the total installed capacity subject to the Renewable Energy Resources Support Mechanism (YEKDEM) for 2024 also shrank, showing a decrease of 11.8% from the previous year.

Türkiye, which has set the target of net zero emissions by 2053, continues to establish new strategies and make plans to achieve this goal. In line with this target, our country continues its efforts to fulfil its obligations under the Paris Climate Agreement.

In January 2024, the Ministry of Energy and Natural Resources published the "Türkiye's Energy Efficiency 2030 Strategy and the Second National Energy Efficiency Action Plan," which outlines the steps and targets in the field of energy efficiency for the period 2024-2030. The information that USD 20.2 billion in energy efficiency will be achieved by 2030 under this Action Plan, leading to USD 46 billion in savings by 2040, also attracts attention within the sector.

Power Generation

TÜRKİYE CONTINUES TO ESTABLISH NEW STRATEGIES AND MAKE PLANS TO ACHIEVE THE GOAL OF NET ZERO EMISSIONS BY 2053

Consus Enerji

As of the end of 2023, the total installed capacity of Consus Enerji's operational power plants is 98 MW, of which 41.8 MW comes from renewables. The remaining 56.2 MW comes from distributed power plants (cogeneration and trigeneration).

Consus Enerji's licensed solar power plant operating in Mardin has an installed capacity of 10.8 MWp and is among the power plants producing the highest amount of electricity per installed capacity, thanks to its solar tracking system.

While the Company's biomass power plants continue to contribute to environmental sustainability via energy production, recycling and waste management, investments in renewable energy come to the forefront in the fight against climate change when combined with the infinite green energy provided by solar power plants.

At this stage, as of 31.12.2023, power generation portfolio of the Group has a combined installed capacity of 97.9 MW, 41.8 MW of which is composed of renewable sources (biomass, licensed solar power plants and distributed solar plants). The power division will have increased its total installed capacity to 112 MW upon completion of ongoing plant installations.

- Aydın: Biomass power plant with 12 MW capacity
- Şanlıurfa: Biomass power plant with 5.2 MW capacity
- Mardin: Biomass power plant with 12 MW capacity + Solar power plant as secondary source with 1.8 MWp capacity
- Mardin: Solar power plant with 10.8 MWp capacity
- Tekirdağ: Solar power plant (operating in a distributed power plant) with 2.05 MWp capacity

Distributed Power Plants: 56.2 MW capacity from nine locations across Türkiye (Cogeneration and Trigeneration)

Biomass

Consus Enerji generates electricity at its biomass power plants by using agricultural residues and similar biomass resources that have no other beneficial use as food or feedstuffs or in another industry. Consus Enerji and its subsidiaries undertake the supply of a variety of biomass resources, including primarily agricultural residues, with the goal of achieving sustainability and security of biomass supply for the power plants, and focuses their activities mainly in the surrounding provinces, including Aydın, Şanlıurfa and Mardin, where biomass plants are located.

Agricultural residues that remain on the fields of farmers – who are considered stakeholders of the Company – after the harvest and that have no other area of use, are collected without creating any burden on or financial cost to the farmers; these residues gain economic value after being transformed into energy at Consus Enerji's biomass plants. This process ensures that farmers are supported in terms of their production costs. It also supports agricultural sustainability and productivity by avoiding damage to the soil caused by such agricultural residues, which are often burned on the farm field as a means of disposal. The Group, which consolidates biomass collection activities and power plant operations under the Global umbrella, leads the sector in biomass, spearheading the industry. The Company aims to reduce Türkiye's dependence on imported resources in energy and contribute to the Turkish economy, all the while creating jobs on a regional level.

Distributed Power

Established in 2012 and offering distributed energy cogeneration, trigeneration, and solar power plant and energy efficiency solutions, Tres Enerji – a subsidiary firm of Consus Enerji – designs and builds power plants with optimal energy generation systems and capacities tailored for each customer's needs by deploying alternative business models, including the build-operate model, as a part of its energy performance solutions.

The Company builds distributed power plants to meet the consumption needs of customers, covering all the investment costs, and operates those facilities in the long term. This method allows customers to save on energy costs without undertaking any investment costs or assuming any operating responsibility, while also offering them quality and uninterrupted power supply and increasing their competitive power.

Cogeneration systems are combined energy systems that burn primarily natural gas and other fuels through an engine or turbine to produce both electricity and heat. The purpose of cogeneration is to maximize the energy yield from the primary fuel. Trigeneration systems, on the other hand, provide energy for enterprises in three different forms simultaneously: electricity, heating and cooling. Trigeneration differs from other forms of generation in that the cooling mechanism built into the system meets cooling demands by reusing the heat output. The overall energy efficiency of cogeneration and trigeneration systems, which provide energy in various forms from a single source, including electricity, heating and cooling, can reach high levels of efficiency exceeding 90%. The energy forms needed by consumers are made available at the required times and in the required quantities.

Distributed power plants, which enable energy generation at the location of consumption, offer energy efficiency and cost savings while avoiding distribution and transfer losses. They reduce reliance on grids and minimize setbacks like outages, fluctuations and irregularities.

In addition to their economic advantages, cogeneration and trigeneration plants protect the environment and public health by contributing to a dramatic reduction in carbon emissions.

Due to incentives introduced for unlicensed electricity generation and self-consumption as part of clean energy investments, along with positive legislative changes, facilitating solar power investments on rooftops and land has expanded the diversity of services offered to the Company's customers, particularly in the field of solar energy plant installations. In a manner similar to the services provided by the Company in the cogeneration and trigeneration field, the installation and operation of solar energy power plants for self-consumption, which primarily targets commercial and industrial customers for factory facilities or public institutions, along with providing financing for these plants, enable customers to achieve cost savings in energy consumption without incurring any investment costs.

As of the end of 2023, Tres Enerji has a total installed capacity of 56.2 MW across nine different locations throughout Türkiye. Of this capacity, 2.05 MW belongs to the Company's first distributed solar power plant, which was commissioned in August 2023 and is operated on behalf of an industrial customer. Tres Enerji, aiming to sign new contracts with various industrial and commercial enterprises and increase its distributed power capacity nationwide, signed a new contract in 2023 for the installation of a 0.95 MWp capacity solar power plant on the factory premises of an existing customer receiving services in the cogeneration sector. The solar power plant, whose installation process is ongoing, is expected to be commissioned in 2024.

THE FIRST SOLAR POWER PLANT WAS PUT IN OPERATION AT THE BIOMASS POWER PLANT IN MARDİN

Construction, installation and assembly works for a 2.2 MWp capacity solar power plant have been completed on behalf of a public enterprise, and the commissioning of this solar power plant is planned within the year 2024.

Ra Solar

Consus Enerji's solar power plant, which became operational at the end of 2019, continues its licensed electricity generation activities under the Renewable Energy Support Mechanism (YEKDEM) with an installed capacity of 10.8 MWp.

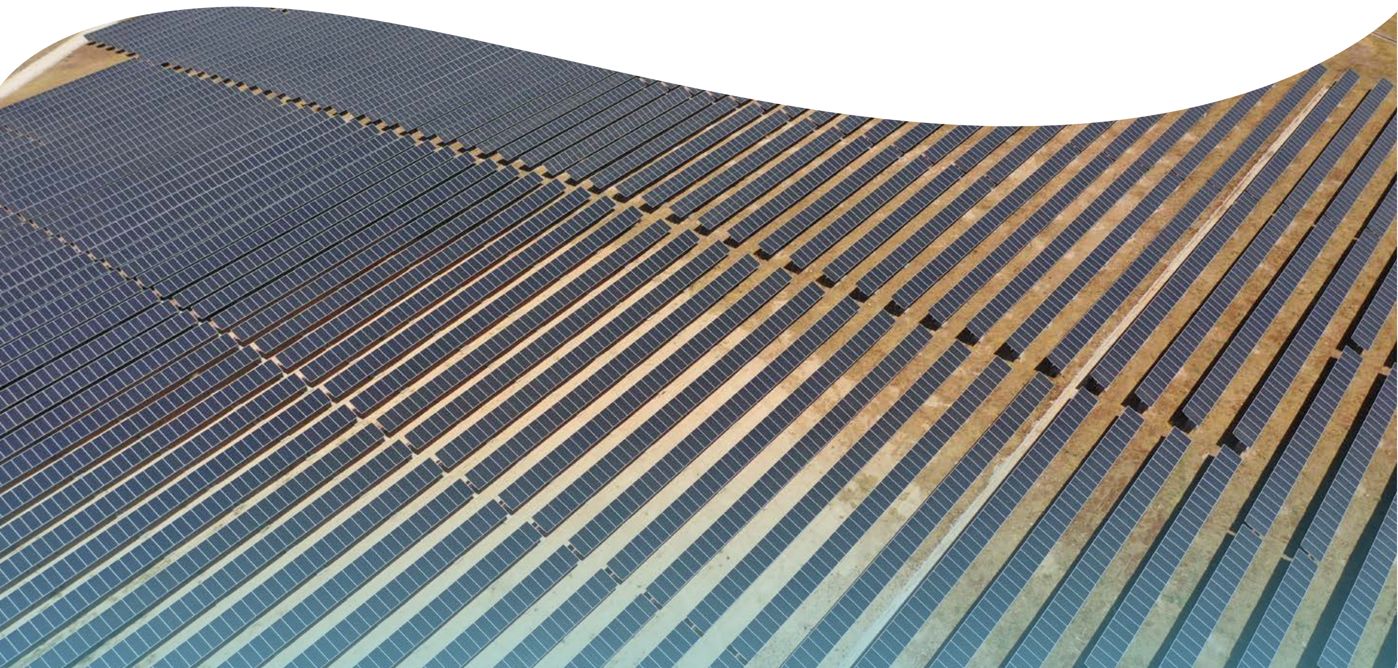
The building process of Ra Solar Power Plant began in 2019 in Artuklu, Mardin, a city in Southeast Anatolia, which is one of the regions with the highest potential for solar power generation in Türkiye. The facility commenced its electricity generation activities at the beginning of 2020. Built on nearly 18 hectares of land and featuring an installed capacity of 10.8 MWp, the plant generates more than 20 GWh of power annually by using photovoltaic modules.

Ra Solar Power Plant is the first licensed facility in Türkiye to deploy the solar tracking system. The plant, a pioneer in the industry in this regard, achieves a high level of efficiency in terms of generation performance per installed capacity.

Electricity Trading

Within the structure of Consus Enerji, Tenera Enerji aims to offer advantageous solutions to meet the needs and expectations of customers in terms of energy supply. In doing so, it brings new perspectives to the energy market with a hybrid and complementary business model.

While the Carbon Border Adjustment Mechanism is expected to accelerate steps for Türkiye, especially with a significant portion of its exports going to Europe, the Company's supply service of Carbon Certificates and Renewable Energy Certificates derived from renewable energy generation facilities gains importance for customers aiming to reduce their carbon footprint. In this context, businesses are assisted in balancing their carbon footprint, and consultancy services are provided to customers with the aim of transforming each into an eco-friendly enterprise.



Significant Growth Potential

Biomass Power Plants

In order to increase generation volume and facility efficiency, the Group continued its investments for the hybrid solar power plants, in 2023, as well, in line with the supporting resource regulations. The license amendment process for the installation of solar power plants for both biomass power plants in Aydın and Mardin, each with a capacity of 1.8 MWp and a total installed capacity of 3.6 MWp, has been completed. As a result, the generation licenses of the two biomass power plants have been amended to indicate "Main Source: Biomass" and "Secondary Source: Solar" Power Plant status.

In 2023, the first solar power plant with an installed capacity of 1.8 MWp was put in operation at the biomass power plant in Mardin. Following developments in legislation in the field of hybrid power plants, an additional application for an 8.1 MWp solar energy plant as a secondary source within the hybrid plant located in Mardin, whose land efficiency is highly appreciated, was approved by the related authority in the last quarter of 2023.

In the first quarter of 2024, the additional solar power plant integrated into the hybrid biomass facility in Aydın commenced energy generation, while investments have also begun for the additional 7 MWp capacity solar power plant for the biomass plant in Mardin. The solar power plant in Mardin is planned to be commissioned in the first half of 2024.

Solar Energy Projects Line

Caribbean: Clean energy project development efforts are ongoing in the Caribbean region, where the Group also has port investments.

In this context, at the beginning of 2024, offers were submitted for a tender announced by the Ministry of Energy and Transport of the Commonwealth of the Bahamas and the Bahamas Power and Light Company for the electricity needs of three islands, including natural gas, solar power plants and storage systems, with a total capacity of 111 MW, and for the sale of electricity at a unit price based on US Dollars for a period of 25 years.

A comprehensive preliminary agreement was signed on 27 January 2022 with the Antigua Public Utilities Authority (APUA) in Antigua and Barbuda, which is wholly (100%) owned by the state, for the construction by the Company of a solar power plant with a 5 MW capacity, which will be also operated by the Company, based on the build-operate model, under a long-term power purchase contract. Efforts for the final agreement regarding the mentioned project are ongoing.

Europe: Efforts and evaluation processes regarding solar power plant projects in various European countries are ongoing.

GAS

NATURELGAZ IS TÜRKİYE'S LEADING NON-PIPED NATURAL GAS DISTRIBUTOR IN TERMS OF NATIONWIDE PLANT INFRASTRUCTURE AND BULK CNG SALES VOLUME

Naturelgaz

NATURELGAZ IS ALSO THE MARKET LEADER IN BULK CNG PRODUCT WITH AN ESTIMATED MARKET SHARE OF 84.2%

Naturelgaz, a subsidiary of GIH, is Türkiye's leading non-piped natural gas (CNG: Compressed Natural Gas/ LNG: Liquefied Natural Gas) distributor in terms of nationwide plant infrastructure and bulk CNG sales volume. The company focuses on the sales and distribution of bulk CNG and LNG to industrial and commercial customers – such as factories, power generators, hotels, asphalt plants – in addition to districts and towns (households) not connected to a natural gas pipeline (Citygas) due to economic or geographic constraints. Naturelgaz also supplies CNG primarily for heavy-duty vehicles and provides operational services to natural gas wells that are not able to connect to the national pipeline network.

Based on EMRA's* Natural Gas Market Sector Report data, which is the latest available data, the size of the non-piped natural gas market consisting of CNG and LNG products was 648 million Sm^3 in the first 11 months of 2023. The CNG product comprises 39% of this market with 237 million Sm^3. For the same period Naturelgaz's share in the total non-piped (CNG & LNG) natural gas market was 34.5%. Naturelgaz is also the market leader in Bulk CNG product with an estimated market share of 84.2% as of December 2023.

CUSTOMER SITES

17

Naturelgaz owns a nationwide CNG plant infrastructure in Türkiye with 14 bulk CNG plants (1 Bulk CNG plant with a partnership agreement**) and 3 Auto CNG stations.

- Bulk (Industrial) CNG Plants: Antalya, Bursa, Denizli, Elazığ, Erzurum (with a partnership agreement), İzmir, Kayseri, Kırıkkale, Keşan, Konya Lüleburgaz, Ordu, Osmaniye, Rize.
- Auto CNG Stations: Istanbul/Alibeyköy, Bolu, Kocaeli/Çayırova.

All plants, stations and equipment established and used by the company conform to international standards and regulations.

In 17 customer sites, Naturelgaz has investments in LNG stock tanks, evaporators and other LNG equipment which are belonging to the Company.

MAIN BUSINESS LINES:

a) Bulk (Industrial) CNG and LNG

With its 14 bulk (industrial) CNG plants around Türkiye, Naturelgaz supplies natural gas to factories operating in many different sectors, such as chemicals, metals and mining, food processing and building materials, as well as power generators, hotels, asphalt plants and public institutions that use natural gas for heating purposes.

As of 2023, the Company has pressure reduction system investments in a total of 333 customer sites.

Bulk (Industrial) LNG is used in similar business lines as bulk CNG, mainly by industrial and commercial customers not connected to a natural gas pipeline network due to economic or geographic constraints. LNG is distributed to those customers via LNG road tankers and made ready-to-use through storage tanks and vaporizers installed at customer sites.

In 2023, Naturelgaz generated a sales volume of 248.1 million Sm^3 of bulk CNG and 3 million Sm^3 of bulk LNG with its nationwide sales.

Source: EMRA Natural Gas Market Monthly Sector Reports

*** Naturelgaz has a partnership agreement with a third party at the Erzurum CNG filling station.*

BULK CNG PLANTS

13

b) Citygas

In its City Gas business line, Naturelgaz supplies non-piped natural gas to distribution companies in order to meet the natural gas needs of districts and towns with no pipeline connection due to economic and geographic reasons. City Gas operations are carried out with CNG or LNG, depending on the distance of CNG filling plants to districts and towns where the natural gas will be used, road conditions, and usage quantities. Naturelgaz has been using the non-piped natural gas system to supply natural gas to districts and towns since 2017.

As of the end of 2023, Naturelgaz supplies CNG to 128 districts and towns with no natural gas pipeline access due to economic and geographic limitations.

This business line is strategic for Naturelgaz not only given the opportunity to expand volumes enormously but also to boost efficiency of operations by eliminating seasonality.

c) Auto CNG

In the Auto CNG business line, Naturelgaz targets heavy duty vehicle segments, such as logistics trucks, garbage trucks and buses, that are most suitable for Auto CNG use. As of 2023, the company operates 3 strategically located Auto CNG stations in Türkiye.

Naturelgaz cooperates with OEM vehicle producers to expand the number of CNG vehicle options in Türkiye. In addition, during the transition process, Naturelgaz cooperates with conversion companies to offer alternative solutions to its customers.

In 2022, Naturelgaz generated a sales volume of 2.0 million Sm^3 from its Auto CNG stations.

d) Well CNG

There is a clear need in the market for CNG in gas wells with uncertain reserves, or where the closest gas pipeline is in a remote location and the connection is not economically viable. Since 2014, Naturelgaz has supplied CNG equipment and operational services to gas wells.

Naturelgaz

NATURELGAZ SUPPLIES CNG TO 128 DISTRICTS AND TOWNS WITH NO NATURAL GAS PIPELINE ACCESS

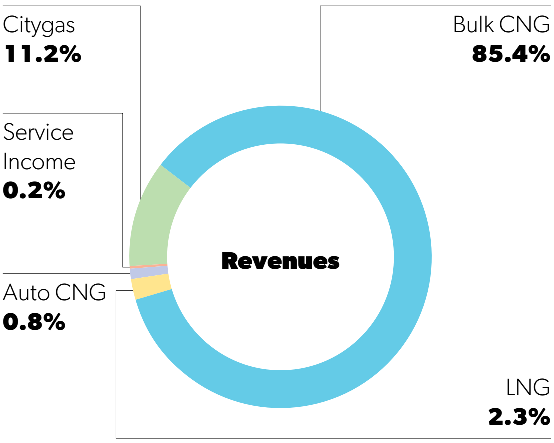
Citygas sales volume

2021	45.5 mcm
2022	70.1 mcm
2023	117.6 mcm

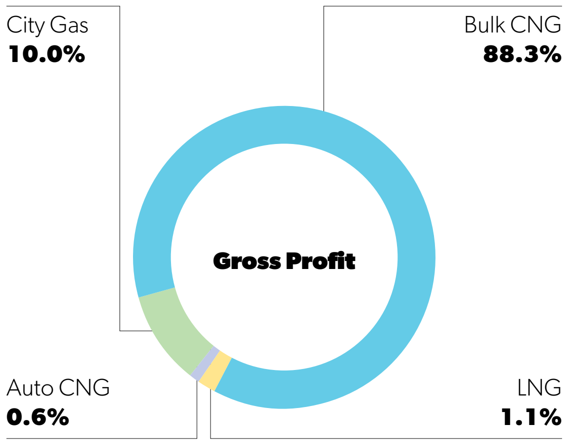
Districts and towns supplied by Naturelgaz

2021	80
2022	104
2023	128

Distribution of Sales Revenues in 2023



Distribution of Gross Profit in 2023



MINING

STRATON MADEN FOLLOWS AN ENVIRONMENTALLY RESPONSIBLE APPROACH IN ITS MINING OPERATIONS

Straton Maden

STRATON MADEN EMPLOYS THE MOST EFFICIENT METHODS FOR OBTAINING HIGH-VALUE FELDSPAR MINERALS

Mining Industry Operations

Türkiye possesses 15% of the world's feldspar reserves with a total reserve of 250 million tons. Today, Türkiye is the top producer of feldspar in the world, with an annual volume of more than 9 million tons, about 80% of which is exported. The major export markets for this sector are Spain, Italy, Russia, the US, Bulgaria, Poland, and Egypt.

One of the major players in the field in Türkiye, Straton Maden has approximately 20 million tons of reserves in its licensed operation area, and its reserve development activities are currently ongoing. Straton Maden is a major player in Türkiye for industrial minerals, with an annual feldspar production capacity of approximately 1 million tons, exporting more than 90 percent of its products to Italy, Spain, and Egypt for use in the glass and ceramic industries. Güney Maden, another mining company within the Group, has completed the authorization process for two new feldspar quarries in the Aydın region and initiated production activities in one of those quarries. The new licenses are expected to increase the Group's total feldspar reserves and help raise product quality in the ongoing operations. Güney Maden continues its efforts to complete the authorization processes for additional mining operations and to start production in 2023.

Straton Maden employs the most efficient methods and follows an environmentally responsible approach in its mining operations for obtaining high-value feldspar minerals. In line with this approach, Straton Maden has completed an investment program that aims to expand current production capacity and includes the establishment of new separation and enrichment facilities.

In 2023, both domestic feldspar consumption and export quantities experienced declines due to the contraction in ceramic capacity utilization in Türkiye and export markets. Türkiye's exports decreased by 35% in 2023 compared to the previous year. Straton Maden has predominantly shaped its strategy towards selling processed products and opted for generating more profit with less quantity.

The Company continues its product and market diversification efforts by pursuing opportunities in new export markets, focusing on processed and high-quality products. In this context, the Company prioritizes exports and aims to position itself as a strong brand in high-value-added product ranges in the markets where it operates.

CAPACITY

1

MILLION TONS

REAL ESTATE

ARDUS REAL ESTATE INVESTMENTS IS ENGAGED IN REAL ESTATE DEVELOPMENTS WITH A PRIMARY FOCUS ON COMMERCIAL PROJECTS

Real Estate

CONSTRUCTION AND OTHER RELATED SUB-INDUSTRIES ARE CENTRAL COMPONENTS OF THE ECONOMY

2023 SECTOR HIGHLIGHTS

The construction industry grew by 7.8 percent on an annual basis in 2023. Construction activities in the earthquake zone and urban transformation and infrastructure activities that accelerated before the local elections were effective in this increase.

Over the last 20 years, Türkiye's construction sector has expanded in line with the country's rapid economic growth. Given the country's ever-expanding status as a global player, the construction industry has the opportunity to grow and develop further in the appropriate environment.

Construction and other related sub-industries are central components of the economy. The Turkish housing industry has achieved rapid growth over the past 15 years. The macroeconomic significance of the construction industry arises from its multiplier effect. Construction sets 250 sub-industries across the economy in motion, galvanizing both economic growth and employment.

While the Turkish construction industry and its sub-sectors have achieved rapid growth over the past two decades, they have benefited most from economic developments subsequent to the 2001 domestic financial crisis. The construction sector accelerated its institutionalization process thanks to the structural transformation it underwent at that time.

The construction industry and its related sub-sectors remain a driving force of economic growth. Industry and service sectors have also been invigorated by the advance of the construction sector in Türkiye.

The Retail Turnover Index, compiled by the Alışveriş Merkezi Yatırımcıları Derneği (Shopping Mall Investors Association) and Akademetre Research, rose by 87.6% in December 2023 compared to December 2022, up 2,848 points.

Turnover per leasable area (m^2) in Turkish shopping malls amounted to TL 13,280 in Istanbul and TL 9,240 in Anatolia in December 2023, while Türkiye-wide square meter efficiency was TL 10,856 in December 2023.

Square meter productivity in the technology category jumped by 103.5% in December 2023 compared to the same period in 2022.

An analysis by shopping mall retail category showed the following productivity increases for December 2023 compared to November 2023: hypermarket: 18.8%; food & beverage: 14.6%; clothing: 7.6%; shoe & bag: 1.0%; technology: 10.9%; and other: 47.1%.

SUB-INDUSTRIES OF CONSTRUCTION

250

In December 2023, the total number of shopping mall visitors rose by 8.42% compared to 2022, up 103 points.

Home sales in Türkiye fell by 17.5% in 2023. Istanbul accounted for the largest portion of total home sales at 16.2% with 198,739 units sold. Ankara ranked second with a 9.3% share and 114,432 homes sold, while İzmir placed third with a 5.3% share. Provinces with the lowest home sales were Ardahan with 426 units sold, Hakkari with 501 units, and Tunceli with 970 units.

On a monthly basis, home sales in Türkiye decreased by 33.4% in December 2023 compared to December 2022, reaching 138,577 units sold. Istanbul ranked first with 23,714 home sales and a 17.1% share, followed by Ankara with 11,458 home sales and an 8.3% share.

New home sales in Türkiye dropped by 34.2% in December 2023 compared to December 2022, with 51,243 units sold. New home sales accounted for 31.0% of total home sales.

The REIDIN-GYODER New Home Price Index went up by 2.32% in December 2023 compared to December 2022. The index rose 81.65% in December 2023 compared to December 2022.

Ardus Real Estate Investments

ARDUS REAL ESTATE'S MAIN SUBSIDIARY IS GLOBAL TİCARİ EMLAK, FOCUSED ON COMMERCIAL REAL ESTATE DEVELOPMENT

ARDUS REAL ESTATE INVESTMENTS

Ardus Real Estate Investments, wholly-owned by Global Investment Holdings, is the sub-holding company founded in December 2016 to consolidate GIH's real estate portfolio under one roof. Staffed by a dedicated team of professionals with extensive real estate development experience, Ardus oversees the existing GIH real estate portfolio. The company is engaged in real estate developments with a primary focus on commercial projects. Its current investment portfolio includes commercial, multi-use commercial, residential and tourism projects. Ardus Real Estate's main subsidiary is Global Ticari Emlak, focused on commercial real estate development.

Denizli Sumerpark Mix-Use Real Estate Development

Denizli is a fast-growing industrial city located in southwest Türkiye, the country's Aegean region. As the area's second biggest city after Izmir, Denizli features a strong economy and an expanding population of over 1.1 million. In recent years, it has become a major centre for export and industry. Denizli is a key player in Türkiye's textile manufacturing sector. In addition, Denizli is a significant tourism centre with a rich history and extensive cultural assets. Near the ancient cities of Hierapolis, Laodikeia and Tripolis, and the thermal springs of Pamukkale, Denizli's own health and spa sector is maturing in line with its growing tourism industry.

Sümerpark Project, which is the new living centre of Denizli, is on 100,908.07 m^2 total gross construction area. The project is composed of Sümerpark Evleri, consisting of 608 houses, private school, and hospital lands.

The first and second phases of the "Sümerpark Evleri" housing project, comprising 231 units in three blocks, were completed in 2015. All units have now been delivered to the owners. There are 377 uncompleted units.

The 18th branch of Final Schools is also a tenant of the Sümerpark project. Construction of the school building, with a total construction area of 11,565 m^2, was completed in August 2014. The school opened in fall 2014, under a 15-year lease contract signed with Final Schools.

The Denizli development project also includes construction of a hospital on another 10,745 m^2 tract located adjacent to Sümerpark housing project.

VAN SHOPPING CENTRE

Van lies on the shore of a large scenic lake of the same name in eastern Türkiye. The city features an ancient citadel set atop a dramatic limestone outcrop, overlooking the atmospheric old town. Rapidly expanding and modernizing, Van is a warm and welcoming centre for regional exploration. It is home to striking monuments such as Van Castle, the mountain fortress of Hoşap and the remote village of Bahçesaray, as well as the Church of the Holy Cross. The city is an engaging and liberal urban area in eastern Anatolia. It is also an important commercial and transportation centre for animal hides, grains, fruits, vegetables, and other local produce, both regionally and to neighbouring countries, including Iran, Iraq, and Armenia. Van also serves as an air and ground transport hub for the country's south-eastern cities, such as Bitlis, Hakkari, Siirt and Muş.

VAN SHOPPING CENTRE OCCUPANCY RATE

100%

Van Shopping Centre opened its doors on 15 December 2015

Van Shopping Centre was the first shopping centre in the city and provides a strong selection on a 55,000 m² building area and 26,047 m² leasable area. Van Shopping Centre is home to approximately 86 stores as well as restaurants and cafes, a children's playground, and seven-screen cinemas. In 2023, it attracted more than 8 million visitors, while currently operating with 100% occupancy

SALIPAZARI GLOBAL BUILDING (RIHTIM 51)

Vakıf Han No. VI is located in Karaköy, an up-and-coming neighbourhood in Istanbul near the Golden Horn. An active business centre for centuries, Karaköy is an important commercial district hosting many new real estate developments. Rıhtım 51 is a 2nd degree listed historical building. The renovation projects of the property for the 6,603 m² hotel project is scheduled to be completed in Q1 2025.

CYPRUS PROJECT

Maya Turizm, which was established to develop the Aqua Dolce Tourism and Entertainment Centre Project is designed to house the Aqua Dolce Tourism and Entertainment Centre, the Resort Hotel, a SPA, a multi-purpose conference hall, a casino, sports facilities, and apartments and residences.

FINANCE

ISTANBUL ASSET MANAGEMENT IS THE LARGEST PORTFOLIO MANAGEMENT COMPANY WITH DOMESTIC CAPITAL AND THAT DOES NOT HAVE A BANK/ BROKERAGE HOUSE/INSURANCE COMPANY AS A PARENT

Asset Management

ISTANBUL ASSET MANAGEMENT HAS INCREASED ITS TOTAL AUM FOURTEEN-FOLD TO TL 68.8 BILLION BY END-2023

In Türkiye, asset management (AM) constitutes a relatively small and underperforming area of the financial services industry. To date, the growth of the industry has been curbed by structural factors, especially Türkiye's volatility, as well as the extremely high interest rates on short-term deposits imposed to compensate for the volatile market. Asset management has also been ill-served by restrictive regulation in the country. Historically, asset management companies were barred from designing and marketing fund strategies; funds had to be sponsored by banks. Until recently, this environment resulted in a market that lacked capital, savings and appetite. As of the end of 2023, there are 65 asset management companies in Türkiye.

In 2023, assets under management in Türkiye's AM industry climbed to TL 3.2 trillion, according to the Turkish Capital Markets Association (TCMA).

PORTFOLIO VALUE (TL MILLION)

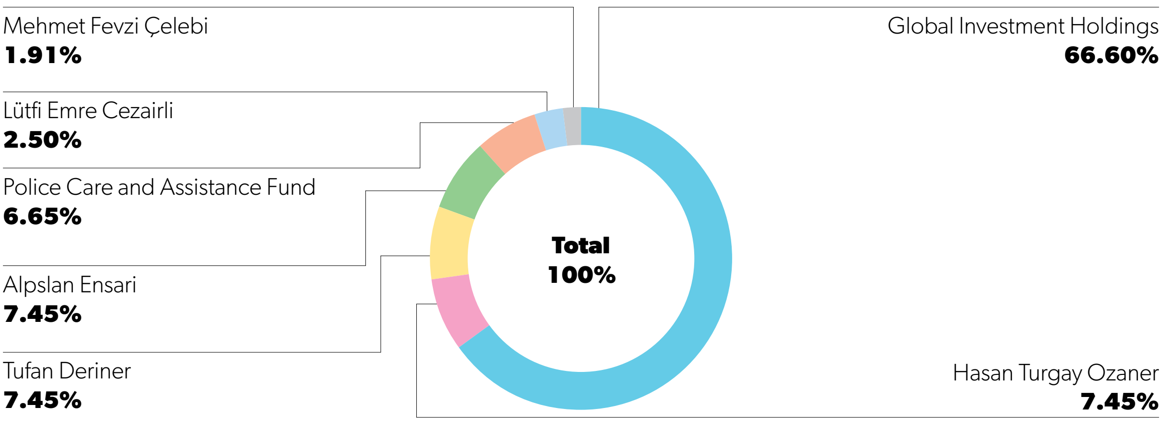
Year	Number of Companies*	TL Million	USD Million
2010	28	46,889	30,304
2011	31	47,851	25,174
2012	35	56,369	31,510
2013	40	64,828	30,372
2014	40	81,848	35,067
2015	46	100,995	33,610
2016	50	122,081	34,604
2017	49	158,635	41,841
2018	54	173,416	32,662
2019	51	284,225	47,667
2020	49	364,616	48,980
2021	52	653,076	48,835
2022	59	1,566,646	83,509
2023	65	3,162,635	107,079

(*) *Companies that have a portfolio management licence.*

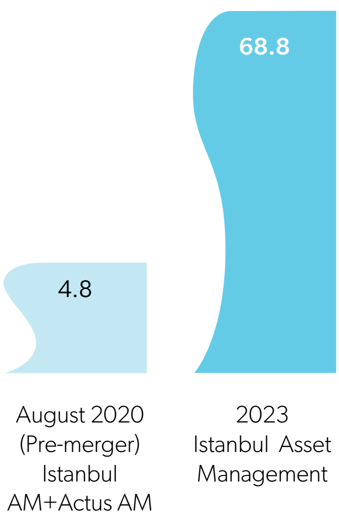
As of 31 December 2023	
Number of Asset Management Companies*	65
Total AUM	TL 3.2 trillion
Total AUM/GDP	12%
Number of Independent AMs (excl. bank subsidiaries)	50
Market Share of Independent AMs	19%

**Companies that have a portfolio management licence.*

Shareholding Structure



(TL Billion)



ISTANBUL ASSET MANAGEMENT

Global Investment Holdings' asset management subsidiary merged with Istanbul Asset Management under the name Istanbul Asset Management as of 25 September 2020. At that time, GIH held a 26.6% stake in the merged entity with an option to purchase an additional 40% of the shares on 3 September 2021. In line with its strategy to grow its asset management business, GIH exercised its option to buy an additional 40% of Istanbul Asset Management's shares in September 2021. Through the exercise of the option, Global Investment Holdings acquired 5,673,600 shares with a nominal value of TL 1.0 each, corresponding to 40% of the share capital of Istanbul Asset Management, for a consideration of TL 77,352,322, which was fully paid in cash. Accordingly, Global Investment Holdings raised its stake in Istanbul Asset Management from 26.6% to 66.6%, becoming the largest shareholder and paving the way for full consolidation. Meanwhile, the stakes of the existing managing partners – Hasan Turgay Ozaner, Tufan Deriner and Alpaslan Ensari – stood at 22.3% after the transaction. A 6.65% stake is owned by the Police Care and Assistance Funds, which has over 50,000 partners and sizeable assets of TL 1.3 billion.

Istanbul Asset Management is the largest portfolio management company with domestic capital and that does not have a bank/brokerage house/insurance company as a parent. Before the merger, Istanbul Asset Management and Actus Asset Management had a combined AUM of TL 4.8 billion as of end-August 2021. Since that time, Istanbul Asset Management (the merged entity) has increased its total AUM fourteen-fold to TL 68.8 billion by end-2023.

Istanbul Asset Management is the most innovative AM firm in Türkiye, with a proven track record of launching multiple first-time funds and products in the local market.

Asset Management

ISTANBUL ASSET MANAGEMENT IS THE ONLY FULL-FLEDGED ASSET MANAGER IN TÜRKİYE

Managing 68 funds, four of which are pension funds, as well as several discretionary mandates, Istanbul Asset Management is the only full-fledged asset manager in Türkiye. Istanbul Asset Management aims to maintain its leadership position in alternative asset management classes such as venture capital funds, and to invest in growth-stage technology startups that have the potential to become global growth stories.

Completing 2023 in eleventh place in terms of managed portfolio size, Istanbul Asset Management aims to extend its long-term goal in asset management to an international scale. The asset size target determined at the beginning of 2023 and declared to our investors, was exceeded at the end of the year, reaching TL 68.8 billion. This growth trend is expected to continue in 2024. Global Investment Holdings plans to focus on its investments in Alternative Mutual Funds through its Istanbul Portfolio.

GLOBAL MD PORTFOLIO MANAGEMENT

Global MD Portfolio Management, fully owned by Global Securities, is a leading non-bank portfolio management firm focused on pension funds – namely Fiba Emeklilik – real estate funds and venture capital funds. Global MD offers top quality portfolio management services to both individual and institutional investors, managing 14 funds invested in the Turkish equity and debt markets.

At end-2023, Global MD reported a total portfolio fund size of TL 1,729 mn TL.

Global MD is the founder of Torkam Global MD Real Estate Fund, one of Türkiye's first real estate investment funds, in which Emlak Konut pledged to become a seed investor – a sector first.

Global MD embraces the mission of becoming one of the leading portfolio management firms by adding new venture and real estate funds to its current roster in 2024 and beyond.

Global MD focuses on providing exceptional customer service and aims for fund performances in the highest rankings of their respective categories.

IEG GLOBAL ADVISORY

In 2011, Global Securities established a joint venture with IEG-Investment Banking Group, one of Europe's leading international investment banking advisory firms. The joint venture provides financial advisory services on mergers & acquisitions, public & private equity, and debt financing, as well as sophisticated CFO advisory in Türkiye. Its superior, multidisciplinary, and international Istanbul-based team focuses squarely on cross-border transactions and financing.

IEG's services include advisory on mergers & acquisitions, financing, and financial strategy, as well as placement of equity, debt, and hybrid capital. IEG has an executive team of over 100 professionals at its Berlin headquarters and international offices. Established in 1999, IEG-Investment Banking Group is an independent, international investment bank with branches and associated offices in New York, Istanbul, Johannesburg, Stuttgart, New Delhi, Shanghai, Tunis, and Zurich.

+1270
+1580
1932
4000
-2100
+2400
+1860
+980
+1100

Brokerage

THE BIST 100 INDEX COMPLETED THE YEAR AT 7,470, CLIMBING 35.6% IN TL TERMS

Borsa Istanbul in 2023

In 2023, expectations for economies regarding the effects and continuity of monetary tightening steps taken by developed countries within the scope of the fight against inflation were at the forefront in global markets. In the first half of the year, uncertainty regarding the continuation of rate increases prevented permanent optimism in the markets. In the last quarter of the year, bond interest rates decreased and the buying appetite in stock markets strengthened alongside expectations that rate hikes might be over and interest rate cuts would begin.

On the domestic side, in addition to foreign factors, political uncertainty prior to the general elections limited the risk appetite in the first half of 2023. During this period, the BIST 100 index fluctuated within the horizontal band of 4300-5700. While there was a generally positive trend following the elections related to the new economic management taking office and steps taken to combat inflation, expectations of potential credit rating increases and foreign investor interest in the coming period also boosted the appetite for risk. The BIST 100 Index, which tested its highest level at 8,562 in October 2023, completed the year at 7,470, climbing 35.6% in TL terms, but falling approximately 14% in USD terms.

According to data released by Borsa Istanbul, foreigners sold USD 1.07 billion in 2023, following net sales of USD 2.01 billion in 2018, USD 600.8 million in 2019, USD 4.58 billion in 2020, USD 1.63 billion in 2021, and USD 4.49 billion in 2022. Although foreign investor transactions in 2023 were generally net sales-oriented, similar to 2022, there was a partial shift in foreign interest due to the change in economic management after the elections; foreign investors were on the net purchase side in the June-July and November-December periods. The share of foreign investors in BIST, which was 29.5% at the end of 2022, moved in a horizontal band in the first half of the year, and showed an upward trend in the second half, rising to 38% by the end of 2023.

Through capital increases, a total of TL 76.9 billion in financing was raised in 2023 versus TL 36.3 billion in 2022. Additionally, the total bond issuance volume of companies issuing 1,813 debt instruments in 2023 was TL 459 billion. In 2022, the figure was TL 362 billion via 1,856 debt instruments.

THE SHARE OF FOREIGN INVESTORS IN BIST

38%

GLOBAL SECURITIES

Established in 1990, Global Securities is a BIST-listed firm that provides brokerage and financial advisory, as well as corporate finance and research services, to individuals and corporates, and local and international investors. The Company's core business is delivering securities, asset management and derivatives trading services to international and domestic clients.

In 2004, when Global Investment Holdings became an investment holding company, GIH spun off its brokerage and related businesses to a new, wholly owned subsidiary, Global Securities. Following its 2011 public offering, Global Securities was listed on Borsa Istanbul (BIST).

In June 2015, Global Securities completed the acquisition of a 100% stake in Eczacıbaşı Securities, another major non-bank owned brokerage company, and the target firm's subsidiary Emdaş Asset Management, for TL 22.1 million. The acquisition of Eczacıbaşı Securities, which combines two deep-rooted and respected companies under one roof, created considerable synergy, resulting in one of the largest independent brokerage companies in the sector.

Global Securities had a market share of 0.88% with an equity trading volume of TL 576 billion, ranking twenty-first among domestic brokerage houses in 2023.

Strategy

Established with the vision of being an industry pioneer in Türkiye, Global Securities executes its core strategy of serving clients with the deep expertise and experience it has accumulated over the years as a leading and dependable brokerage firm.

Sustainability

THE SUSTAINABILITY APPROACH OF GIH IS BUILT ON THREE PILLARS: THE ENVIRONMENT, SUSTAINABLE PRODUCTION AND PROCESSES, AND OCCUPATIONAL HEALTH AND SAFETY

Sustainability at Global Investment Holdings

Sustainability Approach

Since the first day of its establishment, Global Investment Holdings has contributed to the development of Turkish capital markets with its diversified and expanding portfolio and a future-oriented investment approach that thrives on excellence. Within the framework of our business strategy, we swiftly adapt to the continuously changing business environment and market conditions to take advantage of attractive investment opportunities in growing sectors. We not only evaluate investments based on their economic success but also expect them to garner permanent results and create value for all our stakeholders. Accordingly, we assess the growth potential of identified sectors through effective risk and market analysis tools and use the first-mover advantage. We manage all our decision-making processes and related work in line with our sustainability approach and corporate governance principles. The sustainability approach of Global Investment Holdings is built on three pillars: the environment, sustainable production and processes, and occupational health and safety.

Sustainability Management

We appointed different business units to establish the Sustainability Committee in 2016 for conducting sustainability studies in a systematic manner, establishing the necessary strategy, objectives, and action plan, and integrating these within our corporate structure. Global Investment Holdings has accelerated its sustainability efforts and started the implementation of sustainability strategy and management projects. These projects aim to determine sustainability related risks and opportunities in our operations and define a holistic sustainability strategy and targets, while establishing a sustainability governance mechanism throughout Global Investment Holdings and its affiliate companies. In this regard, Global Investment Holdings aims to improve its work in this area in a more systematic and effective manner, and to demonstrate its sensitivity with concrete steps.

Material Issues

We are committed to publishing our sustainability performance and plans on our website in the coming year and to improving our efforts in line with feedback from our stakeholders. Under the leadership of the Committee and with the support of the senior management, material issues that need to be addressed in the field of sustainability were identified by conducting a stakeholder analysis. As part of this effort, Global Investment Holdings considered the environmental and social impact analyses conducted with internal and external stakeholders, as well as risk assessment results, global and industry-specific trends, and stakeholder feedback. Different stakeholder groups – including company employees, suppliers, subcontractors, corporate and individual investors, senior management, and subsidiaries – participated in these surveys.

Please visit our website / sustainability section (https://globalyatirim.com.tr/en/sustainability/our-sustainability-report/) to see our detailed approach including targets, projects, key indicators and such.

WE COLLABORATE WITH OTHERS AND LEAD WORK FOR THE PROTECTION OF NATURAL LIFE TO CONTRIBUTE POSITIVELY TO BIODIVERSITY

Contribution to UN Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) that Global Investment Holdings targets along with its material topics while performing its activities are as follows:

Areas	Purpose	Related SDG
Combatting Climate Change and Energy Management	To make renewable energy investments, to increase fuel efficiency and renewable energy use, to reduce greenhouse gas emissions	6 CLEAN WATER AND SANITATION; 7 AFFORDABLE AND CLEAN ENERGY; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 13 CLIMATE ACTION
Waste Management	To ensure sustainable use of natural resources, sustainable waste management (to prevent waste formation, minimize it in case it cannot be prevented, increase reuse and recycling rates), comply with the relevant legislation regarding the Zero Waste Management System in our fields of activity	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Supporting Biodiversity	To evaluate the effects of our activities on biodiversity, generate the necessary policies for the protection of biodiversity, and ensure their implementation	14 LIFE BELOW WATER; 15 LIFE ON LAND; 17 PARTNERSHIPS FOR THE GOALS
Occupational Health and Safety	To establish the systems required to eliminate the risk of death and injury in our fields of activity, and provide the ideal working environment needed to protect the physical and mental health of our employees	8 DECENT WORK AND ECONOMIC GROWTH
Diversity and Equal Opportunities	To create an embracing corporate culture that respects differences and supports disadvantaged groups, and manage all business processes in a manner that favours equality of opportunity and does not allow gender discrimination	5 GENDER EQUALITY; 10 REDUCED INEQUALITIES

WE RESPECT HUMAN RIGHTS, DIVERSITY, AND INCLUSION IN OUR APPROACH TO OUR EMPLOYEES

Environmental Responsibility

Continuous improvement in environmental awareness, combating climate change, full compliance with legislation, following up on national and international standards and innovations, and increasing the environmental awareness of employees are among the corporate priorities of Global Investment Holdings. Global Investment Holdings strives to protect the environmental interests of both its own facilities and society at the highest level of awareness by continuously assessing and managing its environmental impacts, and by utilizing natural resources and renewable energy and implementing measures to reduce its greenhouse gas emissions at all times. Global Investment Holdings performs activities in all fields of operation, including port infrastructure, power generation, gas, mining, real estate, and finance, in compliance with environmental legislation and international standards.

Climate change is underlined by the development and globalization of industrial activities that drive an increase in fossil fuel consumption and the subsequent deterioration and pollution of air, water, and soil. As stated in its Environmental Policy as well, Global Investment Holdings commits to manage and lower the environmental impacts arising from its activities, and to consistently improve its environmental performance. The Holding aims to reduce greenhouse gas emissions to limit the impact on climate change. Efforts are made to lower energy usage and to increase energy efficiency at all stages of operations. As well, the Holding aims to reduce the use of water and natural resources and utilize them in the most efficient way possible in its all operations. The Holding works on reducing at the source, reusing and recycling the waste resulting from its activities, and disposes of such waste as required by the relevant legislation.

Additionally, we focus on the role of ecosystems, which provide raw materials to numerous industries and are indispensable for the continuity of life, and we take care of protecting biodiversity. At Global Investment Holdings, we are aware of the effect that our world-spanning facilities may have on biodiversity, led by our port operations, which are included within the scope of our wide-ranging activities as required by our expansive investment portfolio. For this reason, we assess the impact of all our operations on biodiversity and have continued to work on this issue studiously since 2015. In addition to minimizing the effect of our operations, we collaborate with others and lead work for the protection of natural life to contribute positively to biodiversity.

Interaction with Local Communities

Global Investment Holdings and its subsidiaries focus on integrating social, environmental, ethical, and human rights issues into the Group's activities and main strategy, in close cooperation with the communities where they are located, and their social stakeholders. We regard ourselves as a guest in the countries where we operate, and we actively contribute to the lives and needs of the local population.

Supporting farmers is among our priorities. In this regard, Edusa aims to guarantee the biomass supply of Consus Enerji's power plants and to make it sustainable by assuming the responsibility for supplying various biomass sources, especially agricultural residues. The agricultural residues remaining on the farmers' fields after harvest, and which had no area of use in the past are collected without imposing any burden or cost for the farmers. Later, these residues are converted into energy in biomass power plants owned by Consus Enerji and brought into the economy. Through this method, farmers are supported in terms of production costs. In addition, a contribution is made to agricultural sustainability and productivity by preventing the soil damage caused by disposing of agricultural residues in the field by burning them.

Value Accorded to Human Rights

We conduct our operations in accordance with the Universal Declaration of Human Rights and International Labour Organization (ILO) Conventions. In this respect, we work with the approach of preventing the possible negative effects originating from our operations on the local population and on human rights in the regions where we operate, and of intervening when potential negative effects emerge. In accordance with the fundamental human rights principles, Global Investment Holdings does not permit child labour, forced and/or unfree labour under any circumstance. In addition, we observe compliance with these principles in the selection of suppliers and subcontractors. We also encourage compliance with the principles through the contracts concluded. Goal 8 of the Sustainable Development Goals, "Decent Work and Economic Growth" highlights human rights in the working environment for sustainable development.

We respect human rights, diversity, and inclusion in our approach to our employees. Based on the importance we place on equality, we refrain from any discrimination on the basis of race, religion, language, gender, etc., in hiring people or providing them with career opportunities. We work towards providing decent jobs and contributing to sustainable economic growth within the Sustainable Development Goals.

Disclosures/Ratings

As part of our commitment to transparency, we strive to disclose our impact and performance on sustainability-related issues.

Our fair, responsible and accountable management approach, ethical principles, environmental sustainability studies, occupational health and safety practices, supplier relations and social contributions, which we evaluate within the scope of our sustainability efforts, constitute an integral part of our business. In line with this approach, we are a signatory to the United Nations Global Compact and committed to the Ten Principles concerning human rights, labour rights, environment, and anti-corruption.

As Global Investment Holdings, we are also listed in the BIST Sustainability Index, which includes companies with high corporate sustainability performance and that are listed on Borsa Istanbul. We publish our sustainability reports on our website to ensure stakeholder engagement and to contribute to our sustainability efforts in this context. We are committed to publishing our sustainability performance and future plans on the website in the coming period and improving our work in line with our stakeholders' feedback.

Memberships and Initiatives Supported

To integrate sustainability into all activities and decision-making processes, Global Investment Holdings diligently monitors national and international developments through close cooperation with all stakeholders, from its employees to its business partners, and shares information with the representatives of different industries via different platforms.

- TCMA - Turkish Capital Markets Association
- Istanbul Chamber of Commerce and Regional Chambers of Commerce
- Chamber of Shipping
- Karaköy Beautification and Protection Association
- TÜYİD - Investor Relations Association
- DEİK - Foreign Economic Relations Board
- Finance Club
- Spanish-Turkish Chamber of Commerce and Industry
- Turkish Cogeneration and Clean Energy Technologies Association
- ICI - Istanbul Chamber of Industry
- ICC - Istanbul Chamber of Commerce
- Liquefied and Compressed Natural Gas Association
- United Nations Global Compact (UNGC)
- Turkish American Businessmen's Association - American Chamber of Commerce - Türkiye (TABA - AmCham)

CMB Sustainability Principles Compliance Report

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
	A. General Principles						
	A1. Strategy, Policy and Targets						
A1.1	The Board of Directors determines material environmental, social and governance (ESG) issues, risks and opportunities.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
	The Board of Directors establishes relevant ESG policies (e.g. Environmental Policy, Energy Policy, Human Rights and Employee Policy, etc.) and they are publicly disclosed	X					8-GIH-ENVIRONMENTAL_POLICY-062019.pdf (globalyatirim.com.tr), 2-HUMAN_RIGHTS_POLICY_-062019.pdf (globalyatirim.com.tr), Global Investment Holdings - Code of Ethics (globalyatirim.com.tr)
A1.2	Publicly discloses short- and long-term goals set according to ESG policies.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
	A2. Implementation/Monitoring						
A2.1	Determines and discloses the committees/units responsible for the execution of ESG policies, and the highest level positions in charge of ESG issues at the Company and their duties.	X					https://globalyatirim.com.tr/en/sustainability/our-sustainability-committee
	The responsible committee and/or unit reports the activities carried out as per the policies during the year at least once a year to the Board of Directors.	X					https://globalyatirim.com.tr/en/sustainability/our-sustainability-report
A2.2	Creates and discloses implementation and action plans aligned with ESG targets	X					Global Investment Holdings - Our Sustainability Approach (globalyatirim.com.tr)
A2.3	Discloses ESG Key Performance Indicators (KPI) and the degree of their achievement by years.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
A2.4	Discloses efforts for improving sustainability performance with respect to work processes or products and services.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
	A3. Reporting						
A3.1	Discloses sustainability performance, targets and actions in an intelligible, accurate and adequate manner in annual reports	X					https://www.globalyatirim.com.tr/en/investor-relations
A3.2	Provides information about which of the United Nations (UN) 2030 Sustainable Development Goals its activities relate to	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
A3.3	Makes disclosures regarding the lawsuits filed and/or concluded against the company on account of ESG issues, which are material with respect to ESG policies and/or have material impact on operations.				X		
	A4. Verification						
A4.1	ESG Key Performance measurements are verified by an independent third party and publicly disclosed		X				
	B. Environmental Principles						
B1	Publicly discloses its environmental management policy and practices, action plans, environmental management systems (known by ISO 14001 standard) and programs	X					iso_EN.pdf (globalyatirim.com.tr)
B2	Publicly discloses the limitations over the reporting scope, reporting period, reporting date, reporting conditions of the environmental reports to be prepared for providing environmental management information	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf

CMB Sustainability Principles Compliance Report

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
B3	Provided in A2.1.	X					
B4	Discloses the environmental targets included in rewarding criteria within the scope of performance incentive systems on the basis of stakeholders (board members, executives, employees and so on).		X				
B5	Explains how environmental issues identified to be material are integrated into business goals and strategies.	X					https://globalyatirim.com.tr/en/sustainability/our-sustainability-approach
B6	Provided in A2.4.	X					
B7	Explains how it manages environmental issues throughout the Company's value chain including suppliers and customers so as to cover the operation process as well and how they are integrated into its business goals and strategies.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B8	Discloses whether it is involved in policy-making processes on environmental issues of relevant institutions and non-governmental organizations and its collaborations with these institutions and organizations, if any.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B9	Periodically reports information about its environmental impacts comparatively in the light of environmental indicators; GHG emissions Scope-1 (Direct), Scope-2 (Indirect from purchased energy), Scope-3 (Other indirect), air quality, energy management, water and wastewater management, waste management, biodiversity implications).	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
B10	Discloses the standard, protocol, methodology and baseline year details used to collect and calculate its data.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B11	Publicly discloses the status of environmental indicators for the reporting year (increase or decrease) in comparison with previous years.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B12	Sets short and long-term goals to reduce its environmental impact and discloses these goals and the progress, if any, as compared to the targets set in previous years.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B13	Discloses its strategy and actions to combat the climate crisis.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B14	Explains its programs or procedures to prevent or minimize the potential negative impacts of the products and/ or services it offers.		X				
	Takes and explains its actions for driving reduction of GHG emission quantities of third parties (e.g. suppliers, sub-contractors, dealers, etc.).		X				
B15	Discloses the total number of actions taken, projects carried out and initiatives undertaken to mitigate its environmental impacts, along with the benefits/revenues and cost savings they provide.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B16	Reports energy consumption data (gas, diesel oil, fuel oil, LPG, coal, electricity, heating, cooling, etc.) and discloses its energy consumption as Scope-1 and Scope-2.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf

CMB Sustainability Principles Compliance Report

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
B17	Discloses information about the electricity, heat, steam and cooling generated during the reporting year	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B18	Conducts and discloses studies on increasing the use of renewable energy, transition to zero or low carbon electricity.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B19	Discloses data on its renewable energy generation and consumption.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B20	Develops energy efficiency projects and discloses the quantity reduced in energy consumption and emission enabled by these efforts	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B21	Reports the amount of underground or overground water withdrawn, recycled and discharged, the resources and procedures.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B22	Discloses whether its operations or activities are included in any carbon pricing system (Emission Trading System, Cap & Trade or Carbon Tax).				X		-
B23	Discloses the carbon credits saved or purchased during the reporting period.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
B24	Discloses the details if carbon pricing is applied within the Company				X		-
B25	Discloses the platforms that it reports its environmental information to.	X					https://www.globalyatirim.com.tr/en/investor-relations

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
	C. Social Principles						
	C1. Human Rights and Employee Rights						
C1.1	Develops a Company Human Rights and Employee Rights Policy, which pledges full compliance with the Universal Declaration of Human Rights, ILO Conventions ratified by Türkiye and other applicable legislation. Discloses the policy and the roles and responsibilities associated for its implementation	X					2-HUMAN_RIGHTS_POLICY_-062019.pdf (globalyatirim.com.tr), Global Investment Holdings - Code of Ethics (globalyatirim.com.tr)
C1.2	Incorporates equitable workforce, improvement of working standards, women's employment and inclusion (not discriminating on the basis of gender, race, religion, language, marital status, ethnicity, sexual orientation, gender identity, family responsibilities, union activities, political affiliation, disabilities, social and cultural differences, etc.) in its policy concerning employee rights, while looking out for the effects of supply and value chain.	X					2-HUMAN_RIGHTS_POLICY_-062019.pdf (globalyatirim.com.tr), Global Investment Holdings - Code of Ethics (globalyatirim.com.tr)
C1.3	Discloses the measures taken throughout the value chain for protecting the rights of groups sensitive to certain economic, environmental, social factors (low-income groups, women, etc.) or for securing minority rights/equal opportunity.		X				

CMB Sustainability Principles Compliance Report

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
C1.4	Reports on progress in relation to actions for preventing and remedying discrimination, inequality, human rights violations, forced labor and child labor.	X					https://www.globalyatirim.com.tr/en/investor-relations
C1.5	Incorporates investments in employees (training, development policies), employee compensation, fringe benefits granted, the right to unionize, work/life balance solutions and talent management in its policies concerning employee rights.	X					https://www.globalyatirim.com.tr/en/investor-relations
	Determines the mechanisms for resolution of employee complaints and labor disputes, and establishes conflict resolution processes.	X					
	Discloses the activities for ensuring employee satisfaction during the reporting period.		X				
C1.6	Establishes and discloses occupational health and safety policies.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
	Discloses the measures adopted for preventing workplace accidents and for protecting occupational health along with statistical data on accidents	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
C1.7	Establishes and discloses personal data protection and data security policies.	X					CLARIFICATION_TEXT_ON_PROCESSING_AND_PROTECTING_PERSONAL_DATA.pdf (globalyatirim.com.tr)
C1.8	Establishes and discloses a code of ethics.	X					https://globalyatirim.com.tr/en/corporate-governance/code-of-ethics/
C1.9	The studies related to social investment, social responsibility, financial inclusivity and access to finance have been explained.	X					https://www.globalyatirim.com.tr/en/investor-relations
C1.10	Organizes information meetings and training programs on ESG policies and practices for employees.	X					https://www.globalyatirim.com.tr/en/investor-relations

	PRINCIPLE	COMPLIANCE					RELATED REPORT/LINK
		YES	NO	PARTIAL	N/A	EXPLANATION	
	C2. Stakeholders, International Standards and Initiatives						
C2.1	Establishes and discloses a customer satisfaction policy for handling and resolving customer complaints.				X		
C2.2	Discloses information about the communication maintained with stakeholders (which stakeholders, topics and frequency).	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
C2.3	Discloses the international reporting standards embraced in its reporting	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
C2.4	Discloses the principles embraced in relation to sustainability, international organizations, committees and principles that it is a signatory or member of.	X					Global Investment Holdings - Our Sustainability Approach (globalyatirim.com.tr)
C2.5	Makes improvements and concrete efforts to qualify for inclusion in sustainability indices of Borsa İstanbul and/or international index providers.	X					https://globalyatirim.com.tr/wp-content/themes/mbctheme/files/surdurulebilirlik/2022/Sustainability_Metrics.pdf
	D. Corporate Governance Principles						
D1	Seeks stakeholders' opinions when determining the measures and strategies in relation to sustainability.	X					https://www.globalyatirim.com.tr/en/investor-relations
D2	Works on raising awareness of sustainability and its importance through social responsibility projects, awareness activities and training programs.	X					https://www.globalyatirim.com.tr/en/investor-relations

Investor Relations

Committed to effective, continuous two-way communication with the investment community, Global Investment Holdings Group delivers timely communications and enjoys a transparent relationship with its investors. The Group strives to increase both shareholder and customer satisfaction by adopting and adhering to world-class corporate governance and investor relations guidelines.

Affirming the Group's commitment to transparency and timely public disclosure, the investor relations function is overseen by a dedicated Investor Relations Department, which manages the daily information flow to the investment community.

In 2023, the Investor Relations Department held three teleconferences with multiple participants to inform analysts and portfolio managers on its quarterly financial results and operational developments. In addition to the investor conferences, investor & analyst meetings and quarterly results teleconferences, the Department responded to more than 1000 investor requests via phone and email and communicated to over 650 institutional and retail investors.

Additionally, the IR Department proactively contacted relevant financial institutions with company-related and key news updates. The Department actively pursues opportunities to communicate with the investment community through all available channels.

All current and potential investors are encouraged to contact the Group at investor@global.com.tr and visit the corporate website at www.globalyatirim.com.tr.

- GLYHO is included in numerous indexes, including BIST ISTANBUL/ BIST SUSTAINABILITY/BIST ALL SHARES-50/BIST MAIN/BIST ALL SHARES/BIST FINANCIALS/BIST HOLD AND INVESTMENT/BIST CORPORATE GOVERNANCE.

Investor Relations Department Information:

Name-Surname	Title/License	Phone	E-mail
Aslı Su Ata	Chief Investor Relations Officer/CMB Advanced Level & Corporate Governance Rating	+90 (212) 244 60 00	investor@global.com.tr
Osman Kaan Coşkun	Investor Relations Manager	+90 (212) 244 60 00	investor@global.com.tr

Ratings

Global Investment Holdings' Corporate Governance Rating has been upgraded to 9.26.

Pursuant to the Capital Markets Board (CMB)'s Communiqué on "Rating Activities and Rating Agencies in Capital Markets," Global Investment Holdings' Corporate Governance Rating was reviewed by Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.S. (Kobirate International Credit and Corporate Governance Rating: Kobirate). Accordingly, Kobirate upgraded Global Investment Holdings' Corporate Governance Rating to 9.26 (out of 10.0), up from 9.21 a year earlier, indicating that GIH has achieved substantial compliance with CMB's Corporate Governance Principles.

Kobirate reviewed GIH's Corporate Governance Practices under four main categories. Improvements in the "Public Disclosure & Transparency" category contributed to GIH's overall rating upgrade.

	2023
Overall rating (out of 10.0)	9.26
Shareholders (25%)	90.27
Public Disclosure & Transparency (25%)	96.68
Stakeholders (15%)	92.86
Board of Directors (35%)	91.31

The report issued by Kobirate is available on the Global Investment Holdings corporate website. (https://globalyatirim.com.tr/en/).

Credit Ratings

JCR Eurasia Rating, has evaluated consolidated structure of Global Yatırım Holding A.Ş in the investment-level category on the national scales and upgraded its Long-term National Issuer Credit Rating to 'A- (tr)' from 'BBB+ (tr)' and assigned the Short-Term National Issuer Credit Rating at 'J2 (tr)' with 'Stable' outlook.

On the other hand, the Long Term International Foreign and Local Currency Issuer Credit Ratings and outlooks were assigned as 'BB/Negative' as parallel to international ratings and outlooks of Republic of Türkiye.

In the final evaluation period, the key elements for the grade revision include the diversified portfolio distribution of the Holding, its strong position in the sub-sectors in which it operates, the capacity to generate foreign currency income, notable improvement in EBITDA generation capacity in 2022 which is also maintained during 9M2023 period, the extension of concession periods for currently operated ports, the expectation of additional income from newly signed concession agreements, and the aim to achieve a soft landing and slow down consumption domestically, along with tightening measures in response to global economic indicators signalling a potential economic slowdown.

Long-Term National Local Rating:	A- (tr) / (Stable Outlook) Short-Term National
Local Rating:	J2 (tr) / (Stable Outlook)
Long-Term International Foreign Currency:	BB / (Negative Outlook)
Long-Term International Local Currency:	BB / (Negative Outlook)
Long-Term National Issue Rating:	A- (tr) Short-Term National Issue Rating: J2 (tr)

Corporate Citizenship

Global Investment Holdings and its subsidiaries are committed to integrating social, environmental, ethical, and human rights concerns into the Group's business operations and core strategy, in close collaboration with stakeholders and the communities where it operates.

The Company values philanthropic engagements that promote Türkiye and improve the social, cultural, and economic environment, benefiting the country and its citizens, both locally and nationally.

The Company's sponsorship activities in 2023 continued to support sports, educational, charitable, cultural, and social causes, and related projects and events.

Global Run

People from all over the world come together to run for cultural tolerance at the Global Run. Global Run is an annual race organized by Global Ports Holding Plc (GPH) with the hope of bringing the world one step closer to peace and understanding. To date, Global Run has been held in Bodrum, Türkiye; Valletta, Malta; Bar/Kotor, Montenegro, Ravenna, Italy and Barcelona, Spain. The intention is to host a Global Run in all locations of GPH's growing portfolio around the world.

Global Run Bodrum

A core component of its social responsibility activities, Global Investment Holdings & Global Ports Holding has organized and sponsored Bodrum Global Run annually since 2014. Each year, around 2 thousand runners participate in the popular footrace in historic Bodrum. Proceeds generated from the race and other activities are donated to Turkish charities. Past recipients include Committee Volunteers Foundation (TOG), TOÇEV and Parıltı Association.

Education

Singling out contributions to education, the Group:

- Sponsored a nationwide Elementary Schools Study Books Support Campaign organized by a national newspaper in 2007 and contributed to a project run jointly by UNICEF and the Ministry of Education to construct two classrooms in Şanlıurfa-Harran.
- Completed the construction of dormitories at Erzincan University Refahiye Occupational High School in 2009. The İzzet Y. Akçal Refahiye Student Dormitories comprise 40 separate units in three blocks.
- Completed construction of Adnan Menderes University Tourism and Hotel Management College Group in collaboration with the Ministry of Education. The College, since opening its doors in 2009, has produced qualified human resources for the Turkish hospitality industry, while contributing to the cultural richness of Kuşadası and its environs.
- Completed construction of a 32-classroom elementary school in the town of Denizli in December 2010. In the same period, it donated clothing, textbooks, and supplies to the elementary school of the Muş Beşçetak village and also donated computers to numerous schools.
- Established the library of Şırnak İpekyolu Primary School in 2012, to contribute to children's personal and educational development. Furthermore, the Group donated computers to Istanbul Dumlupınar Primary School, in parallel to its corporate citizenship commitment.
- Undertook numerous initiatives to benefit the community in the Group's home city of Kuşadası and the area surrounding the Port and since 2003 in particular contributed to the community and the Adnan Menderes University Tourism and Hotel Management College. This has included the donation of computers and other equipment to local schools, as well as funding to rehabilitate local beaches, and technical assistance to Turkish state-run institutions. In addition to providing donations to various charities and regular support for those in need, Ege Ports has also sponsored local motor sports clubs and provided financial support for the replanting of forest land damaged by fire.
- Purchased art inspired by major contemporary and modern Turkish artists from Istanbul Modern and sent as New Year's gifts to support the museum.

Board of Directors

MEHMET KUTMAN
Chairman
Mr. Kutman is a founding shareholder, Chairman and Chief Executive Officer of Global Investment Holdings. Actively involved in business development at the Company, Mr. Kutman also serves on the Board of Directors of several Global Investment Holdings subsidiaries and affiliates.

Mr. Kutman is a member of DEİK (Foreign Economic Relations Board) and a member of TÜSİAD (Turkish Industry & Business Association).

Prior to founding the predecessor of the Company in 1990, Mr. Kutman was a project manager at Net Holding A.Ş., a Turkish corporate group involved in tourism and other related sectors, from 1989 to 1990. Between 1984 and 1989, he resided in the United States, where he served as Vice President at North Carolina National Bank, Sexton Roses Inc., and Philip Bush & Associates. Mr. Kutman holds a BA (Hons.) from Boğaziçi University and an MBA from the University of Texas.

Mr. Kutman plays a vital role in the Yale Program in Brain Tumour Research, which works to better understand the formation of brain tumours and develop improved therapies, as well as various cancer research activities worldwide through the Gregory Mr. Kiez and Mehmet Kutman Foundation.

EROL GÖKER
Vice Chairman
Mr. Göker is a founding shareholder of Global Investment Holdings and has served as Chairman of the Group's Finance division since its formation. In addition to sitting on the Board of Directors of various Group companies, Mr. Göker serves a member of several committees at Borsa Istanbul. He is also a member of TÜSİAD.

Prior to founding the predecessor of the Company in 1990, Mr. Göker led the Capital Markets Department at Net Holding A.Ş. before joining Net Holding A.Ş. he worked at the Capital Markets Board for four years and at the Ministry of Finance in the Tax Auditing Department for four years. Mr. Göker holds a BA in Political Science and an MA in Economics, both from Ankara University.

AYŞEGÜL BENSEL
Executive Board Member
Mrs. Bensel joined the Board of Directors at Global Investment Holdings in 1999 and serves on the Boards of various Group subsidiaries. Mrs. Bensel is a member of the Company's Nomination and Remuneration Committee, Corporate Governance Committee and Early Risk Assessment Committee. Mrs. Bensel has served as the Chair and CEO of the Group's Real Estate division, Pera REIT.

Mrs. Bensel served as the Chair and also, after 2005, as the CEO of Global Life Insurance until the Group sold the company in March 2007. Previously, Mrs. Bensel had been Co-Director of Research at Global Securities between 1998 and 1999, and Assistant Director of Research from 1993 to 1998. Prior to joining the Group as an Equity Research Analyst in 1991, Mrs. Bensel was a Foreign Exchange Dealing Manager in the Turkish banking sector. Mrs. Bensel holds a BA in Business Administration and Finance from Hacettepe University, Ankara.

Board of Directors

SERDAR KIRMAZ
Executive Board Member
Mr. Kırmaz joined the Board of Directors at Global Investment Holdings in 2010. He also serves on the Boards of various subsidiaries. Mr. Kırmaz is a member of the Company's Nomination and Remuneration Committee, Corporate Governance Committee and Early Risk Assessment Committee.

Mr. Kırmaz received his bachelor's degree in business administration from Middle East Technical University, Ankara. In 1988, he joined PricewaterhouseCoopers (PwC), where he became a Partner. From 1997 to 1999, Mr. Kırmaz held advisory positions in various Turkish business groups. Mr. Kırmaz served as the CFO and on the Boards of several subsidiaries of Doğan Group from 2007 to 2010; Global Investments Holdings between 2005 and 2007; and STFA Group from 1999 until 2005.

H. FAİK AÇIKALIN
Independent Board Member
Faik Açıkalın, who has undertaken many important tasks in the Turkish banking sector, has been appointed as an Independent Board Member. Mr. Açıkalın began his career as a management trainee at Interbank, after graduating from Middle East Technical University, Department of Business Administration in 1987. Between 1992 and 1998, he held various positions at different banks. Following his assignment as Executive Vice President at Dışbank in May 1998, he was appointed as Deputy General Manager and Member of the Board of Directors in 1999 and as CEO and Managing Director in December 2000. With the acquisition of Dışbank by Fortis in 2005, Mr. Açıkalın continued his role as the CEO of Fortisbank while also taking part in the international management of the Bank. Mr. Açıkalın left Fortisbank in October 2007 and joined Dogan Gazetecilik as the CEO. In April 2009, he was appointed as the CEO of Yapı Kredi Bank, then a joint venture between Türkiye's largest conglomerate Koç Holding and UNICREDIT of Italy. In addition to his role as the CEO at Yapı Kredi, Mr. Açıkalın assumed the CEO role at Koç Finansal Hizmetler in 2010, while also serving as the President of Koç Holding A.Ş. Banking and Insurance Group in 2011. During his tenure at Yapı Kredi, Mr. Açıkalın served as the Chairman of Yapı Kredi Bank's domestic and international subsidiaries, as the Vice Chairman of Banque de Commerce et de Placements S.A. and Allianz Life and Pension, and as a Board Member of the Banks Association of Türkiye. Mr. Açıkalın departed his roles at Koc Holding, Yapı Kredi and its subsidiaries as of the end of 2017.

Currently, Mr. Açıkalın serves as an Advisor to the Board of Directors and is an Independent Board Member for leading companies in Türkiye and abroad.

GÜLSÜM AZERİ
Independent Board Member

Gülsüm Azeri, one of Türkiye's most powerful businesswomen, has been appointed as an Independent Board Member. For a significant part of her career, Gülsüm Azeri held senior management roles at Türkiye's major industrial company Şişecam, a producer of glass and chemicals; she served as Chemicals Group President between 1994-1998, Glassware Group President between 1999-2007, and Flatglass Group President between 2007-2011, while concurrently serving as a member of the Executive Committee at Şişecam between 1994-2011. During her tenure at Şişecam, Ms. Azeri exported to 160 countries, while initiating and concluding 15 large-scale production facilities in Türkiye, Bulgaria, Russia, and Egypt. Furthermore, she established business partnerships with leading companies in France, Italy, Belgium, and the United States.

Between 2011-2017, Ms. Azeri served as the CEO and a Board Member at OMV Petrol Ofisi A.Ş. and OMV Gaz ve Enerji Holding A.Ş., while also serving as the Chairman of the Board of Directors of OMV Petrol Ofisi Holding A.Ş. and a member of the Senior Board of VIP Türkiye Holding B.V. Between 2011 and 2013, Ms. Azeri also served as a member of the Board of Directors of Turkish Airlines. In addition, she has been a Board Member at the Istanbul Chamber of Industry, an Executive Board Member at the Turkish Exporters Assembly, and a Board Member and Executive Board Member at The Foreign Economic Relations of Türkiye, while also representing the private sector at the Prime Ministry Ethics Committee between 2005-2011. Additionally, Gülsüm Azeri was selected as the most powerful woman CEO by Ekonomist Magazine for three consecutive years in 2015, 2016 and 2017.

Gülsüm Azeri holds a bachelor's degree in chemical engineering from Boğaziçi University and a Master's degree in Industrial Engineering from the same university. Having been educated at the Austrian- and American-run schools, the Austrian High School and Robert College, Gülsüm Azeri speaks German and English at an advanced level.

OĞUZ SATICI
Board Member

Mr. Satıcı is an Independent Board Member. Mr. Satıcı is the chairman of the Company's Nomination and Remuneration Committee, Audit Committee, Corporate Governance Committee and Early Risk Assessment Committee.

Mr. Satıcı began his professional career in the textile sector, successfully expanding his family's business. He was the youngest person to be elected as an Assembly Member at the Istanbul Chamber of Commerce (İTO) in 1990. Mr. Satıcı served as a Board Member at the Economic Development Foundation (İKV) between 1996 and 1998 and as Chairman of the Istanbul Textile and Raw Materials Exporters' Association from 1999 to 2001. He was Chairman of the Turkish Exporters Assembly (TİM) for three consecutive terms between 2001 and 2008; his significant contributions during this period included an increase of more than 500% in Türkiye's export volume, an accomplishment widely acknowledged by the Turkish political and business community.

Mr. Satıcı also served as a member of the Coordination Committee for Improvement of the Investment Environment of Türkiye (YOİKK) between 2001 and 2008, and of the Investment Advisory Council of Türkiye (YDK) from 2004 to 2009.

Mr. Satıcı is Chairman of the Türkiye - Central America and Caribbean Business Councils of DEİK (Foreign Economic Relations Board).

Mr. Satıcı was a Board Member at Turkish Eximbank. He holds a BA in Business Administration from Washington International University.

Statement of Independence

I declare that,

- Within the last ten years, I did not serve as a member of the board of directors at Global Yatırım Holding A.Ş. ("Holding") for more than six years in total;

- Within the last five years, neither I nor were my partner, in-laws and blood relatives up to second degree were a shareholder (over 5%) or held voting or privileged rights (over 5%), neither solely nor together, and did not hold an executive position so as to assume substantial duties and responsibilities, at Holding, or companies which Holding has a significant impact on or whose management control is vested upon Holding, or Holding's shareholders who possess Holding's management control or who have a significant impact on Holding, and legal entities at which such shareholders have management control, and that there was no commercial relationship of significance between those persons counted above and me, my partner, in-laws and blood relatives up to second degree;

- Within the last five years, I did not serve as a member of the board of directors, was not a shareholder (5% and over), and did not hold an executive position so as to assume substantial duties and responsibilities at companies to which Holding sold to or purchased from services or goods in a significant amount within the frame of the agreements executed, during the period at which such services or goods were purchased or sold, including firstly the audit (also including tax audit, statutory audit, internal audit), rating and advisory services;

- I have the professional training, knowledge, and experience to duly fulfil the missions I shall assume due to being an independent member of the board of directors;

- I do not work full-time at public institutions and organizations, as of the date I am nominated to the board of directors and for the duration of my term in case of my election;

- I am deemed as residing in Türkiye, as per the Income Tax Law;

- I possess strong ethical standards, professional reputation, and experience, which would allow me to provide a positive contribution to the activities of Holding, to preserve impartiality when conflicts of interest among shareholders arise, and to freely decide by taking into consideration the rights of the shareholders;

- I do not serve as an independent member of the board of directors in more than three companies, at which Holding or its shareholders who possess Holding's management control have management control, and in more than five companies in total that are publicly traded;

- I can spare time for Holding on a scale that would allow me to follow up on the running of company activities and to fully satisfy the requirements of the duties I assume; and that therefore, I shall fulfil my membership to the board of directors, as an independent board member.

H. Faik AÇIKALIN

I declare that,

- Within the last ten years, I did not serve as a member of the board of directors at Global Yatırım Holding A.Ş. ("Holding") for more than six years in total;

- Within the last five years, neither I nor were my partner, in-laws and blood relatives up to second degree were a shareholder (over 5%) or held voting or privileged rights (over 5%), neither solely nor together, and did not hold an executive position so as to assume substantial duties and responsibilities, at Holding, or companies which Holding has a significant impact on or whose management control is vested upon Holding, or Holding's shareholders who possess Holding's management control or who have a significant impact on Holding, and legal entities at which such shareholders have management control, and that there was no commercial relationship of significance between those persons counted above and me, my partner, in-laws and blood relatives up to second degree;

- Within the last five years, I did not serve as a member of the board of directors, was not a shareholder (5% and over), and did not hold an executive position so as to assume substantial duties and responsibilities at companies to which Holding sold to or purchased from services or goods in a significant amount within the frame of the agreements executed, during the period at which such services or goods were purchased or sold, including firstly the audit (also including tax audit, statutory audit, internal audit), rating and advisory services;

- I have the professional training, knowledge, and experience to duly fulfil the missions I shall assume due to being an independent member of the board of directors;

- I do not work full-time at public institutions and organizations, as of the date I am nominated to the board of directors and for the duration of my term in case of my election;

- I am deemed as residing in Türkiye, as per the Income Tax Law;

- I possess strong ethical standards, professional reputation, and experience, which would allow me to provide a positive contribution to the activities of Holding, to preserve impartiality when conflicts of interest among shareholders arise, and to freely decide by taking into consideration the rights of the shareholders;

- I do not serve as an independent member of the board of directors in more than three companies, at which Holding or its shareholders who possess Holding's management control have management control, and in more than five companies in total that are publicly traded;

- I can spare time for Holding on a scale that would allow me to follow up on the running of company activities and to fully satisfy the requirements of the duties I assume; and that therefore, I shall fulfil my membership to the board of directors, as an independent board member.

Gülsüm AZERİ

Committees Formed under the Board of Directors and Their Evaluations by the Board of Directors

Committees are set up within the Company to help the Board of Directors (BoD) fulfil its duties and responsibilities in the best manner. These committees carry out their activities in accordance with the relevant regulations and the working principles which can be found on the Company's corporate website. Meeting minutes are sent to the members of the Board of Directors via email after each committee meeting; as a result, the efficiency of the committees is assessed and overseen by the Board of Directors in the best manner.

In 2023, the Committees of the Board of Directors fulfilled their duties and responsibilities stipulated by the Corporate Governance Principles and their working principles and convened in conformity with their working schedules. Reports including the information about the activities of the Committees and the results of the meetings held within the year were presented to the BoD. Board of Directors has concluded that the benefit expected from the activities of the Board of Directors' Committees was obtained.

Following the appointment of the Board members at the General Assembly Meeting, committees were re-established and their duties and working principles were reviewed and updated in accordance with the Capital Markets Board's II-17.1 Corporate Governance Principles Communiqué. Detailed information on committees and their working principles is available on the Company's corporate website.

Audit Committee

The Audit Committee shall assist the Board of Directors regarding the supervision of matters related to accounting, finance, and audit. The Committee shall review and evaluate the methods and processes developed by the Company with respect to financial reporting and enlightening of the public; financial, operational and activity risks; internal control, internal and external independent audit, and compatibility with laws and regulations and advise the Board of Directors related thereto.

- The Committee makes suggestions to the Board of Directors related to the issues of sound achievement of the internal control network in all the Company's subsidiaries, as well as its perception by the employees and support by the management.
- The Committee ensures that the internal control procedures are all in written format and that they are periodically updated in order to achieve a permanent efficiency.
- The Committee ensures that the coordination and communication between the subsidiaries of the Company and the Internal Audit Department duly functions.

Its members are;
- H. Faik Açıkalın/Chairman
- Gülsüm Azeri/Member

The Audit Committee convenes at least once every three months upon the invitation of the Chairman of the Committee. When deemed necessary, the managers, internal and independent auditors are also invited to the meeting to provide information. The Committee may also decide to receive consultancy services from third parties outside of the Company. The Committee expenses are covered by the Board of Directors. The Audit Committee may notify specific issues to the Company's General Assembly if deemed necessary.

In 2023, the Audit Committee convened four times and has worked on an evaluation of the validity and consistency of the accounting methods used to prepare the accounts, with a special emphasis on the scope and methods of consolidation. Committee reviewed the standalone and consolidated financials along with the notes and management reports while creating the quarterly financials prior to their submission.

Corporate Governance Committee

The Corporate Governance Committee was established to support the Board of Directors for the following purposes: to ensure that the Company shall comply with the Corporate Governance Principles, to support and assist the Board of Directors by carrying out studies on the matters of investor relations and public disclosure.

- The Committee evaluates whether the Company's Management shares with the personnel of the Company the importance and advantages of having effective management applications and whether a true "culture of Corporate Governance" has been established within the Company.
- The Committee makes suggestions to the Board of Directors related to the infrastructure developed for performance increasing management applications, and the sound functioning thereof in all the Company subsidiaries, as well as its perception and compliance by the employees and support by the management.
- The Committee sees whether the Corporate Governance principles are duly applied and the reasons for a negative answer thereto, as well as the conflicts of interest due to non-compliance therewith and makes suggestions of correction to the Board of Directors.
- The duties of the Nomination and Remuneration Committee are being carried out by the Corporate Governance Committee.

Its members are;

- H. Faik Açıkalın/Chairman
- Gülsüm Azeri/Member
- Ayşegül Bensel/Member
- Serdar Kırmaz/Member
- Oğuz Satıcı/Member
- Aslı Su Ata/Member

The Committee convened two times in 2023. It made assessments of the Company's corporate governance practices and the Corporate Governance Compliance Report in 2023 and informed the BoD on the activities of the Investor Relations Department.

Early Risk Assessment Committee

The purpose of the Early Risk Assessment Committee is to early detection of the risks which poses a threat to the existence, development, and continuation of the corporation, taking the necessary measures with respect to detected risks and working on risk management.

- To advise the Board of Directors on such subjects as early determination, evaluation and calculating the impact and possibilities of strategic, operational, financial, legal, and other types of risks, managing, and reporting such risks in accordance with the Company's corporate risk-taking profile, applying necessary measures on determined risks and taking into consideration the same in decision-making mechanisms, and establishing and integrating effective internal control mechanisms.
- The Committee determines the risk management policies in line with the opinion of the Board of Directors based on the risk management strategies, to determine the implementation procedures and ensuring their application and compliance with them.

Its members are;

- H. Faik Açıkalın/Chairman
- Gülsüm Azeri/Member
- Ayşegül Bensel/Member
- Serdar Kırmaz/Member
- Oğuz Satıcı/Member

The Committee convened six times in 2023.

Corporate Governance

Global Investment Holdings continues to pursue its corporate governance initiative first implemented in 2006 to further formalize and institutionalize the governing principles of the Company and the Group.

GIH is committed to healthy corporate governance practices that strengthen and maintain confidence in the Group, thereby contributing to optimal long-term value creation for shareholders and other stakeholders. The objective of corporate governance is to regulate the division of roles between shareholders, the Board and executive management more comprehensively than is required by legislation.

GIH is conscious of the fact that the methodology for fulfilling the promises on trust and stabilization against the Group's stakeholders can be achieved by corporate governance. The core of GIH's corporate governance approach is to maintain and develop its corporate reputation and the trust of all stakeholders, which are the most valuable assets that have been established over many years. The Company believes that financial returns are not enough unless they also generate social benefits and continue to contribute through Global Investment Holdings or its subsidiaries to sustainable development in the regions where they operate.

GIH structures its corporate governance principles within the framework of accountability, responsibility, fairness, and transparency. GIH's success in many years relies on its transparent management approach in all business lines processes.

Global Investment Holdings Corporate Governance Principles Compliance Report

STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

Global Investment Holdings accommodates and pays utmost attention to the execution of the Corporate Governance Principles published by the Capital Markets Board of Türkiye ("CMB").

In line with this approach, a committee, including three Board of Directors members, was established to carry out the necessary restructuring studies into the Company's organizational structure and Articles of Association. The requirement to include at least two Independent Members in the Board of Directors, as stipulated by the Company's Corporate Governance Principles, has been fulfilled.

Shareholders can find comprehensive and updated information on GIH's website; additionally, they can post their questions to the Investor Relations Department by phone, e-mail, and social media.

GIH continues to pursue necessary revisions by proofing the website and the annual report in greater detail in with the Corporate Governance Principles. The Board of Directors, senior management, and all employees of GIH have consistently supported the adoption of the Corporate Governance Principles within the Company at each stage of the process.

Our Corporate Governance Rating has been determined as a result of an evaluation made under four main topics (Shareholders, Public Disclosure and Transparency, Stakeholders, and Board of Directors), and weighted based on CMB Corporate Governance Principles, and on the current distribution, which is based on the main topics stated below:

Sections/Weight	Rating
Shareholders - 25%	90.27
Public Disclosure & Transparency - 25%	96.68
Stakeholders - 15%	92.86
Board of Directors - 35%	91.31
Overall (Out of 10)	9.26

The report, prepared by Kobirate and related to the corporate governance rating of 9.26, confirms that the Company achieved substantial compliance with CMB's Corporate Governance Principles and applies the necessary policies and measures to its practices.

Reasons for Non-Complied Corporate Governance Principles

The Company continues its efforts toward full compliance with the Corporate Governance Principles. Principles other than those currently being implemented, or not yet implemented, have not caused conflicts of interest among the stakeholders.

The Company's Articles of Association contain no provisions stipulating that material decisions such as "demergers and share exchanges, buying, selling, or leasing significant amounts of tangible/intangible assets, or donation and grants, or giving guarantees such as suretyship, mortgage in favour of third parties" are required to be taken at a General Meeting. The underlying reason is that it is in the nature of the business in which the Company is involved to buy, sell, and lease quite frequently. Having to hold a General Meeting whenever such a transaction takes place is considered impossible; thus, no such article has been included in the Articles of Association. This practice is refrained from to ensure the timely execution of deals, and to avoid missed opportunities.

Among the principles that are not compulsory to be implemented from the Corporate Governance Principles, the explanations related to the different practices carried out regarding the principles not yet fully implemented by our company, the reasons for such deviations and the measures taken to prevent conflict of interest are given below.

With reference to Article No. 1.3.10 of the Corporate Governance Principles, the total amounts of all donations and contributions were disclosed; yet beneficiaries' details were not.

Global Investment Holdings Corporate Governance Principles Compliance Report

With reference to Article No. 1.3.11 of the Corporate Governance Principles, only the shareholders may attend the General Assembly meeting.

With reference to Article No. 1.4.2 of the Corporate Governance Principles, in accordance with Article 6 of the Articles of Association, the shares representing the company's capital are divided into four groups. (A), (D) and (E) Group shares carry privileged voting rights, and Group (C) shares that are traded on the stock exchange have no privileges.

With reference to Article No. 1.5.2 of the Corporate Governance Principles, no arrangement exists.

With reference to Article No. 1.6.2 of the Corporate Governance Principles, due to the fact that our Company is an investment holdings company, the dividend to be distributed annually is decided at the General Assembly meeting according to the investment program of that year. That said, the Board of Directors is assessing the dividend distribution policy to include this matter as well.

With reference to Article No. 3.2.1 of the Corporate Governance Principles, it will be evaluated in future periods.

With reference to Article No. 3.2.2 of the Corporate Governance Principles, such methods are used in some subjects related to employees.

With reference to Article No. 3.3.4 of the Corporate Governance Principles, informative meetings and training are held on occupational health and safety.

With reference to Article No. 3.3.5 of the Corporate Governance Principles, the part about the trade unions is irrelevant.

With reference to Article No. 3.3.8 of the Corporate Governance Principles, there is no action and regulation limiting this right and freedom.

With reference to Article No. 4.2.5 of the Corporate Governance Principles, the roles of Chairman and Chief Executive Officer are executed by Mehmet Kutman due to his proficiency and deep knowledge about investment banking and financial markets.

With reference to Article No. 4.2.8 of the Corporate Governance Principles, there is Directors & Officers Liability Insurance for the damages caused by the board members during their with reference to Article No. 4.4.7 of the Corporate Governance Principles, there is no restriction for the Board members to assume any other duties outside the company. It should be taken into consideration that our Company is a holding company and that it is in the interest of our Company to be represented in the management of related companies. The Board Members' duties outside the Company were announced to the shareholders at the General Assembly Meeting.

With reference to Article No. 4.5.5 of the Corporate Governance Principles, due to the number of board members being limited to 7 as per the Articles of Association, each board member is assigned to more than one committee.

Article 4.6.1 of the Corporate Governance Principles will be evaluated in future periods.

With reference to Article 4.6.4 of the Corporate Governance Principles, there is no exists except those described in the financial statements.

With reference to Article 4.6.5 of the Corporate Governance Principles, all remunerations, as well as all benefits provided to Board Members and executives with administrative responsibilities, were disclosed to the public on a subsidiary basis at the ordinary general assembly meeting held on August 3, 2021. The remunerations and the benefits provided to Mr. Mehmet Kutman, the Chair of the Board, and the Chief Executive Officer, are separately disclosed.

As per CMB resolution No. 2/39 on 10.01.2019, Corporate Governance Compliance Report (CGCR) and Corporate Governance Information Form (CGIF) of our Company have been created as follows and can also be accessed from the Corporate Governance button on the Public Disclosure Platform. (https://www.kap.org.tr/en/sirket-bilgileri/ozet/967-global-yatirim-holding-a-s)

Pursuant to the amendments published in the Official Gazette dated October 2, 2020, and numbered 31262, "requirements to announce if the company implements sustainability principles, to provide reasoned explanations if they are not, description of the impact on environmental and social risk management due to partial or no compliance in the annual report" was incorporated into the Communiqué. Our activities within the scope of the "Sustainability Principles Compliance Framework" adopted by the Turkish Capital Markets Board are reported in a consolidated manner as part of our 2023 Annual Report.

Global Investment Holdings Corporate Governance Principles Compliance Report

Corporate Governance Compliance Report

	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1- Management did not enter into any transaction that would complicate the conduct of special audit.					X	
1.3. GENERAL ASSEMBLY						
1.3.2 -The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				The total amounts of all donations and contributions were disclosed; yet beneficiaries' details were not.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.			X			Only the shareholders may attend the General Assembly meeting.

	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.4. VOTING RIGHTS						
1.4.1-There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2-The company does not have shares that carry privileged voting rights.			X			In accordance with Article 6 of the Articles of Association, the shares representing the company's capital are divided into four groups. (A), (D) and (E) Group shares carry privileged voting rights, and Group (C) shares that are traded on the stock exchange have no privileges.
1.4.3-The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership in case such cross-ownership provides management control.	X					
1.5. MINORITY RIGHTS						
1.5.1- The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2-The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares and expand the scope of the minority rights.			X			No arrangement exists.

Global Investment Holdings Corporate Governance Principles Compliance Report

	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.6. DIVIDEND RIGHT						
1.6.1 -The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2-The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.			X			Due to the fact that our Company is an investment holdings company, the dividend to be distributed annually is decided at the General Assembly meeting according to the investment program of that year. That said, the Board of Directors is assessing the dividend distribution policy to include this matter as well.
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					

	Yes	Partial	No	Exempted	Not Applicable	Explanation
2.1. CORPORATE WEBSITE						
2.1.1.-The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2-The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					
2.1.4 -The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2. ANNUAL REPORT						
2.2.1-The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3-Policies or procedures addressing stakeholders' rights are published on the company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5-The company addresses conflicts of interest among stakeholders in a balanced manner.	X					

Global Investment Holdings Corporate Governance Principles Compliance Report

	Yes	Partial	No	Exempted	Not Applicable	Explanation
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1-The Articles of Association, or the internal regulations (terms of reference/manuals), regulate the participation of employees in management.			X			It will be evaluated in future periods.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.		X				Such methods are used in some subjects related to employees.
3.3. HUMAN RESOURCES POLICY						
3.3.1- The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
3.3.2-Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development and organises trainings for employees.	X					
3.3.4-Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education, and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.	X					The part about the trade unions is irrelevant.
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them, and taken into account to determine employee remuneration.	X					

	Yes	Partial	No	Exempted	Not Applicable	Explanation
3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination, and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.			X			There is no action and regulation limiting this right and freedom.
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1-The company measured its customer satisfaction and operated to ensure full customer satisfaction.					X	
3.4.2-Customers are notified of any delays in handling their requests.					X	
3.4.3 - The company complied with the quality standards with respect to its products and services.					X	
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1-The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2-The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					

Global Investment Holdings Corporate Governance Principles Compliance Report

	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2-Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size, and complexity.	X					
4.2.4-Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined.			X			The roles of Chair of the Board and Chief Executive Officer are executed by Mehmet Kutman due to his proficiency and deep knowledge about investment banking and financial markets.

	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					There is Directors & Officers Liability Insurance for the damages caused by the board members during their duties, limited to USD 10 mn, which is equal to approximately 45% of our TL 650 million issued capital as of the end of 2023.
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9-The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.	X					
4.3.10-At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1-Each board member attended the majority of the board meetings in person.	X					
4.4.2-The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	Company policies allow the members to not attend the meeting and submit their opinions in writing to the board of directors.

Global Investment Holdings Corporate Governance Principles Compliance Report

	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.4.4-Each member of the board has one vote.	X					
4.4.5-The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6-Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			X			There is no restriction for the Board members to assume any other duties outside the company. It should be taken into consideration that our Company is a holding company and that it is in the interest of our Company to be represented in the management of related companies. The Board Members' duties outside the Company were announced to the shareholders at the General Assembly Meeting.
4.5. BOARD COMMITTEES						
4.5.5-Board members serve in only one of the Board's committees.			X			Due to the number of board members being limited to 7 in the Articles of Association, each board member is assigned to more than one committee.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7-If external consultancy services are used, the independence of the provider is stated in the annual report.					X	
4.5.8-Minutes of all committee meetings are kept and reported to board members.	X					

	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.6. FINANCIAL RIGHTS						
4.6.1-The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.	X					
4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.		X				Described in the financial statements.
4.6.5-The individual remuneration of board members and executives is disclosed in the annual report.		X				All remunerations as well as all benefits provided to Board Members and executives with administrative responsibilities were disclosed to the public on a subsidiary basis at the ordinary general assembly meeting. The remunerations and the benefits provided to Mr. Mehmet Kutman, the Chair of the Board and the Chief Executive Officer, are separately disclosed.

Global Investment Holdings Corporate Governance Principles Compliance Report

Corporate Governance Information Form

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
The number of investor meetings (conference, seminar/etc.) organised by the company during the year	Through the year more than 650 meetings, conference calls, phone calls have been materialized with corporate and retail investors, while more than 1,000 questions have been answered via e-mail and / or phone. In 2023, the Company has held 3 teleconferences with multiple participants to inform analysts and portfolio managers on its quarterly financial results and operational developments.
1.2. Right to Obtain and Examine Information	
The number of special audit request(s)	There were no requests for the appointment of a private auditor during the reporting period.
The number of special audit requests that were accepted at the General Shareholders' Meeting	There was no request for a special auditor at the General Assembly Meeting.
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1161012
Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	The English translation of the document "Consolidated Financial Tables and the Independent Auditor Report" was published on our corporate website.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There was no such transaction during the year.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	There were no transactions in this scope in this period.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	There were no transactions in this scope in this period.
The name of the section on the corporate website that demonstrates the donation policy of the company	Donation Policy could be found under Investor Relations / Corporate Governance section on our corporate website.
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/202746
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	None
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Only the shareholders may attend the General Assembly meeting.

1.4. Voting Rights	
Whether the shares of the company have differential voting rights	Yes
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares.	In accordance with Article 6 of the Articles of Association, the shares representing the company's capital are divided into four groups. (A), (D) and (E) Group shares carry privileged voting rights, and Group (C) shares that are traded on the stock exchange have no privileges. **Group** / **Number** / **Percentage** A / 20 / 0.00000003% D / 1,000,000 / 0.0015385% E / 1,500,000 / 0.0023077%
The percentage of ownership of the largest shareholder	34.71% (as of 31.12.2023)
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association	-
1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Dividend Distribution Policy could be found under Investor Relations / Corporate Governance section on our corporate website.

General Assembly Meetings

General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
25.07.2023	0	34.61%	20.23%	14.38%	Information could be found under Investor Relations / General Assembly / 2022 Ordinary Minutes on our corporate website	Information could be found under Investor Relations / General Assembly / 2022 Ordinary Minutes on our corporate website.	Article 12	54	https://www.kap.org.tr/tr/Bildirim/1161012

Global Investment Holdings Corporate Governance Principles Compliance Report

2. DISCLOSURE AND TRANSPARENCY	
2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	The information can be found under Corporate Governance, Corporate Information, Reports, Presentations and General Assembly.
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Shareholding Structure could be found under Investor Relations / Corporate Information section on our corporate website.
List of languages for which the website is available	Turkish, English
2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the company and declarations on independence of board members "Managing Body, Senior Management and Personnel"	
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	"Committees formed under Board of Directors and their Evaluations by the Board of Directors"
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	"Number of meetings that Board of Directors had during the year and attendance rates of board members"
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	"Information on some of the Legislative Amendments that can Affect the Company's Activities"
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results there of "Information Regarding the Lawsuits of the Company and Possible Consequences"	
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	"Conflicts of Interest Between the Company's Service Providers such as Investment Consultancy and Rating companies, and Information on Measures Taken by the Company to Prevent these Conflicts of Interests"
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross-ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no such situation regarding the Company's capital.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	"Information on Corporate Social Responsibility Activities Related to Employees' Social Rights, Vocational Training and Other Activities of the Company that May Bear Social and Environmental Consequences"

3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Compensation Policy for the Employees could be found under Investor Relations / Corporate Governance section on our corporate website.
The number of definitive convictions the company was subject to in relation to breach of employee rights	0
The position of the person responsible for the alert mechanism (i.e., whistleblowing mechanism)	Internal Audit Unit
The contact detail of the company alert mechanism.	etik@global.com.tr
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies.	None
Corporate bodies where employees are actually represented	None
3.3. Human Resources Policy	
The role of the board on developing and ensuring that the company has a succession plan for the key management positions	Board of Directors performs the performance evaluation of the key managers at regular intervals as well as evaluating a succession plan for the key management.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	The information could be found under Investor Relations / Sustainability / Work Life, also in Code of Ethics under Corporate Governance. In addition, personnel regulations are also available on our intranet site.
Whether the company provides an employee stock ownership programme	None
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	The information could be found under Investor Relations / Sustainability / Work Life, also in Code of Ethics under Corporate Governance. In addition, personnel regulations are also available on our intranet site.
The number of definitive convictions the company is subject to in relation to health and safety measures	None
3.5. Ethical Rules and Social Responsibility	
The name of the section on the corporate website that demonstrates the code of ethics	The information could be found under Investor Relations / Corporate Governance / Code of Ethics.
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social, and corporate governance issues.	The information could be found under Investor Relations / Sustainability section.
Any measures combating any kind of corruption including embezzlement and bribery	Principles on these topics are covered in Code of Ethics and, The Anti-Bribery and Anti-Corruption Policy has been implemented as a requirement of this issue. Whistle-blower mail has been created for report violations of this Policy as well as any situations that could damage the Company's reputation or trustworthiness.

Global Investment Holdings Corporate Governance Principles Compliance Report

4. BOARD OF DIRECTORS-I	
4.2. Activity of the Board of Directors	
Date of the last board evaluation conducted	14 March 2024
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	There has been no delegation.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	5
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	The information can be found at "Information about the risks, Internal Control System and Audit Activities and the opinion of the governing body on this matter" section.
Name of the Chairman	Mehmet Kutman
Name of the CEO	Mehmet Kutman
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	https://www.kap.org.tr/tr/Bildirim/917731
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the company's capital	There is a Directors & Officers Liability Policy for the damages caused by the board members during their duties limited to USD 10 million which is equal to approximately 45% of our TL 650 million issued capital as of the end of 2023.
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	It could be found under Investor Relations / Corporate Governance section on our corporate website.
The number and ratio of female directors within the Board of Directors	2 directors, the rate is 29%

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director or Not	Whether Independent Director or Not	The First Election Date to Board	Link to PDP Notification that Includes the Independency Declaration	Whether the Independent Director Considered by the Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy the Independence or Not	Whether the Director Has at Least 5 Years' Experience on Audit, Accounting and/or Finance or Not
MEHMET KUTMAN	Executive	Not Independent Director	01.10.2004	-	-	-	Yes
EROL GÖKER	Executive	Not Independent Director	01.10.2004	-	-	-	Yes
AYŞEGÜL BENSEL	Executive	Not Independent Director	01.10.2004	-	-	-	Yes
SERDAR KIRMAZ	Executive	Not Independent Director	04.06.2010	-	-	-	Yes
OĞUZ SATICI	Non-executive	Not Independent Director	10.05.2012			Yes	No
H. FAİK AÇIKALIN	Non-executive	Independent Director	10.06.2022	https://www.kap.org.tr/tr/Bildirim/1033492	Considered	No	Yes
GÜLSÜM AZERİ	Non-executive	Independent Director	27.05.2022	https://www.kap.org.tr/tr/Bildirim/1030996	Considered	No	No

4. BOARD OF DIRECTORS-II	
4.4. Meeting Procedures of the Board of Directors	
Number of physical board meetings in the reporting period (meetings in person)	22
Director average attendance rate at board meetings	93.55%
Whether the board uses an electronic portal to support its work or not	No
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	3 days
The name of the section on the corporate website that demonstrates information about the board charter	Working Principles of the Board of Directors could be found under Investor Relations / Corporate Governance section on our corporate website.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None
4.5. Board Committees	
Page numbers or section names of the annual report where information about the board committees is presented	Related information can be found at "Committees Formed Under the Board of Directors and Assessment of the Committees by Board of Directors" section.
Link(s) to the PDP announcement(s) with the board committee charters	Duties and Working Rules of the Committees could be found under Investor Relations / Corporate Governance / Committees section on our corporate website.

Composition of Board Committees- I

Names of the Board Committees	Name of Committees Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Audit Committee	-	H. Faik Açıkalın	Yes	Board member
Audit Committee	-	Gülsüm Azeri	No	Board member
Corporate Governance Committee	-	H. Faik Açıkalın	Yes	Board member
Corporate Governance Committee	-	Ayşegül Bensel	No	Board member
Corporate Governance Committee	-	Serdar Kırmaz	No	Board member
Corporate Governance Committee	-	Oğuz Satıcı	No	Board member
Corporate Governance Committee	-	Gülsüm Azeri	No	Board member
Corporate Governance Committee	-	Aslı Su Ata	No	Not board member
Early Risk Assessment Committee	-	H. Faik Açıkalın	Yes	Board member
Early Risk Assessment Committee	-	Ayşegül Bensel	No	Board member
Early Risk Assessment Committee	-	Serdar Kırmaz	No	Board member
Early Risk Assessment Committee	-	Oğuz Satıcı	No	Board member
Early Risk Assessment Committee	-	Gülsüm Azeri	No	Board member

Global Investment Holdings Corporate Governance Principles Compliance Report

4. BOARD OF DIRECTORS-III	
4.5. Board Committees-II	
Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	" Duties and Working Rules of the Audit Committee" could be found under Investor Relations / Corporate Governance / Committees section on our corporate website.
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	"Duties and Working Rules of the Corporate Governance Committee" could be found under Investor Relations / Corporate Governance / Committees section on our corporate website.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	"Duties and Working Rules of the Early Risk Assessment Committee" could be found under Investor Relations / Corporate Governance / Committees section on our corporate website.
4.6. Financial Rights	
Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	Related information can be found at "Financial Statement" section.
Specify the section of website where remuneration policy for executive and non-executive directors are presented.	" Wage Policy for Senior Managers" could be found under Investor Relations / Corporate Governance section on our corporate website.
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	The information can be found at "Financial Benefits Provided to the Board Members and Senior Executives" section.

Composition of Board Committees-II

Names of the Board Committees	Name of Committees Defined as "Other" in the First Column	The Percentage of Non-executive Directors	The Percentage of Independent Directors in the Committee	The Number of Meetings Held in Person	The Number of Reports on Its Activities Submitted to the Board
Audit Committee	-	100%	100%	4	4
Corporate Governance Committee	-	60%	40%	2	2
Early Risk Assessment Committee	-	60%	40%	6	6

Risk Management and Internal Audit Mechanism

Risk Management

"Risk Management and Surveillance Activities" are defined as the identification of ordinary or extraordinary risks that may arise during any operations performed by GIH and its Group companies as part of their activity areas, avoiding such risks by taking preventive measures, identifying individuals responsible for emerging losses, and exerting efforts to prevent re-emergence of such risks, and identifying compliance of all Group activities with the relevant legislation and internal policies.

At Group, risk management is conducted, under the responsibility and supervision of the Board of Directors. The Board fulfils its oversight responsibility via committees, such as the Corporate Governance Committee, Audit Committee and Early Risk Assessment Committee.

The Group's subsidiaries principal business risks are managed by process owners responsible officers and senior management. The most significant risks from each business unit (based on materiality, or those which may have a significant effect across the business) are reviewed by the relevant Board Committees. Financial, strategic, operational and compliance risks of subsidiaries are also overseen and supervised by the relevant Group Head Officers and Head of Finance as well as the Internal Audit Unit at the Holding level.

GIH has formed the Early Risk Assessment Committee in order to ensure the proper identification of any corporate risks, the accurate determination of the applicable risk mitigation methods and the precise assessment and review of such risks as identified. Amongst the basic tasks of this Committee is the application of an effective Risk Management Program throughout the Company, the identification of the principles and methods underlying such Risk Management Program, and the assurance of continuous development of Risk Management as a Corporate Culture extending to and through the projects, units, and individuals.

In addition, the Committee:

- Provides effective internal control systems in order to identify, evaluate, monitor and manage the risky issues that could affect the achievement of the company's targets according to their influence and possibility.
- Monitors the integration of the risk management and internal control systems to the institutional structure of the company and their effectiveness.
- Works on the issues of measurement, reporting and the utilization of the decision- making mechanisms of the risks by the risk management and internal control systems of the company keeping the appropriate checks required in view.
- Reviews the Committee's operations regularly and submits the proposals for changes to the Board of Directors for approval as necessary.

Risk management activities and Risk registry are formed by considering all the risks that concern GIH and its subsidiaries. Management of the Company prioritized the risks according to their impact and probability and completed the work required to monitor the risks with high scores through critical risk indicators and action plans.

The risk registry has been generated to monitor and manage the risks detected within the Enterprise Risk Management (ERM) activities coordinated with the Internal Audit department and the relevant risks were included in the audit plan.

Internal Control System and Internal Audit Activities

The objective of the Company's Internal Control System is to ensure operational effectiveness and productivity, financial reporting system reliability and compliance with legal regulations.

The Internal Control System is composed of standard descriptions, job descriptions, authorization processes, policies and written procedures defined in the workflows.

The Internal Control System is periodically reviewed and audited for effectiveness by the Internal Audit Unit. The Board of Directors and Audit Committee are periodically informed about the Internal Control System and Internal Audit activities.

Risk Management and Internal Audit Mechanism

The Internal Auditors perform their assigned duties in accordance with the principle of independence and reports directly to the Audit Committee, which consists of members of the Board of Directors, within the organizational structure of the company.

The Internal Audit Department reviews the processes every year and creates a risk-based annual audit plan at the end of each year for the following year. The internal audit activities are carried out in line with this plan.

The internal audit plan is reviewed by the Audit Committee then confirmed by the Board of Directors before it gets implemented. The Department issues its reports that summarize the audit results and ongoing findings with the Audit Committee and Board of Directors.

GIH Internal Audit Department operates in compliance with International Internal Auditing Standards (IIAS). Audit activities are conducted by the Compliance and Internal Audit Department for GIH, its domestic and international operations, affiliated companies, and subsidiaries, cover the following topics. Financial audit, Operational audit and Special audit (investigations, ad-hoc audits etc.)

Amendments to the Articles of Association in 2023

None

Statement of Responsibility

Of the Board Resolution on the Approval of Financial Statements & Annual Report

Date: April 29, 2024
Number: 1108

We hereby declare that the consolidated financial statement, together with the annotations, comprehensive income statement, cash flow statement, statement of changes in owner's equity and the activity report, pertaining to the period between 01.01.2023 and 31.12.2023, prepared by our company in conformity with the Turkish Accounting Standards and the Turkish Financial Reporting Standards ("TMS/TFRS") and the formats that are specified by the Capital Markets' Board ("CMB"), pursuant to the CMB's Communiqué on Principles Regarding Financial Reporting in Capital Markets with the number II.14.1. ("Communiqué"), are examined by us;

That these do not include any statements contrary to the facts in substantial matters or any deficiency which may result in the disclosure being misleading as of the date on which the disclosure is made, as per the information we have within scope of our fields of duty and liability at the company, and

That the financial statements, drafted as per the Communiqué, honestly reflect the truth regarding the assets, liabilities, financial status and profits and losses of the company, along with the ones that are subject to consolidation, and that the activity report honestly reflects the business progress and performance, and also the financial status of our company, along with the ones that are subject to consolidation, together with substantial risks and uncertainties encountered, as per the information we have within scope of our fields of duty and liability at the company.

We hereby present to you that we have reviewed the Corporate Governance Compliance Report and the Corporate Governance Information Form, and confirm that they do not contain any deficiencies and honestly reflect the truth.

We also declare our responsibility for the statements made.

Respectfully,

April 29, 2024
H. Faik AÇIKALIN| Chairman of Audit Committee
Gülsüm AZERİ| Member of Audit Committee
Ferdağ ILDIR| Chief Financial Officer

Financial Overview

Global Investment Holdings reported Consolidated Net Profit of TL 2,007.8 million in FY 2023, compared to a net profit of TL 1,141.6 million in FY 2022. Consolidated Net Revenues (excluding IFRIC 12 Construction Revenue) are TL 12.176 billion, while Consolidated Operating EBITDA is TL 4.690 billion.

Mehmet Kutman, the Chairman and CEO of Global Investment Holding, stated:

"I'm thrilled to announce that, despite numerous challenges, we've had an outstanding fiscal year. Global Investment Holdings has consistently demonstrated an ability to navigate volatility with success. Our robust financial health and strong foundation are a testament to our diversified portfolio, cautious management and effective business strategies. I am pleased to report that, in 2023, our performance across most business lines was well ahead of inflation as well as budget figures, and that our expansion continues. The Gas and Mining business segments experienced a decline in performance in 2023 compared to the previous year, due to market conditions beyond our control in the sectors in which they operate, but 2023 was the best year to date for our ports business, which is set for strong growth again in 2024.

Our cruise port operations are now back to normal and have exceeded budget figures by a great margin. We delivered on our promises and reached 30 cruise ports in 17 countries. The year 2023 marked a period of robust performance for Global Ports Holding, outpacing both our plans and the achievements of the previous year. Passenger movements at our ports surpassed our budget by 11% in 2023; we expect to welcome at least 20 million passengers at our ports next year (including the new ports) which would translate into an EBITDA of over USD 150 million.

For the cruise industry, 2024 is on its way to become a record year. The publicly traded cruise companies all reported a strong 2023 and with record forward bookings, that is, higher occupancies, at higher prices, for 2024. Cruise demand is so strong that, according to Cruise Industry News, the industry expects a robust 11% growth in 2024 YoY in passenger capacity worldwide. In a five-year horizon, the worldwide fleet is expected to expand to 487 ships in 2028 from 437 ships in 2023. Likewise, worldwide passenger capacity is expected to rise to 39.0 million in 2028 from 30.6 million in 2023."

The Chairman continued:
"In 2023, GPH significantly expanded its global footprint, signing concession agreements for Alicante Cruise Port in Spain (15 years) and Bremerhaven Cruise Port in Germany (10 years), and extending its presence in the Americas with a 30-year concession for St Lucia Cruise Port that includes a 10-year extension option. Additionally, GPH secured a 19-year extension for Ege Port in Türkiye until 2052, and increased its ownership in a number of ports (Barcelona, Malaga, Singapore and Lisbon) when it purchased the remaining 38% holding in Barcelona Port Investments S.L. (BPI) from the minority shareholder. Financially, GPH has strengthened its position by refinancing the Nassau Cruise Port bond, which increased in the nominal outstanding amount and reduced its interest cost, saving USD 2.0 million annually. In September, GPH raised USD 330 million through secured private placement notes at a 7.87% fixed coupon, earmarked for repaying debt and supporting Caribbean expansion. These notes, set to fully amortize over 17 years, have been recognized with an investment grade credit rating, highlighting GPH's strong financial management and strategic growth.

For **Naturelgaz**, 2023 was earmarked as a pivotal investment year, with a clear focus on augmenting capacity and reducing operational costs. The Company's investment strategy was multifaceted, involving the commissioning of new industrial CNG facilities and the aforementioned forays into solar energy. Additionally, all investment expenditures for the year were fully funded through the Company's equity, thanks to its strong balance sheet. By year's end, the Company's service reach extended to 128 districts and towns, spanning all seven regions of Türkiye, particularly marking substantial achievements in the city gas segment.

The Chairman concluded:
"Consus, our energy business line, performed much in line with its budget figures but natural gas prices did not increase as expected and rising operation costs had a negative impact on our trigen/cogen business arm. As of the end of 2023, the total installed capacity of Consus Enerji's operational power plants is 98 MW, of which 43.8 MW comes from renewables. The remaining 54.2 MW comes from distributed power plants (cogeneration and trigeneration). When ongoing investment processes for projects are completed, Consus Enerji will have elevated its total installed capacity to over 110 MW.

In the **mining** division, the global economic slowdown, particularly in our main export market, Europe, led to reduced sales volumes in 2023. Despite overall volume contraction, we anticipate sustained demand for quality/processed products, which, although smaller in volume compared to unprocessed/bulk feldspar, offer higher margins."

Istanbul Asset Management has also had an excellent year, given the gyrations in economic policy. Assets under management have increased substantially to nearly over TL 68 billion.

Commenting on the results, the Chief Financial Officer of Global Investment Holdings, Ferdağ Ildır, said:
"I am happy to say that 2023 was another year of success. Despite continuous expansion and heavy investment periods, as a Group, we kept our financial ratios at comfortable levels. Through the refinancing projects we carried out, we achieved an approximate annual interest savings of USD 10 million across the Group, shaping according to changing market conditions. We will continue to closely monitor market conditions."

Global Investment Holdings reported TL 12.176 billion in revenues (excluding IFRIC-12 Construction Revenue) in FY 2023, indicating an 11% decline YoY on an inflation-adjusted basis. Without inflation accounting, revenues indicate a 34% increase in FY 2023 YoY. When Gas and Mining businesses are excluded, revenues point to a strong 98% increase.

Global Investment Holdings' consolidated operating EBITDA is TL 4,690.3 million in FY 2023, remaining flat YoY on an inflation-adjusted basis. Without inflation accounting, EBITDA indicates a 52% increase in FY 2023 YoY. When Gas and Mining businesses are excluded, EBITDA points to a robust 106% increase.

GIH reported a consolidated net profit of TL 2,007.8 million in FY 2023, with a strong 76% increase on an inflation-adjusted basis; without inflation accounting, the net profit marks a 41% increase. The bottom line incorporated TL 1.7 billion of income and expense, of which TL 1,681.2 million was depreciation and amortization, TL 303.0 million net foreign exchange loss, and TL 288 million monetary gain due to the application of IAS 29.

On a division basis:

On the ports side:

The average occupancy rates of cruise ships visiting GPH's consolidated ports in December 2023 were 105%. The number of calls at GPH's ports in FY 2023 was 23% higher than the FY 2022 level, while passenger movements at GPH ports in FY 2023 were 67% higher than the FY 2022 level. Passenger movements in 2023 exceeded the budget by 11%.

Revenues surged by 42% (pre-IAS 29: 119% increase) in 2023 compared to 2022, reaching TL 4.8 billion, while adjusted EBITDA jumped by 55% (pre-IAS 29: 135% increase) compared to 2022, reaching TL 3.1 billion in 2023.

Financial Overview

For Naturelgaz, sales volume reached 251 million Sm3 in 2023, representing an increase of 10% YoY. Citygas sales volume increased by 68% YoY, reaching 117 million Sm3. The number of reached districts and towns expanded to 128 by the end of 2023.

Revenues declined by 42% in FY 2023 YoY (Pre IAS 29: 16% decrease), standing at TL 4,019 billion. Gross profit declined by 57% in 2023 YoY, standing at TL 783 million according to Naturelgaz's standalone financials (Pre IAS 29: 28% decrease). EBITDA shrank by 57% in FY 2023 YoY (Pre IAS 29: 34% decrease), standing at TL 712.2 million.

- The most significant factor suppressing revenues, gross profitability and EBITDA was the positive effect of the public index in 2022, arising from sales to the public.
- Another factor limiting profitability was the rise in depreciation expenses resulting from increased investments in 2023, which were targeted to increase capacity and cut costs.

Naturelgaz's net cash surplus stood at TL 212.1 million on 31 December 2023 as opposed to TL 335 million on 31 December 2022. In addition, Naturelgaz is planning to distribute a gross dividend payment of TL 320 million to shareholders on 9 May 2024.

The power division reported TL 1,170.1 million in revenues in 2023, indicating a 6% increase YoY (Pre IAS 29: 68% increase). EBITDA decreased by 16% to TL 290.9 million in 2023 YoY (Pre IAS 29: 17% increase). The decrease in EBITDA was mainly due to high TL inflation, which caused operating margins to shrink for business lines with hard currency earnings, as well as the narrowing margin between electricity prices and natural gas prices in the Distributed Power segment.

The mining division, because of a decline in demand from local and European markets, achieved a sales volume of 318,531 tons in 2023, representing a 36% decrease YoY. The Company's main export markets continued to be Spain, Italy and Egypt. Export-related sales volume was 233,203 tons, while domestic sales volume was realized at 85,329 tons for the period.

The mining division announced revenues of TL 465.1 million in 2023 with a 29% decrease (Pre IAS 29: 10% increase). The operating EBITDA was TL 117.8 million in 2023, indicating a 43% decline YoY (Pre IAS 29: 8% decrease). The fall off in EBITDA was mainly attributable to lower sales volume, as well as to contracting operating margins as a result of higher inflation rates compared to FX rate hikes.

The real estate division registered 20% rise in revenues (Pre IAS 29: 82% increase) and 21% increase in EBITDA (Pre IAS 29: 78% increase) in 2023 YoY, with revenues and EBITDA standing at TL 163.9 million and TL 80.4 million, respectively. The operational improvement is mainly attributable to the growing contribution from higher EBITDA-generating rental operations.

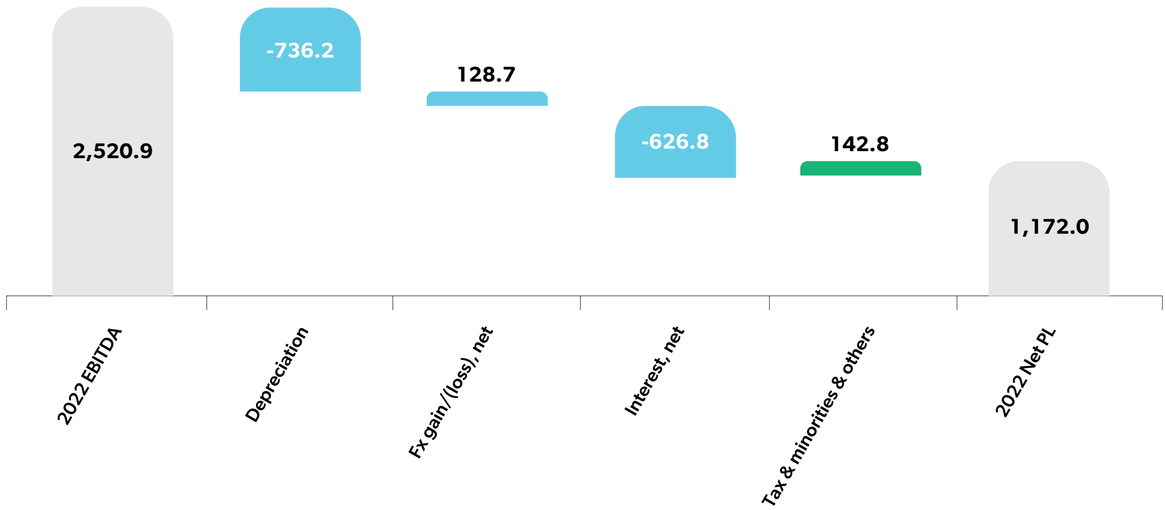
The brokerage & asset management division revenues stood at TL 1,442.8 million in 2023, registering a 9% increase YoY (Pre IAS 29: 64% increase), thanks to the contribution from increasing transaction volumes; operating EBITDA was TL 498.1 million, registering a 5% decrease (Pre IAS 29: 57% increase) YoY.

Indebtedness:

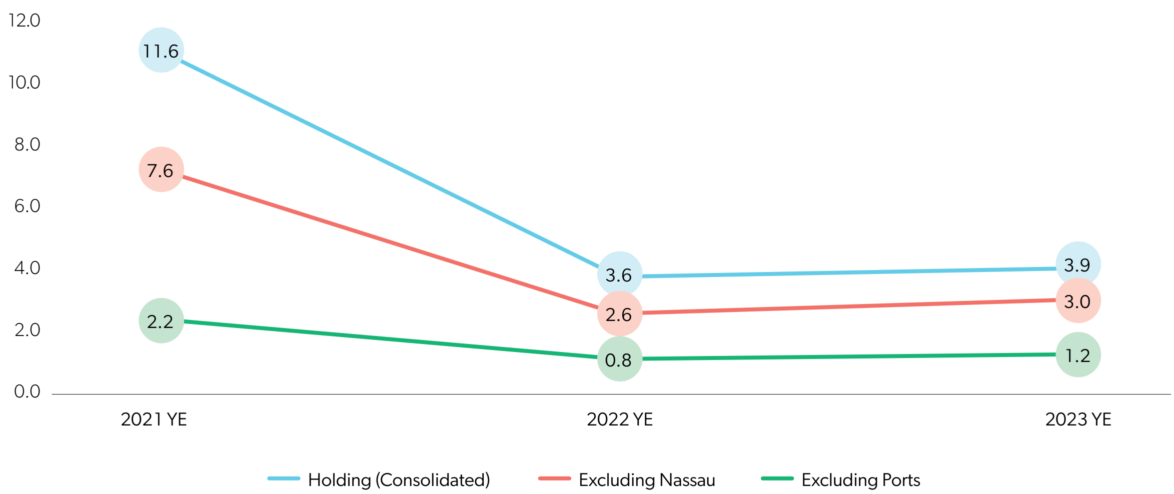
Gross Debt/EBITDA fell below 5.0x and stood at 4.9x.

Holding consolidated net debt stood at USD 662.4 million (TL 19.5 billion) at 2023 year-end. Meanwhile, excluding GIH standalone, the consolidated gross debt of our operational divisions stood at USD 835.5 million (Ports division: USD 687.4 million).

- The Consolidated Net Debt/EBITDA multiplier was 3.9x at 2023 year-end as opposed to 3.6x at 2022 year-end. However, when Nassau's long-term debt is excluded, the Net Debt/EBITDA multiplier is 3.0x at FY2023 versus 2.6x 2022 year-end. When the entire ports business is excluded, Net Debt/EBITDA multiplier stands at 1.2x at FY2023 as opposed to 0.8x 2022 year-end. The main reasons for the increase in the Net Debt / EBITDA multiplier have been dividend payments of subsidiaries, payment to Privatization Authority regarding Ege Port concession extension, CAPEX and additional borrowing by the GPH (Issuance of Bonds; Global Ports Group Finance LTD).



Net Debt/EBITDA



Dividend Policy

Net profit of the Company is equal to the gross profit calculated as of the end of each accounting period minus the general expenses and various depreciations and other amounts to be paid and set aside by and the taxes to be paid by the Company, and is shown in the yearly balance sheet of the Company to be prepared in accordance with the regulations of the Capital Markets Board, and is, after deduction of the past year losses, if any, distributed and allocated in the following order and as described below:

(a) First, 5% of the net profit will be set aside for the legal reserve fund.

(b) Out of the balance of profit, the first dividend will be set aside at a rate and in an amount to be determined pursuant to the provisions of the Capital Markets Law and communiqués of the Capital Markets Board.

(c) Without prejudice to the first dividend to be set aside over the fiscal profit of the relevant period, an amount up to 10% of the balance of the net profit will be allocated and distributed to the Company employees within the frame of the principles to be determined by the Board of Directors.

(d) Balance of the profit will be set aside to extraordinary reserve funds or distributed as second dividends to the shareholders pro rata their existing capital shares, as and when determined by the General Assembly of Shareholders.

(e) Related provisions of the Turkish Commercial Code are, however, reserved.

Unless and until the reserve funds required to be set aside pursuant to the laws and the first dividend required to be distributed to the shareholders pursuant to the Articles of Association are duly reserved from the net profit, it may not be decided to set aside other reserve funds or to carry the profit forward to the next year. Unless and until the reserve funds required to be set aside pursuant to the laws and the first dividend required to be distributed to the shareholders pursuant to the Articles of Association are duly reserved from the net profit, it may not be decided to allocate and distribute profit shares to the holders of the dividend shares, the Directors and officers, servants and workers, the foundations established for various purposes, or similar other persons and entities.

Profit distribution date will be determined by the General Assembly of Shareholders upon proposals of the Board of Directors in accordance with the provisions of the Capital Markets Law and the communiqués of the Capital Markets Board.

The Board of Directors may distribute an interim dividend provided that there has been a decision of the general assembly giving such authority to the Board of Directors and the distribution is in accordance with the related articles of the Capital Market Law and the Communiqués of the Capital Markets Board. The decision of the general assembly giving such authority to the Board of Directors is limited to the current year. A decision shall not be made to make additional interim dividends or to distribute dividends prior to entering into the accounts the interim dividends paid in the previous period.

Dividend Proposal for 2022:
In line with the proposal of the Board of Directors for profit distribution for the fiscal year ending on December 31, 2022:
a) The allocation of 633,893.41 TL as legal reserves for the period from 01.01.2022 to 31.12.2022,
b) The distribution of a total gross cash dividend of 15,000,000 TL, consisting of 12,043,974.72 TL from the period's profit and 2,956,025.28 TL from distributable other reserves,
c) The cash dividend payments are made as of December 31, 2023,

Developments after the Reporting Period

Completes project financing and begins cruise operations at San Juan Cruise Port

Global Ports Holding Plc ("GPH") signed a 30-year concession agreement with the Puerto Rico Ports Authority regarding the San Juan Cruise Port, Puerto Rico. GPH has informed us that its wholly owned subsidiary, San Juan Cruise Port LLC ("SJCP"), successfully reached the financial closing of the PPP Agreement and simultaneously concluded the debt financing for the initial phase of its investment in San Juan Cruise Port; SJCP has now taken over cruise operations at San Juan Cruise Port for GPH.

The successful long-term project financing was achieved through the issuance, by San Juan Cruise Port, of two bonds totalling USD 187 million; USD 110 million has been raised through the issuance of a Series A bond due 2045 and underwritten by Barclays Capital Inc, which will now be placed in the US municipal bond market at an average coupon rate of 6.6%. The sum of USD 77 million was raised through the issuance of a Series B bond due 2039 to US institutional investors at a fixed coupon of 7.21%.

The bonds have received an investment grade credit of BBB- from the S&P. The Series A bond will fully amortize in 21 years, with a weighted average duration of c. 19 years. The Series B bond will fully amortize over 15 years, with a weighted average duration of c. 12 years.

The addition of San Juan Cruise Port is a significant development in GPH's strategic ambitions regarding the Caribbean. San Juan Cruise Port, which welcomed 1.8 million unique passengers in 2019 (including c. 0.4 million homeport passengers, representing 2.2 million passenger movements), is the third-largest cruise port in GPH's global network.

San Juan Cruise Port is a strategically important port in the Caribbean cruise market, perfectly positioned to be included in both Eastern Caribbean and Southern Caribbean itineraries. In addition to its airport and hotel infrastructure, Puerto Rico is a US territory, making it an attractive homeport destination for Eastern and Southern Caribbean itineraries.

Exercise of Warrants

Global Ports Holding Plc ("GPH") had previously issued warrants in favour of Sixth Street Capital Partners LLC ("Sixth Street") as collateral for a loan provided by Sixth Street to GPH. In this context, GPH granted initial warrants to Sixth Street as part of the financing package announced on 24 May 2021, and additional warrants under the amendment made on 14 July 2023, which were approved at GPH's general assemblies in 2021 and 2023. GPH closed its debt to Sixth Street in September 2023, as disclosed in the Company's announcement dated 29 September 2023. GPH has informed us that it received a notification from Sixth Street of its intention to exercise all 8,395,118 warrants it holds, each with a nominal value of £0.01 (one penny).

GPH will apply to the Financial Conduct Authority (FCA), the relevant authority, for the new shares created by the conversion of the warrants to be listed on the London Stock Exchange (LSE); these new shares are expected to start trading on the LSE as of 28 March 2024.

Following these transactions, GPH's issued capital will consist of 76,433,126 shares, each with a nominal value of £0.01 (one penny), and the number of shares held by the Company will remain unchanged at 45,068,066.

Signing of concessions agreement for Liverpool Cruise Port

Global Ports Holding Plc ("GPH") signed a 50-year agreement with Peel Ports Group's subsidiary, The Mersey Docks and Harbour Company Ltd, to operate cruise services at Liverpool Cruise Port. GPH expects to take over operations of the port in April 2024.
The City of Liverpool is one of the UK's most visited cities, offering tourists significant opportunities to engage in the arts, especially music and architecture, along with, of course, the city's historic football teams.

Liverpool Cruise Port is well-positioned to participate in the growing Northern European and British and Irish cruise markets. It has good airport connectivity, with two international airports within an hour's drive, presenting excellent potential to act as a gateway to the Northern European and Round Britain Cruise Markets for American and European passengers, as well as being well-positioned to act as a home port for the domestic passenger market.
In 2023, Liverpool Cruise Port welcomed 102 cruise ships and over 186,000 passengers. This is expected to increase to more than 200,000 passengers in 2024 and exceed 300,000 per annum once the infrastructure works are completed.

Developments after the Reporting Period

Awarded preferred bidder status for Casablanca Cruise Port

Global Ports Holding Plc ("GPH"), announced that, following a public tender process, a majority-owned consortium (the "Consortium") between GPH (51%), local shareholder Steya (40%) and Ocean Infrastructures Management (9%) has been awarded preferred bidder status for a 15-year concession agreement with Agence Nationale des Ports ("ANP"), to operate the new Casablanca cruise terminal. The Consortium and ANP will now work towards agreeing on the terms of the concession agreement.

Casablanca, Morocco's largest city, offers cruise passengers a compelling blend of traditional Moroccan culture and contemporary experiences. It is also the cruise gateway to Rabat and the enchanting Red City of Marrakech, which will soon be within 1.2 hours' reach with the new bullet train project, set for completion prior to the 2030 FIFA World Cup, which will be hosted jointly by Morocco, Spain and Portugal. From historic mosques and cathedrals, and from venerable neighbourhoods to relaxing beaches and vibrant promenades, the city offers visitors a wide range of experiences. Located on the Northwest coast of Africa, Casablanca is a key stopover port for Canary Island and West Mediterranean cruises, as well as crossing sailings between Europe and the Caribbean.

The cruise port facilities recently underwent a EUR 60 million investment in the cruise port infrastructure. Led by ANP, this investment included the construction of a new cruise pier, cruise terminal and maritime station to international standards, significantly increasing the port's capacity. The port is now capable of handling ships up to 350 metres long and has the cruise port infrastructure to welcome 400,000 passengers per annum. Casablanca Cruise Port is expected to welcome c. 150,000 transit passengers in 2024, rising to c. 180,000 passengers in 2025.

Commences operations at Saint Lucia Cruise Port

Global Ports Holding Plc ("GPH") finalised a 30-year concession agreement with a 10-year extension option. With the fulfilment of the final conditions, GPH has now commenced operations at the port.

Under the terms of the concession agreement, GPH is set to invest up to USD 60 million on taking over existing indebtedness and capital expenditure into a material expansion and enhancement of the cruise port facilities at Saint Lucia Cruise Port. The CAPEX programme is expected to take approximately 24 months, whereas the existing indebtedness, transaction costs and customary reserve accounts in an amount of around USD 20 million have occurred as of closing. The financing of the majority of the investment is secured through a long-term (15 year) syndicated loan facility arranged by a leading regional bank with a total funding commitment of up to c. USD 50 million.

This investment includes expanding and enhancing the existing berth in Point Seraphine, enabling the handling of the largest cruise ships in the global cruise fleet and raising the port's capacity. Furthermore, GPH will also invest in transforming the retail experience at the cruise port, including the redevelopment of the Vendor's Arcade and the design and development of a new Fishermen's Village at Banannes Bay, offering an attractive area for local vendors. Upland development work at Soufriere Bay will also be carried out, including the construction of a new amphitheatre and a designated food and beverage area.

In the 12 months to 31 March 2023, Saint Lucia welcomed c. 590,000 passengers (2019 calendar year c. 790,000); the completion of the extended pier and upgrading of the facilities are expected to lead to a rise in passenger volumes to over one million in the medium term.

Passenger Statistics

The passenger statistics of the Company's indirect subsidiary Global Ports Holding Plc ("GPH") have been published on our website in Turkish and English for March 2024. It can be accessed via Investor Relations - Reports - Passenger Statistics.

The number of calls at GPH's ports in March 2024 was 26% higher than the March 2023 level, while passenger movements at GPH ports in March 2024 standalone were 36% higher than the March 2023 level.

The average occupancy rate of the cruise ships visiting GPH's ports was 110% in February 2024.

Disclaimer

The projects and activities described in this Annual Report are undertaken through a number of companies ("Affiliates") affiliated with Global Yatırım Holding A.Ş. (the "Global Investment Holdings Group," or the "Company"), also referred to herein, together with such Affiliates, as "the Group."

Unless otherwise specified, the information in this Annual Report is given as of December 31, 2021. The terms "current" and "currently," respectively, denote the status of the related information as of the time this Annual Report goes to print.

The currency of the Republic of Türkiye ("Türkiye") is the Turkish Lira ("TL"), which was introduced as of January 1, 2009, upon the conversion of the New Turkish Lira ("YTL") on a one-to-one basis. Solely for convenience, certain Turkish Lira amounts herein have been converted into US Dollars ("USD") based on the official USD/TL exchange rate announced by the Central Bank of Türkiye as of such relevant dates, or else on the average official USD/TL exchange rate for the respective period, except where otherwise specified. No representation is being made that any such TL amount was, or could have been, converted into USD at such a rate, or otherwise.

This Annual Report contains certain forward-looking statements, which typically include terms such as "intend," "expect," "anticipate," "plan," "project," "target" and "scheduled." Such statements are based on the expectations of Company management as this Annual Report goes to print. Such statements are inherently subject to operating risks, including factors beyond our control, such as general economic and political conditions; the volatility of market prices, rates, and indices; legislative and regulatory developments; and to our own ability to attract and retain skilled personnel; to source, structure and procure project financing; to implement optimal technology and information systems, and to otherwise operate successfully in a competitive marketplace. Consequently, our results may vary significantly from time to time, and we may be unable to achieve our strategic objectives.

Global Investment Holdings is incorporated in Istanbul, Türkiye. The registered address of the Company's headquarters is Büyükdere Cad. No: 193 Şişli 34394, Istanbul, Türkiye. Global Investment Holdings is subject to regulation by the Turkish Capital Markets Board ("CMB") and Borsa Istanbul. Other Group companies are subject to capital markets regulations, or those of other regulatory authorities having jurisdiction over them.

GLOBAL YATIRIM HOLDİNG ANONİM ŞİRKETİ AND ITS SUBSIDIARIES

CONVENIENCE TRANSLATION INTO ENGLISH OF CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2023 TOGETHER WITH INDEPENDENT AUDITOR'S REPORT

(ORIGINALLY ISSUED IN TURKISH)

PKF Aday Bağımsız Denetim A.Ş.

CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ORIGINALLY ISSUED IN TURKISH

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of Global Yatırım Holding Anonim Şirketi

A) Audit of the Consolidated Financial Statements

1) Opinion

We have audited the accompanying consolidated financial statements of Global Yatırım Holding Anonim Şirketi (the "Parent Company") and its subsidiaries ("Group"), which comprise the consolidated statement of financial position as at 31 December 2023 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements comprising a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with Turkish Financial Reporting Standards ("TFRS").

2) Basis for Opinion

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

3) Emphasis of Matter

Within the scope of the "Announcement on Adjustment of Financial Statements of Companies Subject to Independent Audit for Inflation" dated 23 November 2023 published by the POA, the financial statements dated 31 December 2023 were subject to inflation adjustment within the scope of IAS 29 "Financial Reporting in Economies with High Inflation" standard. In this context, we draw attention to footnote No. 2, which contains explanations regarding the transition to inflation accounting. This issue does not affect the opinion given by us.

4) Other Matters

Adjusted EBITDA presented in Note 5 is the responsibility of the Group management. Note 5 includes the calculation of adjusted EBITDA and is not a part of the accompanying consolidated financial statements. Our opinion on the consolidated financial statements does not include the calculation of adjusted EBITDA and no assurance can be given in this respect.

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PKF Aday Bağımsız Denetim A.Ş.

5) Key Audit Matters

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

The key audit matters deemed important by us are as follows.

Goodwill	How to perform of matter in audit
As of 31 December 2023, the Group recognizes goodwill amounting to TL 603.626.307 (31 December 2022, TL 622.119.449) and port operating rights amounting to TL 16.048.797.974 (31 December 2022, TL 14.870.050.183) in its consolidated financial statements. Goodwill and port operating rights constitute 37% of the Group's total assets. (31 December 2022: 37%). Group management applies annual impairment test for limited life port operating rights (port concession period) in case of goodwill and impairment. The recoverable amount of the cash-generating unit and port operating rights, based on the higher of value in use and fair value less costs to sell, is derived from discounted estimated cash flow models. These models include future passenger numbers, voyages and prices; It incorporates several key assumptions, including estimations of operating costs, rates of increase in maturity value, and weighted average cost of capital (discount rate). This issue has been identified as one of the key audit matters because of the complexity of the accounting standards provisions for the calculation of impairment of goodwill and port operating rights, and the estimations and assumptions used in estimating the recoverable amount require significant Management judgment.	Our audit procedures in this section include the following: Evaluating the appropriateness of the discount rates used in comparing the weighted average cost of capital with the industry averages in the relevant markets in which cash generating units (CGU) operate, with the assistance of our corporate finance experts; Evaluating the appropriateness of assumptions applied to key inputs such as number of trips, passenger numbers, prices, operating costs, inflation and long-term growth rates, including comparing these inputs with external data based on our knowledge of the customer and industry; Performing a sensitivity analysis to assess the impact of reasonably possible decreases in growth rates and projected cash flows and assessing the impact on the currently estimated acceptable range for goodwill and port operating rights; Performing sensitivity analysis, including assessing the impact of reasonably possible reductions in growth rates and estimated cash flows, to assess the effects on the currently estimated headroom for cash-generating units; Evaluating the adequacy of the disclosures in the accompanying consolidated financial statements, including disclosures about key estimates, assumptions, judgments, and sensitivities.

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Investment Properties	How to perform of matter in audit
As of December 31, 2023, the Group's investment properties amount to TL 4.307.495.850 (December 31, 2022: TL 3.712.414.824). As of December 31, 2023, investment properties constitute 12% of the Group's total non-current assets (December 31, 2022: 11%). The Group measures investment properties at fair value. The fair values of these properties have been determined by an independent valuation company. Since investment properties constitute a significant portion of the Group's total non-current assets and the valuation methods applied involve significant estimates and assumptions, the determination of the fair value of investment properties has been identified as a key audit matter by us.	Our audit procedures in this area include the following: - We assessed the competence and objectivity of the real estate appraisers appointed by the Group management. - We assessed the appropriateness of the valuation methods used by the appraisers. - We examined the validity of the assumptions used by the valuation experts in their valuations. - We have assessed whether the value appraised by the valuation experts is within an acceptable range due to the existence of high level judgments used in the valuation reports and the existence of alternative estimates and valuation methods. - We have questioned the appropriateness and adequacy of the information and disclosures in the financial statements and footnotes.

6) Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

7) Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Assess the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision, and performance of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

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PKF Aday Bağımsız Denetim A.Ş.

B) Other Responsibilities Arising From Regulatory Requirements

1. In accordance with subparagraph 4 of Article 398 of the TCC, the auditor's report on the early risk identification system and committee was submitted to the Group's Board of Directors on April 29, 2024.

2. No matter has come to our attention that is significant according to subparagraph 4 of Article 402 of Turkish Commercial Code ("TCC") No. 6102 and that causes us to believe that the Company's bookkeeping activities concerning the period from 1 January to 31 December 2023 period are not in compliance with the TCC and provisions of the Company's articles of association related to financial reporting.

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

The engagement partner who supervised and concluded on this independent auditor's report is Yunus Can Çarpatan.

İstanbul, April 29, 2024

PKF Aday Bağımsız Denetim A.Ş.
(A Member Firm of PKF International)

Yunus Can ÇARPATAN
Partner

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Global Yatırım Holding A.Ş. and its Subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

	Notes	Audited 31 December 2023	Audited 31 December 2022
ASSETS			
Current assets		**8.859.615.659**	**8.565.597.120**
Cash and cash equivalents	7	4.395.985.928	3.046.214.272
Financial investments	8	699.209.751	625.400.411
Trade receivables		1.549.490.290	2.245.354.983
- Due from third parties	*10*	*1.549.490.290*	*2.245.354.983*
Other receivables		349.990.634	356.986.322
- Due from related parties	*6*	*27.610.901*	*29.336.009*
- Due from third parties	*11*	*322.379.733*	*327.650.313*
Receivables from operations in finance sector		446.257.294	922.582.036
- Due from related parties	*6*	*9.183.299*	*46.221.598*
- Due from third parties	*12*	*437.073.995*	*876.360.438*
Inventories	13	578.504.904	570.239.753
Prepaid expenses	14	458.081.714	557.765.466
Derivative financial instruments		-	3.843.959
Current tax assets	32	82.319.447	46.563.255
Other current assets	23	299.775.697	190.646.663
Subtotal		*8.859.615.659*	*8.565.597.120*
Non-current assets		**35.661.909.051**	**32.949.078.354**
Other receivables		364.548.121	319.822.886
- Due from related parties	*6*	*294.993.785*	*278.478.654*
- Due from third parties		*69.554.336*	*41.344.232*
Financial investments	8	27.848.347	28.055.244
Investments accounted for using equity method	19	556.130.536	500.816.388
Investment property	15	4.307.495.850	3.712.414.824
Property, plant and equipment	16	8.577.487.181	8.337.492.156
Right of use assets	17	2.527.158.330	2.680.636.658
Intangible assets and goodwill		18.023.981.374	16.997.791.906
- Goodwill	*18*	*603.626.307*	*622.119.449*
- Other intangible assets	*18*	*17.420.355.067*	*16.375.672.457*
Prepaid expenses	14	221.994.628	207.720.400
Deferred tax asset	32	1.015.819.646	117.204.007
Derivative financial instruments		1.277.257	-
Other non-current assets	23	38.167.781	47.123.885
TOTAL ASSETS		**44.521.524.710**	**41.514.675.474**

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

	Notes	Audited 31 December 2023	Audited 31 December 2022
LIABILITIES			
Current liabilities		**8.876.683.656**	**9.059.417.264**
Current borrowings	9	3.272.780.834	3.076.784.742
Current portion of non-current borrowings	9	2.000.532.912	2.290.554.952
Trade payables		1.136.362.529	1.403.104.820
- Due to third parties	*10*	*1.136.362.529*	*1.403.104.820*
Payables related to employee benefits	22	234.073.437	265.311.621
Other payables		400.152.923	453.319.950
- Due to related parties	*6*	*103.199.515*	*53.795.865*
- Due to third parties	*11*	*296.953.408*	*399.524.085*
Payables on financial sector operations		681.338.424	555.972.905
- Due to third parties	*12*	*681.338.424*	*555.972.905*
Deferred income		5.790.466	7.940.131
Current tax liabilities	32	166.388.383	155.526.428
Current provisions		703.559.259	493.735.387
- Current provisions for employee benefits	*22*	*69.391.546*	*70.059.761*
- Other current provisions	*20*	*634.167.713*	*423.675.626*
Other current liabilities	23	275.704.489	357.166.328
Subtotal		*8.876.683.656*	*9.059.417.264*
Non-current liabilities		**25.058.453.328**	**23.260.099.383**
Non-current borrowings	9	22.785.913.120	19.494.381.613
Other payables		71.372.909	171.785.957
- Due to third parties	*11*	*71.372.909*	*171.785.957*
Liabilites due to investments accounted for using equity method	19	742.389	1.434.653
Deferred income		26.487.977	27.245.841
Derivative financial instruments		12.418.810	20.382.929
Non-current provisions		361.985.033	368.179.046
- Non-current provisions for employee benefits	*22*	*60.775.221*	*70.308.061*
- Other non-current provisions	*20*	*301.209.812*	*297.870.985*
Deferred tax liabilities	32	1.799.533.090	3.176.689.344
EQUITY		**10.586.387.726**	**9.195.158.827**
Equity attributable to equity holders of the Group		**6.788.036.276**	**5.791.916.077**
Paid-in capital	24	650.000.000	650.000.000
Adjustments to share capital	24	4.290.013.122	4.290.013.122
Share premium (discount)	24	1.690.194.718	1.690.194.718
Other comprehensive income that will not be reclassified in profit or loss		(27.005.337)	(20.653.498)
- Losses on remeasurements of defined benefit plans	*24*	*(27.005.337)*	*(20.653.498)*
Other comprehensive income that will be reclassified in profit or loss		(1.984.548.829)	(1.206.705.968)
- Currency translation differences		*(1.133.790.897)*	*(400.674.797)*
- Hedging reserve	*24*	*(850.757.932)*	*(806.031.171)*
Restricted reserves appropriated from profits	24	219.810.012	173.021.347
Prior years' profits / (losses)	24	(58.244.864)	(925.580.690)
Net profit / (loss) for the period	24	2.007.817.454	1.141.627.046
Non-controlling interests		**3.798.351.450**	**3.403.242.750**
TOTAL EQUITY AND LIABILITIES		**44.521.524.710**	**41.514.675.474**

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

	Notes	Audited 1 January- 31 December 2023	Audited 1 January- 31 December 2022
PROFIT OR LOSS			
Revenue	25	11.642.462.289	15.319.298.883
Cost of revenues (-)	25	(7.649.089.930)	(11.291.542.420)
Gross profit from trade operations		**3.993.372.359**	**4.027.756.463**
Revenues from finance operations	25	1.442.823.724	1.320.122.645
Cost of revenues from finance operations (-)	25	(55.325.682)	(21.071.265)
Gross profit from operations in finance sector		**1.387.498.042**	**1.299.051.380**
GROSS PROFIT		**5.380.870.401**	**5.326.807.843**
Marketing expenses (-)	26	(586.431.963)	(589.793.723)
General administrative expenses (-)	26	(2.199.078.352)	(1.843.890.901)
Other income from operating activities	28	175.900.907	123.081.758
Other expense from operating activities (-)	28	(864.319.708)	(439.595.353)
OPERATING PROFIT / (LOSS)		**1.906.941.285**	**2.576.609.624**
Income from investing activities	29	718.653.492	1.446.430.117
Expense from investing activities (-)		-	(3.319.487)
Share of profit/(loss) of equity accounted investees	19	208.794.431	97.555.064
Impairment gain/(loss) and reversal of impairment losses determined in accordance with TFRS 9	10	(3.863.496)	(19.895.114)
PROFIT/(LOSS) BEFORE FINANCE INCOME/(COSTS)		**2.830.525.712**	**4.097.380.204**
Finance income	30	1.050.897.465	398.806.547
Finance costs (-)	31	(2.770.507.365)	(2.126.890.554)
Monetary gain/(loss)		288.223.063	868.362.500
PROFIT/(LOSS) BEFORE TAX		**1.399.138.875**	**3.237.658.697**
Tax income/(expense)		**1.150.025.004**	**(1.227.093.810)**
- Current tax income/(expense)	32	(348.996.453)	(415.276.683)
- Deferred tax income/(expense)	32	1.499.021.457	(811.817.127)
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**2.549.163.879**	**2.010.564.887**
PROFIT/(LOSS) FOR THE PERIOD		**2.549.163.879**	**2.010.564.887**
Profit/(Loss) for the period attributable to		**2.549.163.879**	**2.010.564.887**
-Non controlling interests		541.346.425	868.937.841
-Owners of the company	33	2.007.817.454	1.141.627.046
Earnings/(Loss) per share from continuing operations	33	**3,0889**	**1,7563**
Diluted earnings/(loss) per share from continuing operations	33	**3,0889**	**1,7563**
OTHER COMPREHENSIVE INCOME/(EXPENSE)			
Items not to be reclassified to profit or loss		**(7.150.623)**	**(6.376.241)**
Losses on remeasurements of defined benefit plans, after tax		(7.150.623)	(6.376.241)
Items to be reclassified to profit or loss		**(1.128.171.726)**	**(1.441.437.943)**
Currency translation differences		(977.872.636)	(1.323.592.091)
Other components of other comprehensive income / (expense) to be reclassified to other profit or loss	24	(150.299.090)	(117.845.852)
OTHER COMPREHENSIVE INCOME / (EXPENSE)		**(1.135.322.349)**	**(1.447.814.184)**
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		**1.413.841.530**	**562.750.703**
Total comprehensive income / (expense) attributable to		**1.413.841.530**	**562.750.703**
Non-controlling interests		278.888.550	501.246.109
Owners of the Company		1.134.952.980	61.504.594

Accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

				Other accumulated comprehensive income/expense not to be reclassified to profit or loss		Other accumulated comprehensive income/expense to be reclassified to profit or loss			Retained earnings				
	Paid-in capital	Adjustments to share capital	Share premiums or discounts	Gains (losses) on remeasurements of defined benefit plans	Other reserves of other gains (losses)	Hedging reserve	Currency translation differences	Restricted reserves appropriated from profits	Net profit / (loss) for the period	Prior years' profits or losses	Equity attributable to the owners of the Company	Non-controlling interest	Total
Balance at 1 January 2022	**650.000.000**	**4.290.013.122**	**1.690.194.718**	**(14.098.003)**	**9.702.036**	**(746.802.794)**	**783.148.609**	**160.693.962**	**(183.140.246)**	**(1.776.624.394)**	**4.863.087.010**	**2.973.348.125**	**7.836.435.135**
Other comprehensive income/(expense)	-	-	-	(6.376.242)	-	(117.845.852)	(955.900.355)	-	-	-	**(1.080.122.449)**	(367.691.735)	**(1.447.814.184)**
Profit (loss) for the period	-	-	-	-	-	-	-	-	1.141.627.046	-	**1.141.627.046**	868.937.841	**2.010.564.887**
Acquisition or disposal of a subsidiary	-	-	-	74.133	(9.702.036)	-	-	(92.599)	-	-	**(9.720.502)**	(296.064.611)	**(305.785.113)**
Increase (decrease) due to changes in ownership interests in subsidiaries without change in control	-	-	-	(253.386)	-	58.617.475	(227.923.051)	-	-	1.046.603.934	**877.044.972**	258.487.187	**1.135.532.159**
Dividends paid by subsidiaries	-	-	-	-	-	-	-	12.419.984	-	(12.419.984)	-	(33.774.057)	**(33.774.057)**
Transfers	-	-	-	-	-	-	-	-	183.140.246	(183.140.246)	-	-	-
Balance at 31 December 2022	**650.000.000**	**4.290.013.122**	**1.690.194.718**	**(20.653.498)**	**-**	**(806.031.171)**	**(400.674.797)**	**173.021.347**	**1.141.627.046**	**(925.580.690)**	**5.791.916.077**	**3.403.242.750**	**9.195.158.827**
Balance at 1 January 2023	**650.000.000**	**4.290.013.122**	**1.690.194.718**	**(20.653.498)**	**-**	**(806.031.171)**	**(400.674.797)**	**173.021.347**	**1.141.627.046**	**(925.580.690)**	**5.791.916.077**	**3.403.242.750**	**9.195.158.827**
Other comprehensive income/(expense)	-	-	-	(7.150.623)	-	(150.299.090)	(715.414.761)	-	-	-	**(872.864.474)**	(262.457.875)	**(1.135.322.349)**
Profit (loss) for the period	-	-	-	-	-	-	-	-	2.007.817.454	-	**2.007.817.454**	541.346.425	**2.549.163.879**
Increase (decrease) through other changes	-	-	-	-	-	-	-	(10.399.494)	-	10.399.494	-	-	-
Increase (decrease) due to changes in ownership interests in subsidiaries without change in control	-	-	-	798.784	-	105.572.329	(17.701.339)	2.074.556	-	(214.138.030)	**(123.393.700)**	591.518.389	**468.124.689**
Dividends paid by the Company	-	-	-	-	-	-	-	652.449	-	(16.091.530)	**(15.439.081)**	-	**(15.439.081)**
Dividends paid by subsidiaries	-	-	-	-	-	-	-	54.461.154	-	(54.461.154)	-	(475.298.239)	**(475.298.239)**
Transfers	-	-	-	-	-	-	-	-	(1.141.627.046)	1.141.627.046	-	-	-
Balance at 31 December 2023	**650.000.000**	**4.290.013.122**	**1.690.194.718**	**(27.005.337)**	**-**	**(850.757.932)**	**(1.133.790.897)**	**219.810.012**	**2.007.817.454**	**(58.244.864)**	**6.788.036.276**	**3.798.351.450**	**10.586.387.726**

Detailed explanations related to equity items and transactions are presented in Note 24.

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

	Notes	Audited 1 January- 31 December 2023	Audited 1 January- 31 December 2022
Profit / (loss) for the period		**2.549.163.879**	**2.010.564.887**
Profit / (loss) from Continuing Operations		2.549.163.879	2.010.564.887
Adjustments for depreciation and amortisation expense	24	1.681.243.050	1.657.016.368
Adjustments for / (reversal of) provisions related with employee benefits		11.351.800	16.850.458
Adjustments for losses (gains) on disposal of subsidiaries or joint operations	25	-	(5.036.385)
Adjustments for / (reversal of) other provisions		(120.268.641)	65.025.584
Adjustments for undistributed profits / (loss) of investments accounted for using equity method		(208.794.431)	(97.555.064)
Adjustments for interest income		(781.543.812)	(312.072.506)
Adjustments for interest expense		1.756.177.120	1.396.398.979
Adjustments for fair value (gains) / losses on derivative financial instruments		(5.372.487)	(12.359.503)
Adjustments for tax (income) / expenses	29	(1.150.025.004)	1.227.093.810
Adjustments for unrealised foreign exchange losses / (gains)		963.406.656	741.719.569
Adjustments for losses / (gains) on disposal of property, plant and equipment		(41.124.104)	(33.057.549)
Adjustments for impairment loss / (reversal of impairment loss)	25	333.956.009	17.978.218
Adjustments for fair value losses / (gains) of investment property	13	(447.691.107)	(1.491.206.670)
Financial assets valuation gain		(228.136.931)	(113.105.655)
Other adjustments to reconcile profit (loss) / gain		476.460.222	3.807.257
Adjustments for monetary (gain)/loss		(2.976.737.931)	(1.102.549.212)
Adjustments to reconcile profit / (loss) for the period		**1.812.064.288**	**3.969.512.586**
Decrease / (increase) in financial sector receivables		439.286.443	20.673.775
Decrease / (increase) in trade receivables from third parties related with operations		670.483.788	(1.055.997.008)
Adjustments for increase / (decrease) in inventories		(8.265.151)	(113.913.103)
Increase / (decrease) in trade payables to third parties		(266.742.291)	416.160.560
Increase / (decrease) in payables to finance sector operations		125.365.519	21.419.902
Increase / (decrease) in employee benefit liabilities		(31.238.184)	11.130.000
Increase / (decrease) in deferred income		(2.907.529)	(207.693.016)
Decrease / (increase) in other assets related with operations		(187.093.233)	657.056.940
Increase / (decrease) in other liabilities related with operations		(254.290.987)	(108.317.428)
Interest paid		(44.032.128)	(12.262.460)
Interest received		298.653.754	154.986.617
Payments related with provisions for employee benefits	20	(31.680.982)	(2.289.711)
Income taxes refund / (payments)		(206.240.363)	(328.795.727)
Cash Flows from Operating Activities		**2.313.362.944**	**3.421.671.927**
Proceeds from sales of property, plant and equipment		40.652.707	40.040.518
Proceeds from sales of intangible assets		12.287.562	18.787
Acquisition of property, plant and equipment	14	(1.054.168.821)	(787.569.738)
Acquisition of intangible assets	16	(2.200.101.793)	(3.683.533.514)
Cash outflows from acquisition of investment property	13	(147.389.919)	(241.417.271)
Other payments from cash advances and payables		(221.674.783)	(161.726.200)
Cash outflows arising from purchase of shares or capital increase of associates and/or joint ventures		-	(17.853.029)
Cash inflows from sale of shares of subsidiaries that doesn't cause loss of control		869.962.139	1.023.368.071
Cash inflows from losing control of subsidiaries or other businesses		-	72.984.838
Decrease / (increase) in financial investments		154.534.488	44.777.739
Cash flows used in investing activities		**(2.545.898.420)**	**(3.710.909.799)**
Proceeds from borrowings	8	4.605.710.907	6.206.899.323
Proceeds from issue of debt instruments	8	13.647.230.002	1.187.535.686
Repayments of borrowings	8	(2.675.139.555)	(5.595.409.535)
Repayments of issued debt instruments	8	(11.551.982.903)	(1.219.393.360)
Increase / (decrease) in other payables to related parties		148.344.937	956.053.357
Dividends paid		(163.196.976)	(27.807.771)
Interest received		482.890.058	157.085.890
Interest paid		(1.535.259.373)	(977.259.105)
Payments of lease liabilities	8	(155.216.138)	(156.396.153)
Other cash inflows / (outflows)		(1.500.871.369)	375.826.265
Cash flows from financing activities		**1.302.509.590**	**907.134.597**
Net increase / (decrease) in cash and cash equivalents before the effects of foreign currency differences		1.069.974.114	617.896.725
Effects of monetary gain/(loss) on cash and cash equivalents		**(590.219.046)**	**(1.305.414.385)**
Effects of foreign currency differences on cash and cash equivalents		(64.553.181)	(175.097.686)
Net increase / (decrease) in cash and cash equivalents		415.201.887	(862.615.346)
Cash and cash equivalents at the beginning of the period	6	2.473.952.872	3.336.568.218
Cash and cash equivalents at the end of the period	**6**	**2.889.154.759**	**2.473.952.872**

Accompanying notes are an integral part of these consolidated financial statements.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS

Global Yatırım Holding A.Ş. ("the Company", or "Holding") was established in 1990 with the trade name Global Menkul Değerler A.Ş. as a brokerage company in İstanbul, Turkey. On 6 October 2004, the Company changed its trade name to Global Yatırım Holding A.Ş and its field of activity to restructure itself as a holding company. As part of its restructuring, on 2 October 2004, a new company, named Global Menkul Değerler A.Ş. was established by through a partial de-merger in accordance with under Turkish legislation law and 99,99% of its shares were owned by the Company. All of the Company's brokerage activities were transferred to this new company. The main operation of the Company's primary purpose is to participate invest in the capital and participate in the management of companies that operate or will operate in the fields of brokerage and asset management (formerly named as "financial services"), energy generation, natural gas, mining (formerly named as "naturel gas/mining/energy generation") , port operations (formerly named as "infrastructure") and real estate development sectors, and to minimize the volatility of its investments against economic fluctuations by handling managing the capital expenditure, financing, organization and administration of those its investment companies within portfolio, while contributing to such companies the achievement of sustainable growth and ensuring the going concern of those such companies to the benefit of the national economy, and to engage in commercial, industrial and financial activities in line with these goals.

Global Yatırım Holding (parent company), its subsidiaries, its joint ventures and its associates are together referred to as "the Group". As at 31 December 2023, the number of employees of the Group is 1.737 (31 December 2022: 1.510).

The Group is registered with the Capital Market Board ("CMB") and its shares have been traded on the Borsa İstanbul ("BIST") since May 1995 (from May 1995 to 1 October 2004, the Company traded as "Global Menkul Değerler A.Ş.").

The registered office of the Company is "Esentepe Mahallesi Büyükdere Caddesi 193 Apt Blok No: 193/2 34394 Şişli/İstanbul".

99,99% of the shares of the Company are listed on the BIST.

The Company's shareholding structure is presented in Note 24.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS *(continued)*

The nature of the operations and the locations of the subsidiaries, and equity accounted investees of the Group are listed below:

(a) Subsidiaries

Subsidiaries	Location	Operations
Global Ports Holding B.V. (1)	Netherlands	Port Investments
Global Ports Holding Plc (1)	United Kingdom	Port Investments
Global Ports Europe B.V. ("Global BV")	Netherlands	Port Investments
Global Ports Netherlands B.V.	Netherlands	Port Investments
Global Liman İşletmeleri A.Ş. ("Global Liman")	Turkey	Port Investments
Ege Liman İşletmeleri A.Ş. ("Ege Liman") (2)	Turkey	Port Operations
Bodrum Yolcu Limanı İşletmeleri A.Ş. ("Bodrum Liman") (2)	Turkey	Port Operations
Port of Adria ("Bar Limanı") (2)	Montenegro	Port Operations
Cruceros Malaga, S.A ("Malaga Cruise Port") (3)	Spain	Port Operations
Global Ports Melita Ltd. ("GP Melita")	Malta	Port Operations
Valetta Cruise Port PLC ("VCP") (4)	Malta	Port Operations
Creuers del Port de Barcelona, S.A. ("Barcelona Port") (3)	Spain	Port Operations
Barcelona Port Investments, S.L ("BPI") (3)	Spain	Port Operations
Port Operation Holding S.r.l (5)(2)	Italy	Port Operations
Cagliari Terminali Passeggeri S.r.l. (5)	Italy	Port Operations
Catania Terminali Passeggeri S.r.l. (5)	Italy	Port Operations
Zadar International Port Operations ("ZIPO") (12)	Croatia	Port Operations
Travel Shopping Limited	Malta	Tourism Operations
Global Ports Mediterranean S.L. ("GP Med")	Spain	Tourism Operations
GPH Antigua Ltd. ("Antigua") (18)	Antigua and Barbuda	Port Operations
Nassau Cruise Port Ltd. ("NCP") (19)	Bahamas	Port Operations
San Juan Cruise Port LLC	Puerto Rico	Port Operations
GPH St. Lucia Ltd (Saint Lucia)	Saint Lucia	Port Operations
GPH Americas Ltd.	Bahamas	Port Investments
GPH Bahamas Ltd. ("GPH Bahamas")	Bahamas	Port Investments
Global Ports Destination Services Ltd.	United Kingdom	Port Services
Global Depolama A.Ş. (2) (22)	Turkey	Storage
Balearic Handling S.L.A.	Spain	Port Services
Shore Handling S.L.A.	Spain	Port Services
Port Management Services S.L.	Spain	Port Operations
Port Finance Investments Limited	United Kingdom	General Corporate Transaction
Taranto Cruise Port S.r.l	Italy	Port Services
Global Ports Canary Islands S.L.	Spain	Port Services
Global Ports Alicante S.L.	Spain	Port Services
Global Ports Services Med	Spain	Port Services
Port Operations Services Ltd.	Cyprus	Port Operations
GPH Barbados Ltd.	Barbados	Port Management
GPH Cruise Port Finance Ltd. ("GPH CPF")	United Kingdom	Port Investments
GPH Kalundborg ApS	Denmark	Port Operations
Crotone Cruise Port S.r.l (Crotone Cruise Port, Italy)	Italy	Port Operations
Global Ports Tarragona S.L.	Spain	Port Operations
GPH Malta Finance PLC	Malta	General Corporate Transaction
Prince Rupert Cruise Terminal LTD	Canada	Port Operations
Global Ports Group Finance LTD	United Kingdom	Port Investments
GPH Cruise Ports Bremerhaven GmbH	Germany	Port Operations
Global Gemicilik Turizm, Seyahat ve Nakliyat Hizmetleri A.Ş. ("Global Gemicilik")	Turkey	Maritime Investments
Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. ("Consus Enerji") (7) (21)	Turkey	Energy Investments
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş ("Tres Enerji") (7)	Turkey	Energy Generation
Mavibayrak Enerji Üretim. A.Ş. ("Mavi Bayrak") (7)	Turkey	Energy Generation
Mavibayrak Doğu Enerji Üretim A.Ş. (7) (8)	Turkey	Energy Generation
Doğal Enerji Hizmetleri ve San.Tic. A.Ş. ("Doğal Enerji") (7)	Turkey	Electricity Generation
Consus Energy Europe B.V.	Netherlands	Energy Investments
Global Africa Power Investments (9)	Mauritius	Energy Generation
Glowi Energy Investments Limited (9)	Malavi	Energy Investments
Glozania Energy Investments Limited (9)	Tanzania	Energy Investments
Barsolar D.O.O.	Montenegro	Energy Generation
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş. ("Ra Güneş") (6) (7)	Turkey	Electricity Generation
Naturelgaz Sanayi ve Tic. A.Ş. ("Naturelgaz") (20)	Turkey	Compressed Natural Gas Sales
Naturelgaz Gaz İletim A.Ş.	Turkey	Natural Gas and Petroleum Products Transportation
Straton Maden Yatırımları ve İşletmeciliği A.Ş. ("Straton")	Turkey	Mining
Tenera Enerji Tic. A.Ş. ("Tenera") (7)	Turkey	Electricity and Natural Gas Trade

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS *(continued)*

(a) Subsidiaries: *(continued)*

Subsidiaries	Location	Operations
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş. ("Edusa Atık") (9)	Turkey	Energy Generation
Solis Enerji Üretim ve Ticaret A.Ş	Turkey	Energy Generation
Dağören Enerji A.Ş. ("Dağören") (7)	Turkey	Electricity Generation
Ardus Gayrimenkul Yatırımları A.Ş. (10)	Turkey	Real Estate Investments
Global Ticari Emlak Yatırımları A.Ş. (11)	Turkey	Real Estate Investments
Rıhtım51 Gayrımenkul Yatırımları A.Ş.	Turkey	Real Estate Investments
GGY1 Gayrimenkul Yatırımları A.Ş.	Turkey	Real Estate Investments
GGY2 Gayrimenkul Yatırımları A.Ş.	Turkey	Real Estate Investments
GGY3 Gayrimenkul Yatırımları A.Ş.	Turkey	Real Estate Investments
Global Menkul Değerler A.Ş. ("Global Menkul") (13)	Turkey	Brokerage
Global MD Portföy Yönetimi A.Ş. (14)	Turkey	Portfolio Management
İstanbul Portföy Yönetimi A.Ş.	Turkey	Portfolio Management
Global Sigorta Aracılık Hizmetleri A.Ş. ("Global Sigorta")	Turkey	Insurance Agency
Güney Maden İşletmeleri A.Ş. ("Güney")	Turkey	Mining
Tora Yayıncılık A.Ş. ("Tora")	Turkey	Publishing
Sem Yayıncılık A.Ş. ("Sem") (15)	Turkey	Publishing
Maya Turizm Ltd. ("Maya Turizm") (16)	Cyprus	Tourism Investments
Adonia Shipping Limited	Malta	Ship Management
Vespa Enterprises (Malta) Ltd. ("Vespa")	Malta	Tourism Investments
Aristaeus Limited	Malta	Financial Investments
GFS Holding A.Ş. (17)	Turkey	Administrative Consultancy
Rainbow Tech Ventures Limited	Malta	Technology Investments
Rainbow Destination Development Services Ltd.	Bahamas	Consultancy
Rainbow Holdings Worldwide Limited	United Kingdom	Technology Investments

(1) On 11 May 2017, the Group has completed the initial public offering ("IPO") of its ordinary shares and is trading on the main market of the London Stock Exchange. Global Ports Holding Plc, the company which shares is started to be trading on the London Stock Exchange is owned by Global Ports Holding B.V a wholly subsidiary of the Global Yatırım Holding. The Company has initiated the necessary process for conversion of a portion of outsanding receivable of USD 13,8 million of its receivables from its indirect subsidiary, Global Ports Holding Plc ("GPH"), into stock through a capital increase which was carried out in GPH on 14 July 2023. As part of this transaction, GPH will increase its capital by issuing 5.144.445 new shares with a nominal value of 0,01 pounds (1 pence), and allocate them to the Company at a share price of 206,5 pence (issue price), which is the current weighted average price, as partial offset against the debt. The related capital increase transaction was completed on 25 July 2023. Following the share issuance and minor interim purchases made from the stock exchange, the Company's ownership rate in GPH's issued capital has reached to 66,24% (31 December 2022: 63,55%).

(2) These companies are consolidated under Global Liman.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS *(continued)*

(a) Subsidiaries *(continued):*

(3) Global Liman acquired 43% of shares Creuers del Port de Barcelona S.A ("Barcelona Port") which has majority shares of Malaga Cruise Port and minority shares of Singapore Cruise Port through Barcelona Port Investments, S.L ("BPI") established in partnership with Royal Caribbean Cruises Ltd. and recognized the transaction as equity accounted investee in the consolidated financial statements as at 31 December 2013. These companies have been consolidated as subsidiaries after the acquisition processes completed as 30 September 2015.

(4) The Group has acquired 55,60% of shares of VCP on 15 November 2015 and has started to include in the scope of consolidation as of 31 December 2015. VCP was set up to develop the Valletta Waterfront, situated on the Grand Harbour, Malta, for the purpose of the operation and management of a cruise liner passenger terminal and an international ferry passenger terminal together with complementary leisure facilities. VCP is also responsible for the handling of international cruise and ferry passengers and was granted a license by the Malta Maritime Authority. The concession will end in 2067.

(5) Global Liman has acquired 51% shares of Ravenna Terminali Passeggeri S.r.l (operating Ravenna Passenger Port), 71% shares of Cagliari Terminali Passeggieri S.r.l (operating Cagliari Passenger Port) and 62% shares of Catania Terminali Passeggieri S.r.l (operating Catania Passenger Port) in 2016, through Port Operation Holding S.r.l, a subsidiary of the Global Liman with 100% shareholding rate.

(6) This company was established in 27 November 2012 and consolidated to Consus Enerji.

(7) Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. was established on 28 August 2014. Subsidiaries of the Group operating in electricity generation, energy generation and cogeneration are consolidated to Consus Enerji as at reporting date.

(8) Mavi Bayrak Doğu Enerji Üretim A.Ş. was established 9 April 2015 to operate in energy generation sector and consolidated to Consus Enerji.

(9) These companies were established for the purpose of the Group's energy investment.

(10) This company has been established on 30 December 2016 through a partial division to coordinate real estate projects under one entity.

(11) This company was established on 20 August 2014 to operate in real estate investment sector.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS *(continued)*

(a) Subsidiaries *(continued):*

(12) Zadar International Port Operations ("ZIPO") a subsidiary of the Global Liman with 100% shareholding rate, was established in Zadar (Croatia) for attending to tender for concession of Gazenica cruise port operation rights. ZIPO has signed a 20-year concession agreement ("the Agreement") dated 12 September 2018, with the Port Authority of Zadar for the operating rights of the Gazenica cruise port in Zadar, Croatia. The concession includes cruise ship passenger port and terminal services, an international ferry terminal, Ro-Ro services, vehicles and passenger services. The cruise ports infrastructure includes a maximum draft of 13m and 1.170m of total pier length, accommodating ships of any sizes. It also contains a commercial area of 2.400sqm, with leasable retail and office space.

(13) The Group's effective ownership rate in this company decreased to 76,85% as at 31 December 2011 as a result of the sale of its shares in 2011 through an initial public offering and direct sale and subsequent purchase of some of its publicly traded shares. As at 31 December 2023, the Group's effective ownership rate in this company is 75% (31 December 2022: 75%).

(14) This company is consolidated to Global Menkul Değerler A.Ş.

(15) This company is consolidated to Tora.

(16) This company is a joint venture of Vespa and consolidated to the Group.

(17) GYH Danışmanlık ve Yönetim Hizmetleri A.Ş., subsidiary of the Group with a 100% shareholding rate (the controlling shareholder of Global Menkul Değerler A.Ş. and İstanbul Portföy Yönetimi A.Ş.) has been restructured as a Holding Company. Its trade name has been amended as GFS Holding A.Ş. and trade registry process has been completed.

(18) GPH Antigua was established in Antigua and Barbuda for signing the concession agreement of St John's cruise terminal port operation rights. GPH Antigua has signed a 25-year concession agreement ("the Agreement"), with the Government of Antigua and Barbuda for the operating rights of the St John's cruise terminal in Antigua. Under the terms of the Agreement, GPH will from 23 October 2019, use its global expertise and operating model to manage all the cruise port operations at St John's cruise terminal over the life of the concession. The concession includes cruise ship passenger port and terminal services, as well as an enhancement investment in the Terminal area, to modernize the terminal. After completion of CAPEX, the terminal will have 2.400sqm, with leasable retail spaces.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS *(continued)*

(a) Subsidiaries *(continued):*

(19) NCP was established in Nassau (Bahamas) for signing of Port Operation and Lease Agreement ("POLA") with respect to the Nassau Cruise Port at Prince George wharf. GPH Bahamas, a wholly owned subsidiary of GPH Plc, owns a 49% equity interest in NCP, Bahamian Investment Fund "BIF" (a Company established by Bahamian authorities for arrangement of financing of the project) holds 49% shares, and YES Foundation (a charitable fund dedicated to empowering generations of Bahamians by supporting local youth, education, and sports-related programs) holds remaining 2% shares of NCP. NCP has signed a 25-year agreement ("the Agreement") from the end of construction completion, with the Government of Bahamas ("GoB") for the operating rights of the Prince George wharf in Nassau, Bahamas, starting from 11 November 2019. Under the terms of the Agreement, NCP has an obligation to perform capital investments which include Cruise Terminal for an iconic design respecting and reflecting the richness and uniqueness of the traditional Bahamian culture. The concession includes cruise ship passenger port and terminal services. It will also contain a commercial area, after completion of CAPEX, with leasable retail and office space.

(20) The application for initial public offering ("IPO") of Naturelgaz, subsidiary of the Company, was approved by Capital Markets Board on 18 March 2021. Naturelgaz has successfully completed the IPO process on 31 March 2021. The offering comprised from issuance of new ordinary shares and sale of existing shares. Naturelgaz issued 14.981.406 new shares, increasing the total number of shares issued from 100.018.594 to 115.000.000. In addition, GYH sold 19.518.594 existing shares. After the IPO completed on 31 March 2021, GYH remains the largest shareholder of Naturelgaz with 70% (After the share sale in September 2023, the Group's ownership rate in Naturelgaz decreased to 60% as of 31 December 2023).

(21) The initial public offering ("IPO") of Consus Enerji İşletmeciliği ve Hizmetleri A.Ş., 100% subsidiary of the Company, has been successfully completed and it started to be traded in BIST with the base price of TL 4.50 / share, "CONSE.E" code, and continuous trading method as of 20 April 2022.

The offering comprised from issuance of new ordinary shares and sale of existing shares with fixed price and equal distribution sale. Consus Enerji issued 52.500.000 new shares, increasing the total number of shares issued from 333.000.000 to 385.500.000. In addition, GYH sold 63.000.000 shares with nominal value of TL 63.000.000. As a result, 115.500.000 shares with nominal value of 115.500.000 were offered to public. Detailed information related to IPO is presented in Note 24.8. After the share sale in 2023, the Group's ownership rate in Consus decreased to 51%.

(22) This company was divested on 26 July 2023.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS *(continued)*

(b) Equity Accounted Investees

Investments in associates	Location	Operations
IEG Global Kurumsal Finansman Danışmanlık A.Ş. ("IEG") (1)	Turkey	Corporate Finance Consulting
LCT- Lisbon Cruise Terminals, LDA ("Port of Lisbon") (2)	Portugal	Port Operations
SATS-Creuers Cruise Services Pte. Ltd. ("Port of Singapore") (3)	Singapore	Port Operations
Venezia Investimenti Srl (4)	Italy	Port Operations
La Spezia Cruise Facility S.c.a.r.l (5)	Italy	Port Operations
Goulette Cruise Holding Ltd. (UK) ("Goulette") (6)	United Kingdom	Port Investments
Pelican Peak Investment Inc (7)	Canada	Tourism Investments
1121438 B.C. LTD	Canada	Tourism Investments
Vigo Atlantic Cruise Terminal S.L.	Spain	Port Operations

(1) This company has been established on 17 May 2011 with a 50% - 50% shareholding structure by Global Menkul, a subsidiary of the Group, and IEG (Deutschland) GmbH, as a prominent company in corporate finance sector in Europe.

(2) The Group has entered into the concession agreement of Lisbon Cruise Terminals within the framework of a public-service concession on 18 July 2014 as a part of the consortium comprised of Global Liman, RCCL, Creuers and Group Sousa – Investimentos SGPS, LDA.

Within the scope of the concession, Global Liman completed the transactions of transferring Lisbon Cruise Terminal to LCT-Lisbon Cruise Terminal called LDA physically on 26 August 2014 and Lisbon Cruise Terminal has been consolidated as equity accounted investee as at 30 September 2014.

(3) Barcelona Port Investments, S.L ("BPI") which was established in partnership with Global Liman and Royal Caribbean Cruises Ltd. acquired majority shares of Barcelona Port and Malaga Cruise Port and minority shares of Singapore Cruise Port as at 30 September 2014. After the date of acquisition, Singapore Cruise Port has been started to be consolidated by equity accounting method.

(4) Global Liman, a subsidiary of the Group, has founded Venezia Investimenti Srl, which operates the Port of Venezia ("Venezia Terminal Passegeri S.p.A (VTP)") through a Joint Venture Group with Costa Costa Crociere SpA, MSC Cruises SA and Royal Caribbean Cruises Ltd, each of which will have a 25% stake. As of 19 July 2016, the international consortium, which is a member of Global Ports Operations, has become to own indirectly 44,48% of VTP with Finpax shares previously acquired.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

1 ORGANIZATION AND NATURE OF BUSINESS *(continued)*

(b) Equity Accounted Investees *(continued)*

(5) Global Liman has acquired 28,5% minority shares of La Spezia Cruise Facility Srl (operating La Spezia Passenger Port) in 2016, through Port Operation Holding S.r.l, a subsidiary of the Global Liman with 100% shareholding rate.

(6) Goulette Cruise Holding is a joint venture established 50%-50% between the Company and MSC Cruises S.A. ("MSC"), to acquire La Goulette Shipping Cruise, which operates the cruise terminal in La Goulette, Tunisia. The Company made a share capital contribution for its 50% shareholding amounting to EURO 55.000 and issued a loan of USD 6 million in December 2019 to fund the acquisition of La Goulette Shipping Cruise proportionately to its share. The joint venture acquired the shares in La Goulette Shipping Cruise on 26 December 2019.

(7) GP Med, a subsidiary of the Group, has acquired 10,23% shares of Pelican Peak Investments Inc ("Pelican Peak") in 2020. The main aim of acquisition is to increase its ancillary revenues in the Caribbean region. The main object of the acquisition is to track company's operations financially and to explore new service areas to be offered to passangers with potential vertical growth. As of the reporting date, Pelican Peak is consolidated under equity accounted investees.

All companies have the same fiscal year with the Parent, 1 January – 31 December, except Singapore Cruise Port, NCP, Global Ports Holding Plc, Global Ports Malta Finance Plc., VCP, Port Operation Holding, Catania Cruise Terminal, Taranto Cruise Port, Crotone Cruise Port, GPH Antigua Ltd, Prince Rupert Cruise Port, Global Ports Group Finance Ltd and Global Ports Canary Islands which have a fiscal year starting on 1 April, to 31 March next year.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES

2.1 Basis of Preparation

(a) Statement of Compliance to Turkish Financial Reporting Standards ("TFRS")

The accompanying consolidated financial statements are prepared based on the Turkish Financial Reporting Standards ("TFRS") that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority ("POA") in accordance with the requirements of Capital Markets Board ("CMB") Communiqué Serial II, No: 14.1 "Basis of Financial Reporting in Capital Markets", which were published in the Official Gazette No:28676 on 13 June 2013. TFRS's contain Turkish Accounting Standards ("TAS"), Turkey Financial Reporting Standards, TAS interpretations, and TFRS interpretations published by POA.

The financial statements are prepared in line with the formats defined within the regulations, "Announcement about the IFRS Taxonomy" published on 4 October 2022 by Public Oversight Authority and the "Financial Statement Examples and Guidance" by Capital Markets Board.

Consolidated financial statements are presented within the historical cost basis except the financial assets, financial derivatives and real estate property which are calculated through the fair value basis. On defining the historical cost, generally the fair value of the amount paid to acquire these assets is taken as basis.

Approval of consolidated financial statements:

The accompanying consolidated financial statements are approved by the Company's Board of Directors on 29 April 2024. The General Assembly of the Company has the right to amend, and relevant regulatory bodies have the right to request the amendment of these consolidated financial statements.

Additional paragraph for convenience translation to English:

The accounting principles described in Note 2 (defined as Turkish Accounting Standards/Turkish Financial Reporting Standards) to the accompanying consolidated financial statements differ from Turkish Financial Reporting Standards ("TFRS") issued by the International Accounting Standards Board ("IASB") with respect to the application of inflation accounting, classification of some income statement items and also for certain disclosures requirement of the POA.

(b) Preparation of Financial Statements in Hyperinflationary Economies

Due to CMB's legislation(81/1820) dated 28 December 2023, the issuers and capital market companies which are subject to Turkish Accounting/Financial Reporting Standards were decided to apply IAS 29 Financial Reporting in Hyperinflationary Economies in their yearly financial statements starting from 31 December 2023.

The POA, on 23 November 2023, made an announcement stating that the businesses applying IFRS are subject to adjust their financial statements in line with the inflationary accounting principles included in IAS 29 starting from the yearly reports of 31 December 2023.

In this context, the financial statements of 31 December 2023 and 2022 are adjusted according to IAS 29 accounting principles.

Financial statements and relevant figures for previous periods, are rearranged for the changes of general purchasing power of the functional currency. Financial statements and relevant figures for previous periods are expressed in terms of the valid measurement unit according to IAS 29 Financial Reporting in Hyperinflationary Economies.

Due to IAS 29, a business which has its functional currency as a currency of a hyperinflationary economy, is required to present its financial statements in terms of the valid unit of measurement at the end of the reporting period.

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES

2.1 Basis of Preparation *(continued)*

(b) Preparation of Financial Statements in Hyperinflationary Economies *(continued)*

Since the cummulative change in the general purchasing power of the last three years according to Consumer Price Index(CPI) is 268% as published by the Turkish Statistical Institute, the businesses operating in Turkey are obliged to adjust their financial statements in line with IAS 29 Financial Reporting in Hyperinflationary Economies as of the reporting periods starting from 31 December 2023.

As of December 31, 2023, the indices and coefficients used in adjusting the financial statements are as follows:

Year	Index	Coefficient Correction	Three Year Cummulative Inflation Rates
2021	686,95	2,7067	268%
2022	1.128,45	1,6477	156%
2023	1.859,38	1,0000	74%

The details of the IAS 29 indexing transactions are as follows:

- All the reporting lines, other than the lines that are presented with the current purchasing power as of the reporting date, are indexed by the relevant consumer price index coefficients. The figures of the previous years are also indexed with the same approach.

- The financial statements of the previous reporting periods are adjusted by taking the purchasing power of the currency at the latest balance sheet date. Current term adjusting coefficient is applied to the previous financial statements.

- The asset and the liability lines, are not adjusted with an indexing since they are already presented with the current purchasing power at the reporting date. Monetary lines indicate cash and cash equivalent lines.

- Fixed assets are indexed based on their purchasing costs. Depreciation is also calculated within a similar method. The equity figures, are adjusted by applying the general price indices that are relevant at the period when these figures are added to the Group or are formed within the Group.

- All the reporting lines included in the profit and loss table are presented in terms of the measurement unit which is valid at the end of the reporting period. Therefore, all figures are re-adjusted by using the changes in the general price index.

- All the reporting lines included in the cash flow statement are adjusted according to inflation by using the current measurement unit relevant at the end of the reporting period.

- All items in the income statement, other than the non-monetary lines in the balance sheet that have an effect on the income statement, are indexed by using the coefficients calculated when the income and cost accounts are first reflected to the financial statements.

- The profit or loss resulting from general inflation of the net monetary position, is calcuated as the net amount of the difference of the adjustments made to the assets, profit or loss table accounts and the equity lines. The profit or loss resulting from the net monetary position is included in the calculation of the net profit.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES

2.1 Basis of Preparation *(continued)*

(b) Preparation of Financial Statements in Hyperinflationary Economies *(continued)*

Comparative figures

The figures for the previous reporting period are restated by applying the general price index so that comparative financial statements are presented in the unit of measurement effective at the end of the reporting period. Information disclosed for previous periods are also presented in the unit of measurement effective at the end of the reporting date.

(c) Basis of measurement

The consolidated financial statements are prepared based on historical cost except for financial instruments, investment property and derivatives that are measured at fair value.

The methods used for measuring fair value are disclosed in Note 2.3.

(d) Functional and Presentation Currency

Items included in the financial statements of the entities within the Group structure are presented in the functional currencies in their primary economic environments in which those companies operate.

The consolidated financial statements are presented in Turkish Lira ("TL") which is the functional currency of the Company.

US Dollar is significantly used in the operations of the subsidiaries Vespa, Doğal Enerji, Mavi Bayrak Enerji, Ra Güneş, Mavi Bayrak Doğu, Ege Liman, Bodrum Liman, Global Ports Holding Plc, GPH Antigua, GPH Americas, GPH Bahamas, Prince Rupert Cruise Terminal LTD, Rainbow Destination Development Services, Global Ports Group Finance LTD, GPH Cruise Port Finance LTD, NCP and has a significant effect on the operations. Therefore, US Dollar has been determined as the functional currency of these companies in line with TAS 21 - The Effects of Changes in Foreign Exchange Rates.

EURO is significantly used in the operations of the subsidiaries; Port of Adria, Adonia Shipping, Straton Maden, Barsolar, BPI, VCP, Global BV, Port Operation Holding S.r.l., Crotone Cruise Port S.r.l, Cagliari Terminali Passeggeri S.r.l., Catania Terminali Passeggeri S.r.l., Taranto Cruise Port S.r.l., Global Ports Canary Islands S.L., Port Operations Services Ltd., Aristaeus, Barcelona, ZIPO, Malaga Port, Balearic Handling S.L.A., Shore Handling S.L.A., Global Ports Tarragona S.L., GPH Kalundborg ApS, Global Ports Services Med and Global Ports Mediterranean, GPH Malta Finance, GPH Cruise Ports Bremerhaven GmbH, Global Ports Alicante S.L. Therefore, EURO has been determined as the functional currency of these companies in line with TAS 21 - The Effects of Changes in Foreign Exchange Rates.

(e) Netting/Offsetting

The Group's financial assets and liabilities are offset, and the net amount is presented in the consolidated balance sheet if and only if there is a legally enforceable right to set off the amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.1 Basis of Preparation *(continued)*

(f) Basis of Consolidation

As at 31 December 2023 and 2022, the consolidated financial statements include the financial statements of the subsidiaries and associates of Global Yatırım Holding A.Ş..

(i) Business combination

Business combinations are accounted for using the acquisition method as at the acquisition date when control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Group measures goodwill at the acquisition date as:

- The fair value of the consideration transferred; plus
- The recognized amount of any non-controlling interests in the acquiree; plus
- If the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- The net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed

When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

Transactions costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.1 Basis of Preparation *(continued)*

(f) Basis of Consolidation *(continued)*

(ii) Subsidiaries

Subsidiaries are those entities on which the Group has the power to control. The Group controls the companies when it is incurred changeable returns due to relations of any companies or has a right to own these returns and has a power to affect these returns. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group to the date on which control is transferred out from the Group. The Group has made adjustments on the financial statements of the subsidiaries to be inconsistent with the basis of applied accounting standards if it is necessary.

For each business combination, the Group elects to measure any non-controlling interests in the acquire either:

- At fair value; or
- At their proportionate share of the acquiree's identifiable net assets, which are generally at fair value

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognized in profit or loss.

Losses in non-controlling interest of subsidiaries are transferred to non-controlling interest even if the result is negative.

On the loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus of deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently that retained interest is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.1 Basis of Preparation *(continued)*

(f) Basis of Consolidation *(continued)*

(ii) Subsidiaries (continued)

The table below demonstrates the rates of the effective ownership and the voting power held in terms of percentages (%) as of 31 December 2023 and 2022 for all subsidiaries directly or indirectly controlled by the Group:

	Effective ownership rates		Voting power held	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Global Liman İşletmeleri A.Ş.	66,24	63,55	66,24	63,55
Ege Liman İşletmeleri A.Ş.	59,93	46,07	59,93	46,07
Bodrum Yolcu Limanı İşletmeleri A.Ş.	39,74	38,13	39,74	38,13
GPH Malta finance PLC	66,23	63,54	66,23	63,54
Port of Adria JSC-Bar (Bar Limanı)	41,85	40,15	41,85	40,15
Cruceros Malaga, SA ("Malaga Port")	66,24	39,40	66,24	39,40
Global Ports Holding B.V.	100,00	100,00	100,00	100,00
Global Ports Holding Plc	66,24	63,55	66,24	63,55
Global Ports Europe B.V ("Global BV")	66,24	63,55	66,24	63,55
Global Ports Melita Ltd.	66,24	63,55	66,24	63,55
Valetta Cruise Port PLC ("VCP")	36,83	35,33	36,83	35,33
Creuers del Port de Barcelona, S.A. ("Creuers")	66,24	39,40	66,24	39,40
Barcelona Port Investments, S.L ("BPI")	66,24	39,40	66,24	39,40
Port Operation Holding S.r.l	66,24	63,55	66,24	63,55
Cagliari Cruise Port S.r.l.	46,96	45,05	46,96	45,05
Catania Terminali Passeggeri S.r.l.	41,84	40,14	41,84	40,14
Global Ports Netherlands B.V.	66,24	63,55	66,24	63,55
Zadar International Ports Operations d.o.o.	66,24	63,55	66,24	63,55
Travel Shopping Limited	33,15	31,80	33,15	31,80
Global Depolama A.Ş.	-	63,54	-	63,54
Consus Enerji İşletmeciliği ve Hizmetleri A.Ş.	50,99	68,00	50,99	68,00
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş.	50,99	68,00	50,99	68,00
Mavibayrak Enerji Üretim A.Ş.	50,99	68,00	50,99	68,00
Mavibayrak Doğu Enerji Üretim A.Ş.	50,99	68,00	50,99	68,00
Doğal Enerji Hizmetleri San. Ve Tic. A.Ş.	50,99	68,00	50,99	68,00
Prince Rupert Cruise Terminal LTD	66,24	63,55	66,24	63,55
Consus Energy Europe BV	100,00	100,00	100,00	100,00
Global Africa Power Investments	100,00	100,00	100,00	100,00
Glowi Energy Investments Limited	100,00	100,00	100,00	100,00
Glozania Energy Investments Limited	100,00	100,00	100,00	100,00
Barsolar D.O.O.	51,00	51,00	51,00	51,00
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş.	50,99	68,00	50,99	68,00
Naturelgaz San. ve Tic. A.Ş.	60,00	70,00	60,00	70,00
Straton Maden Yatırımları ve İşletmeciliği A.Ş.	97,69	97,69	97,69	97,69
Tenera Enerji Tic. A.Ş.	50,99	68,00	50,99	68,00
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.	50,99	68,00	50,99	68,00
Dağören Enerji A.Ş.	70,00	70,00	70,00	70,00
Ardus Gayrimenkul Yatırımları A.Ş.	100,00	100,00	100,00	100,00
Global Ticari Emlak Yatırımları A.Ş.	100,00	100,00	100,00	100,00
Rıhtım51 Gayrimenkul Yatırımları A.Ş.	100,00	100,00	100,00	100,00
Global Menkul Değerler A.Ş.	75,00	75,00	75,00	75,00
Global MD Portföy Yönetimi A.Ş.	75,00	75,00	75,00	75,00
İstanbul Portföy Yönetimi A.Ş.	66,60	66,60	66,60	66,60
Global Sigorta Aracılık Hizmetleri A.Ş.	100,00	100,00	100,00	100,00
Güney Maden İşletmeleri A.Ş.	100,00	100,00	100,00	100,00
Tora Yayıncılık A.Ş.	100,00	100,00	100,00	100,00
Sem Yayıncılık A.Ş.	65,00	65,00	65,00	65,00
Maya Turizm Ltd.	50,00	50,00	50,00	50,00
Adonia Shipping Limited	99,93	99,93	99,93	99,93
Global Gemicilik Turizm, Seyahat ve Nakliyat Hizmetleri A.Ş.	90,00	90,00	90,00	90,00
Global Ports Mediterranean S.L.	66,24	63,55	66,24	63,55
GPH Antigua Ltd.	66,24	63,55	66,24	63,55
Nassau Cruise Port Ltd.	32,46	31,14	32,46	31,14
San Juan Cruise Port LLC	66,24	-	66,24	-
GPH Saint Lucia Ltd	66,24	-	66,24	-
GPH Americas Ltd.	66,24	63,55	66,24	63,55
GPH Bahamas Ltd.	66,24	63,55	66,24	63,55
Global Ports Group Finance LTD	66,24	-	66,24	-
GPH Cruise Ports Bremerhaven GmbH	66,24	-	66,24	-
Global Ports Alicante S.L.	52,99	-	52,99	-
Global Ports Destination Services Ltd (UK)	66,24	63,55	66,24	63,55
Port Finance Investments Limited	66,24	63,55	66,24	63,55
Balearic Handling S.L.A.	33,78	32,41	33,78	32,41
Shore Handling S.L.A.	33,78	32,41	33,78	32,41
Port Management Services S.L.	66,24	63,55	66,24	63,55
Taranto Cruise Port S.r.l	66,24	63,55	66,24	63,55
Global Ports Canary Islands S.L.	52,99	50,84	52,99	50,84
Port Operations Services Ltd.	66,24	60,37	66,24	60,37
GPH Barbados Ltd.	66,24	63,55	66,24	63,55
GPH Cruise Port Finance LTD.	66,24	63,55	66,24	63,55
GPH Kalundborg ApS	66,24	63,55	66,24	63,55
Global Ports Tarragona S.L.	66,23	63,54	66,23	63,54
Vespa Enterprises (Malta) Ltd.	99,93	99,93	99,93	99,93
Aristaeus Limited	100,00	100,00	100,00	100,00
GFS Holding A.Ş	100,00	100,00	100,00	100,00
Global Ports Services Med	66,24	63,55	66,24	63,55
Crotone Cruise Port S.r.l (Crotone Cruise Port, Italy)	66,24	63,55	66,24	63,55
GGY1 Gayrimenkul Yatırımları A.Ş.	100,00	-	100,00	-
GGY2 Gayrimenkul Yatırımları A.Ş.	100,00	-	100,00	-
GGY3 Gayrimenkul Yatırımları A.Ş.	100,00	-	100,00	-
Naturelgaz Gaz İletim A.Ş.	100,00	100,00	100,00	100,00
Solis Enerji Üretim ve Ticaret A.Ş	50,99	68,00	50,99	68,00
Rainbow Destination Development Services Ltd.	100,00	100,00	100,00	100,00
Rainbow Tech Ventures Limited	100,00	100,00	100,00	100,00
Rainbow Holdings Worldwide Limited	100,00	100,00	100,00	100,00

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.1 Basis of Preparation *(continued)*

(f) Basis of Consolidation *(continued)*

(iii) Non-controlling interest

For each business combination, the Group elects to measure any non-controlling interests in the acquire either:

- At fair value; or
- At their proportionate share of the acquiree's identifiable net assets, which are generally at fair value

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners. Adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary. No adjustments are made to goodwill and no gain or loss is recognized in profit or loss.

(iv) Under common control transactions

Transactions arising from transferring or acquisition shares of entities under the common control are recognized as at the beginning of the period in which the transaction accrued. Comparative periods are restated for that purpose. Acquired assets and liabilities are recognized at book value which is the same as recorded book value in under common control entity's financial statements. Shareholder's equity items of entities under common control are recognized in equity of the Group except for capital and current profit or loss is recognized in equity.

(v) Transactions with non-controlling interest

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is deducted from equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. For disposals to non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recorded in equity under retained earnings.

Global Yatırım Holding A.Ş. and its Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.1 Basis of Preparation *(continued)*

(f) Basis of Consolidation *(continued)*

(vi) Joint ventures and associates

Associates are those entities, in which the Group has significant influence, but not control, over the financial and operating policies. Joint ventures are those entities over whose activities the Group has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Joint ventures are accounted for using the equity accounting method.

The Group's associates are accounted under equity accounting method in the accompanying consolidated financial statements. Under the equity accounting method, the investment in an associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of net assets in the associate.

When the Group's share of losses exceeds its interest in an associate or joint venture, the carrying amount of that interest (including any long-term investments) is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. If the associate or joint venture subsequently reports profits, the share of the profits, only after its share of losses not recognized, is recognized in the financial statements.

The table below demonstrates the rates of the effective ownership and the voting power held in terms of percentages (%) as of 31 December 2023 and 2022 for the associates:

	Effective ownership rates		Voting power held	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Lisbon Cruise Terminals ("Lizbon Limanı")	33,12	29,36	33,12	29,36
SATS – Creuers Cruise Services Pte. Ltd. ("Singapur Limanı")	26,49	15,76	26,49	15,76
Venezia Investimenti SRL	16,56	15,89	16,56	15,89
La Spezia Cruise Facility S.c.a.r.l	18,88	18,11	18,88	18,11
IEG Global Kurumsal Finansman Danışmanlık A.Ş. (IEG)	37,50	37,50	37,50	37,50
Goulette Cruise Holding Ltd. (UK) ("Goulette") (Not 1)	18,88	31,77	31,27	31,27
Pelican Peak Investment Inc	6,78	6,50	6,78	6,50
1121438 B.C. LTD	8,21	7,88	8,21	7,88
Vigo Atlantic Cruise Terminal S.L.	16,89	16,20	16,89	16,20

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.1 Basis of Preparation *(continued)*

(f) Basis of Consolidation *(continued)*

(vii) Equity Securities

Equity securities in which the Group owns either directly or indirectly less than 20% of the shares, that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are showed as equity investments at fair value through fair value through other comprehensive income at consolidated financial statements.

As at 31 December 2023, Barsolar D.O.O in which the Group has effective ownership interest of %51, Global Ports Destination Services Ltd., GPH Bahamas Ltd, GPH Americas Ltd, Port Management Services S.L., Port Finance Investments Limited in which the Group has effective ownership interest of 66,24%, Consus Energy Europe BV with an effective ownership interest of 100%, Solis Enerji Üretim ve Tic. A.Ş. with an effective ownership interest of 50,99% and Glowi Energy Investments Ltd., Rainbow Destination Development Services Ltd, Glozania Energy Investments Ltd., Global Africa Power Investments, Rainbow Holdings Worldwide Limited and Rainbow Tech Ventures Limited with an effective ownership interest of 100% which are immaterial to the consolidated financial statements are disclosed as equity investments at fair value through other comprehensive income. Equity investments at fair value through fair value through other comprehensive income are initially measured at fair value plus transaction costs that are directly attributable to its acquisition. These assets are subsequently measured at fair value.

(viii) Consolidation adjustments

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. Carrying value of shares owned by the Group and dividends arising from these shares has been eliminated in equity and profit or loss statements.

In consolidation of operating results and financial positions of subsidiaries whose functional currency is other than TL, main consolidation transactions are made such as elimination of related party balances and transactions. But a monetary asset (or liability) of related parties regardless of current or non-current (except for monetary items which are part of net investment of the Group in its subsidiaries whose functional currency is more than TL) cannot be eliminated with related party liability (or related party asset) without presenting results of fluctuation of foreign currencies in consolidated financial statements. Because a monetary item provides obligation of translation of any currency to other currency and makes the Group exposed to gain or losses arising from fluctuation of foreign currencies. Correspondingly, these kinds of foreign exchange differences are recognized in profit or loss of consolidated financial statements of the Group.

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

Comparative information and restatement of prior period financial statements

The Group's financial statements are prepared in comparison with the previous period to enable clarification of changes in financial position and performance. The comparable information is reclassified and material differences are explained when required to provide conformity with current year's financial information.

2.2 Changes in Accounting Policies

The New and Amended in Turkish Financial Reporting Standards ("TFRS")

The accounting policies adopted in preparation of the consolidated financial statements as of 31 December 2023 are consistent with those of the previous financial year, except for the adoption of new and amended TFRS and TFRS interpretations effective as of 1 January 2023 and thereafter. The effects of these standards and interpretations on the Group's financial position and performance have been disclosed in the related paragraphs.

a) Amendments that are mandatorily effective from 2023

Amendments to TAS 1	*Disclosure of Accounting Policies*
Amendments to TAS 8	*Definition of Accounting Estimates*
Amendments to TAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to TAS 12	*International tax reform - pillar two model rules*

Amendments to TAS 1 *Disclosure of Accounting Policies*

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 8 *Definition of Accounting Estimates*

With this amendment, the definition of "a change in accounting estimates" has been replaced with the definition of "an accounting estimate", sample and explanatory paragraphs regarding estimates have been added, and the differences between application of an estimate prospectively and correction of errors retrospectively have been clarified.

Amendments to TAS 8 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

Amendments to TAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.2 Changes in Accounting Policies *(continued)*

Amendments to TAS 12 *International Tax Reform - Pillar two model rules*

These amendments provide a temporary exception to the requirements for deferred tax assets and liabilities related to Pillar two model income tax.

Amendments to TAS 12 are effective for annual reporting periods beginning on or after 1 January 2023 and earlier application is permitted.

b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	*Insurance Contracts*
Amendments to TFRS 17	*Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information*
Amendments to TFRS 4	*Extension of the Temporary Exemption from Applying TFRS 9*
Amendments to TAS 1	*Classification of Liabilities as Current or Non-Current*
Amendments to TFRS 16	*Lease Liability in a Sale and Leaseback*
Amendments to TAS 1	*Non-current Liabilities with Covenants*
Amendments to TAS 7 and TFRS 7	*Supplier Finance Agreements*
TSRS S1	*General Requirements for Disclosure of Sustainability-Related Financial Information*
TSRS S2	*Climate-related Disclosures*

TFRS 17 *Insurance Contracts*

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 supersedes TFRS 4 *Insurance Contracts* as of 1 January 2024 for insurance and reinsurance and pension companies.

Amendments to TFRS 17 *Insurance Contracts and First-time Adoption of TFRS 17 and TFRS 9 - Comparative Information*

Amendments have been made to TFRS 17 to reduce implementation costs, improve disclosure of results and ease transition.

The amendment also permits entities that are first-time adopters of TFRS 7 and TFRS 9 to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had previously been applied to that financial asset.

These amendments will be applied when TFRS 17 is first adopted.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.2 Changes in Accounting Policies *(continued)*

Amendments to TFRS 4 *Extension of the Temporary Exemption from Applying TFRS 9*

The amendment changes the fixed expiry date for the temporary exemption in TFRS 4 *Insurance Contracts* from applying TFRS 9, so that insurance and reinsurance and pension companies would be required to apply TFRS 9 for annual periods beginning on or after 1 January 2024 with the deferral of the effective date of TFRS 17.

Amendments to TAS 1 *Classification of Liabilities as Current or Non-Current*

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

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

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

Amendments to TAS 1 *Non-current Liabilities with Covenants*

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

Amendments to IAS 7 and IFRS 7 on Supplier Finance Arrangements

Amendments to IAS 7 and IFRS 7 on Supplier Finance Arrangements; effective from annual periods beginning on or after 1 January 2024.

These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk.

The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.2 Changes in Accounting Policies *(continued)*

TSRS 1, 'General requirements for disclosure of sustainability-related financial information;

TSRS 1, the risks and opportunities of an entity about sustainability, defines the general requirements within the financial disclosures about sustainability in order to necessitate the declaration of useful information for the primary users at the process of sourcing the entity.

The implementation of this standard, is mandatory for the entities that meet the criteria in the declaration of the POA dated 5 January 2024 numbered 2024-5 and for the banks regardless of any criteria. Other entities are set to report in line with the such standard on a voluntary basis.

TSRS 2, 'Climate-related disclosures';

TSRS 2, is to define, measure and to state the risks and opportunities of an entity about climate risks , the general requirements within the financial disclosures for the declaration of useful information for the primary users at the process of sourcing the entity. The implementation of this standard, is mandatory for the entities that meet the criteria in the declaration of the POA dated 5 January 2024 numbered 2024-5 and for the banks regardless of any criteria. Other entities are set to report in line with the such standard on a voluntary basis.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies

(a) Revenues

General model for accounting of revenue

In accordance with TFRS 15, a five-stage approach is followed in recognizing revenue for all contracts with customers.

Step 1: Identify the contract with a customer

A contract with a customer is in the scope of TFRS 15 when the contract is legally enforceable, the collection of the consideration is probable, the rights to goods and services and payment terms can be identified, the contract has commercial substance; and the contract is approved and the parties are committed to their obligations.

If either contracts were negotiated as a single commercial package, or consideration in one contract depends on the other contract or goods or services (or some of the goods or services) are a single performance obligation the Company accounts the contracts as a single contract.

Step 2: Identify the performance obligations in the contract

The Group defines 'performance obligation' as a unit of account for revenue recognition. The Company assesses the goods or services promised in a contract with a customer and identifies as a performance obligation either:

(a) Good or service (or a bundle of goods or services) that is distinct; or

(b) series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

The Group may define a contract or a service separately from other contractual obligations and define it as a different commodity or service if the customer makes use of such goods or services alone or in combination with other resources available for use. A single contract may contain promises to deliver to the customer more than one good or service. At contract inception, an entity evaluates the promised goods or services to determine which goods or services (or bundle of goods or services) are distinct and therefore constitute performance obligations.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(a) Revenues *(continued)*

Step 3: Determine the transaction price

When determining the transaction price, the Group assesses how much consideration it expects to be entitled to by fulfilling the contract. In determining the transaction price, an entity considers variables considerations and significant financing components.

Significant financing component

To estimate the transaction price in a contract, the Group adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. As a practical expedient, the Group is not required to adjust the transaction price for the effects of a significant financing component if, at contract inception, the entity expects the period between customer payment and the transfer of goods or services to be one year or less. The Group assessed that for contracts with an overall duration greater than one year, the practical expedient applies if the period between performance and payment for that performance is one year or less.

Variable consideration

An entity assesses whether discounts, rebates, refunds, rights of return, credits, price concessions, incentives, performance bonuses, penalties, or similar items may result in variable consideration.

Step 4: Allocate the transaction price to the performance obligations in the contract

If distinct goods or services are delivered under a single arrangement, then the consideration is allocated based on relative stand-alone selling prices of the distinct goods or services (performance obligations). If directly observable stand-alone selling prices are not available, the total consideration in the service contracts is allocated based on their expected cost plus a margin.

Step 5: Recognize revenue when or as the entity satisfies a performance obligation

The Group recognizes revenue over time when one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs

- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced

- The Group's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(a) Revenues (continued)

For each performance obligation that is satisfied over time, an entity applies a single method of measuring progress toward complete satisfaction of the obligation. The objective is to depict the transfer of control of the goods or services to the customer. To do this, an entity selects an appropriate output or input method. It then applies that method consistently to similar performance obligations and in similar circumstances.

If a performance obligation is not fulfilled in time, then the Company recognizes revenue when the control of goods or services is transferred to the customer.

In cases where the costs to be incurred by the Company to fulfill the contractual obligations exceeds the expected economic benefit, the Company provides a provision in accordance with TAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Contract modifications

The Company recognizes a contract modification as a separate contract if the modification results in a promise to deliver additional goods or services. If the goods or services are distinct, then the entity accounts for the modification as if it were a termination of the existing contract and the creation of a new contract. If the modification to the contract does not add distinct goods or services, then the entity accounts for it on a combined basis with the original contract, as if the additional goods or services were part of the initial contract.

The details of significant accounting policies and revenue recognition methods of the Group's various goods and services are explained as below.

(i) Service and commission revenue

The Group receives commissions for providing services with brokerage services and asset management services, and recognizes in profit or loss by taking into account the completion stage at the end of the reporting period. Other service and commission revenues comprised of interest received from customers, portfolio management commissions and other commissions and consultancy services and recognizes in profit or loss by taking into account the completion stage at the end of the reporting period.

(ii) Portfolio management fees

Fees charged for management of customer portfolios at capital markets are recognized as income at the end of each month.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(a) Revenues *(continued)*

(iii) Gain on trading of securities

Gains / losses on trading of securities are recognized in profit or loss at the date of the related purchase/sale order.

(iv) Natural gas sales

Revenues from the sales of compressed natural gas comprise the revenues from the sales to individual and corporate subscribers. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the subscribers and natural gas has been consumed by the related subscriber. The Group also obtains tube rental revenues in addition to compressed natural gas sales. Tube rental income is recognized in profit or loss on a straight-line basis over the lease term. Discount on sales are recognized as a reduction in gross sales.

(v) Port administration revenues and port rent income

Container revenues

Container cargo revenues relate to services provided for container cargo handling including sea and land services. Revenue is recognized at the point in time services are completed, as the services are usually provided over a very short period of time.

Port service revenues

Port service revenues relate to services provided to ships and motorboats (pilotage, towage, tugboat rents, etc.). Revenue is recognized at the point in time services are completed, as the services are usually provided over a very short period of time. Payments in Turkish Ports are made in advance, in European ports increased up to 45 days.

Cargo revenues

Cargo revenues relate to services provided for general and bulk cargo handling including sea and land services. Revenue is recognized at the point in time services are completed, as the services are usually provided over a very short period of time. Payments in Turkish Ports are mainly made in advance, in other cases payment terms are up to 30 days.

Landing fees

Landing fees relate to services provided to cruise ships including passenger landing, luggage handling, security fees, etc. Revenue is recognized at the point in time services are completed, as the services are usually provided over a very short period of time. Payments in Turkish Ports are made in advance, in European ports increased up to 45 days.

Rental income

Rental income is generated from the leasing of marina and shopping centers. Revenue is recognized over time as the services are provided. Revenue is recognized on a straight-line basis over the term of the lease. Invoices are issued on a monthly basis and are usually payable within 30 days. Guarantees are taken up to 6 months' rent.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(a) Revenues (continued)

(v) Port administration revenues and port rent income (continued)

Income from duty free operations

Income from duty free operations is recognized in profit or loss at the point of sale. Invoices are issued when the products are sold and are paid in cash or by credit card.

Revenues obtained from port management agreements

Revenue including performance bonuses obtained by the Group in relation to management agreements. These performance bonuses are derived from variable calculations and calculated according to the levels reached in certain criteria such as the number of passengers accepted at the relevant ports or the control of costs compared to the budget. Since the revenue is variable, the Group recognizes the relevant revenue in the period when the performance condition is met.

Construction income is generated on accounting of service concession arrangements per TFRS Interpretation 12. Revenue is recognised over time based on progress towards completion of construction. This revenue is created through IFRS application, no invoices are issued, neither any payments made by any port authority.

(vi) Electricity sales

The Group sells electricity as a result of electricity generation from renewable energy sources and since electricity is not a storable stock sales and costs is realized simultaneously.

(vii) Other service revenues

Rent income is accounted for on accrual basis, interest income is accounted for using effective interest method and dividend income is recognized on the date the Group's right to receive the payment is established.

(viii) Mining revenues

Revenues from mining are measured by fair value after deducting received payment or repayments and discounts of receivable. Mining sales are recognized by fair value of received or possible payment on accrual basis in the situation that delivery of product or service of product, transfer of risk and benefit of product, reliably determination of income of product and transfer of economical use of product to the Group are possible.

(ix) Other revenues

Other service revenues and other sales are transferred to the consolidated statement of profit or loss and comprehensive income on accrual basis.

Revenues from the sale of real estates and the expenses related to the investment properties are recognized in the consolidated statement of profit or loss and other comprehensive income as part of the real estate lease and service income.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(b) Inventories

(i) Inventories

Inventories are valued by using the weighted average method. Inventories are stated at the lower of cost and net realizable value. Cost incurred in bringing each product to its present location and conditions are included in the cost of inventory. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Trading property

Trading properties held by subsidiaries that operate in real estate sector are classified as inventories. Trading property is stated at the lower of cost at balance sheet date and net realizable value. Net realizable value represents the fair value less costs to sell. Borrowing costs directly attributable to the trading properties in progress are included in the cost of the trading property. Expenses are capitalized from the date they have been incurred to the date the asset is available for use. The duration of the completion of these trading properties is over one year and it varies from project to project.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(c) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation, including property under construction for such purposes. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value. Gains or losses arising from changes in the fair values of investment properties are included in the profit or loss in the year in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from disposal. Any gain or loss arising on derecognition of the property is included in profit or loss in the period in which the property is derecognized.

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

(d) Property, Plant and Equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labor;
- Any other costs directly attributable to bringing the assets to a working condition for their intended use;
- When the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located;
- Capitalized borrowing costs.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(d) Property, Plant and Equipment (continued)

(i) Recognition and measurement (continued)

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss.

Property, plant and equipment of companies, whose functional currencies are not TL, are denominated in the original currencies, stated at cost, less accumulated depreciation and accumulated impairment losses and are translated to TL by using the exchange rate ruling at the reporting date. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use. Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The depreciation rates used by the Group are as follows:

Buildings	2%-5%
Land improvements	3,38%-4,49%
Machinery and equipment	5%-25%
Motor vehicles	25%
Furniture and fixtures	33,33%
Leasehold improvements	3,33%-33,33%

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

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(e) Intangible Assets

(i) Recognition and measurement

Intangible assets comprise port operation rights, royalty and natural gas selling and transmission licenses, contract-based customer relationships, development costs, computer software, other rights and other intangible assets.

Intangible assets related to operations whose functional currencies are not TL, are denominated in the original currencies, stated at cost, less accumulated amortization and accumulated impairment losses and are translated to TL by using the exchange rate ruling at the reporting date.

In a business combination or acquisition, the acquirer recognizes separately an intangible asset of the acquiree at the acquisition date only if it meets the definition of an intangible asset in TAS 38 Intangible Assets and its fair value can be measured reliably.

Development activities involve a plan or design for the production of new or substantively improved products and processes. Development expenditure is capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset.

(ii) Service concession arrangements

The Group recognizes an intangible asset arising from a service concession arrangement when it has a right to charge for use of the concession infrastructure. An intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair value on initial recognition with reference to the fair value of the services provided.

Subsequent to initial recognition, the intangible asset is measured at cost, which includes capitalized borrowing costs, less accumulated amortization and accumulated impairment losses. Port operation rights arising from a service concession arrangement are recognized in line with TFRS Interpretation 12 'Service Concession Arrangements' when there is an arrangement whereby a government or other public sector body contracts with a private operator to develop (or upgrade), operate and maintain the grantor's infrastructure assets, and the private operator charges users for a public service, and when specific conditions are met.

The conditions include where the grantor (government or port authorities) controls or regulates what services the Group can provide with the infrastructure, to whom it must provide them to and at what price.

The grantor also has to control any significant residual interest in the infrastructure such as property, plant and equipment, if the infrastructure is existing infrastructure of the grantor or the infrastructure is constructed or purchased by the Group as part of the service concession arrangement.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period. These assets are amortized based on the lower of their useful lives or concession period. Amortization is recorded in "depreciation and amortization" account under cost of sales.

Concession arrangements at Global Ports Tarragona S.L., Global Ports Canary Islands S.L., Nassau Cruise Port Ltd. and Global Ports Alicante S.L. were assessed as being within the scope of TFRS Interpretation 12.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(e) Intangible Assets (continued)

(iii) Amortization

Amortization is recognized in profit or loss on a straight line basis over the estimated useful lives of intangible assets.

The amortization rates applied by the Group are as follows:

Port operation rights (*)	2 % -25 %
Customer relationship (**)	5 % - 8,33 %
Rights	2,22 %-33,33 %
Software	10 %-33,33 %
Natural gas selling and transmission license (***)	3,33 %
Royalty license (****)	10 %

(*) Port operation rights will expire by 2052 for Ege Liman, by 2067 for Bodrum Liman, by 2038 for ZIPO, by 2043 for Port of Adria, by 2030 for Barcelona Port, by 2067 for Malta Port, by 2043 for Malaga Port, by 2026 for Catania Port, by 2025 for Cagliari Port, by 2047 for Nassau Port and by 2048 for Antigua Port.

(**) The useful life for the customer relations of İPY, which has started to be consolidated using the full consolidation method as of 30 September 2021 and whose purchase accounting has been provisionally accounted, has been determined as 15 years.

(***) The licenses of Naturelgaz include the compressed natural gas (CNG) sales licenses in İstanbul, İzmir, Bursa, Bolu, Kocaeli, Antalya, Konya, Edirne, Osmaniye, Kayseri, Rize, Kırklareli, Kırıkkale, Elazığ, Ordu, Denizli regions as well as the CNG transmission license.

The CNG transmission license and the CNG sales licenses in Bursa and Antalya and have been obtained by Naturelgaz in 2005 whereas the CNG sales license in İzmir has been obtained in 2006, Bolu in 2012, in Konya, Osmaniye, Kocaeli in 2013 (Kocaeli station is not currently in service although its licence was obtained), in Rize and Denizli CNG sales licenses in 2014, Ordu CNG licence in 2015, Import Licences (Spot LNG) licenses in 2014 and 2016, Kırıkkale, Kayseri, Elazığ CNG licenses in 2017, Kırklareli CNG licences in 2020, Edirne CNG licenses in 2023 has been obtained. The licenses are valid for 30 years.

(****) Royalty license will expire by 2023 for Straton Maden.

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

Global Yatırım Holding A.Ş. and its Subsidiaries

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(f) Goodwill

According to TFRS 3 "Business Combinations", the excess of cost of the total consideration over the fair value of the identifiable assets, liabilities and contingent liabilities acquired in a business combination is recognized as goodwill. Goodwill is not amortized and is tested for impairment annually or more often when the circumstances indicate that the goodwill is impaired.

When the cost of the acquisition is lower than the fair value of the identifiable assets, liabilities and contingent liabilities acquired in a business combination, the difference is recognized as income (gain on a bargain purchase (negative goodwill)).

The initial recognition of the business combination is accounted for provisionally if the fair values of the identifiable assets, liabilities and contingent liabilities acquired in a business combination can only be recognized, or the cost of a business combination is measured, only using provisional amounts. The provisional business combination accounting shall be completed in the 12 months following the date of acquisition and the adjustments shall be recognized retrospectively.

The goodwill acquired in a business combination is not amortized. Alternatively, once a year or the conditions indicate the impairment losses, the Group tests impairment losses more frequently than the usual conditions.

(g) Financial Instruments

i) Recognition and measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments (continued)

ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments (continued)

ii) Classification and subsequent measurement (continued)

Financial assets- Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments (continued)

ii) Classification and subsequent measurement (continued)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest *(continued)*

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments *(continued)*

ii) Classification and subsequent measurement (continued)

Financial assets – Subsequent measurement and gains and losses

The following accounting policies apply to subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. However, see (v) Derivative financial instruments and hedge accounting".
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL.

A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss. See "(v) Derivative financial instruments and hedge accounting" for financial liabilities designated as hedging instruments.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(g) Financial Instruments *(continued)*

iii) Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments (continued)

v) Derivative financial instruments and hedge accounting

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognized in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates. The Group designates certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in OCI and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in profit or loss. The effective portion of changes in the fair value of the derivative that is recognized in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognized.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments (continued)

v) Derivative financial instruments and hedge accounting *(continued)*

Cash flow hedges *(continued)*

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated, or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Under the interest rate swap contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of issued fixed rate debt held and the cash flow exposures on the issued variable rate debt held.

The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the curves at the reporting date and the credit risk inherent in the contract and is disclosed below. The average interest rate is based on the outstanding balances at the end of the financial year.

As of 31 December 2023, and 2022, all interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously, and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(g) Financial Instruments *(continued)*

v) Derivative financial instruments and hedge accounting *(continued)*

Net investment hedges

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognized in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognized immediately in profit or loss. The amount recognized in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

vi) Impairment of financial assets

a. Non-derivative financial assets

Financial instruments and contract assets

The Group recognizes loss allowances for the expected credit losses of the following items under TFRS 9:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI

The Group measures loss allowances at an amount equal to lifetime expected credit losses ("ECL"), except for the following, which are measured as 12-month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime expected credit losses.

Loss allowances for trade receivables, other receivables, other assets and contract assets are always measured at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90-120 days past due.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(g) Financial Instruments *(continued)*

vi) Impairment of financial assets *(continued)*

a. Non-derivative financial assets *(continued)*

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its obligations arising from lease contracts to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or the financial asset is more than 90 days past due.

- the borrower is unlikely to pay its obligations arising from natural gas sales and electricity sales to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or the financial asset is more than 360 days past due.

- the borrower is unlikely to pay its obligations arising from other business activities to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or the financial asset is more than 150-180 days past due.

The Group considers bank balances to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime expected credit losses are that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are that result from possible default events within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risks.

Measurement of expected credit losses:

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls.

Expected credit losses are discounted at the effective interest rate of the financial asset.

For trade receivables, other receivables, other assets and contract assets the Company applies the simplified approach to providing for expected credit losses (TFRS 9 requires the use of the lifetime expected loss provision for all trade receivables). The Group performed the calculation of expected credit losses rates separately for receivables arising from different business lines. The expected credit losses were calculated based on actual credit loss experience over the past years.

Exposures within each group were segmented based on common credit risk characteristics such as delinquency status.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments *(continued)*

vi) Impairment of financial assets *(continued)*

a. Non-derivative financial assets *(continued)*

Actual credit loss experience was adjusted to reflect differences between economic conditions during the period over which the historical data was collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Future collection performance of receivables is estimated by considering general economic conditions to incorporate forward looking information to the expected credit loss calculations.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(g) Financial Instruments (continued)

vi) Impairment of financial assets *(continued)*

a. Non-derivative financial assets *(continued)*

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

For individual customers, the Group has a policy of written off the gross carrying amount when the financial assets is between 180 – 360 days past due based on historical experiences of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off.

However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

b) Non-financial assets - Impairment

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than investment property, inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. If the cash generating unit (CGU) of an asset exceeds its book value and recoverable amount, impairment is recorded.

For goodwill, intangible assets with an indefinite useful life and intangible assets which are not yet available for use, the recoverable amount is estimated at the same time each year. The recoverable amount of the asset or cash-generating unit is the higher of its net selling price and its value in use. Value in use is assessed by discounting future cash flows to present value using a pre-tax discount rate that reflects the specific risk in the asset and the time value of money. For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss may only be reversed if there has been a change in the estimates used to determine the asset's recoverable amount. The impairment loss may be reversed only after the depreciation and amortization are netted up to the extent that it does not exceed the determined carrying value of the asset if there is no impairment.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(h) Share capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity, net of any tax effects.

Repurchase and reissue of share capital (treasury shares)

When share capital recognized as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as "treasury shares owned by the Company" if owned by the Company and classified as "treasury shares owned by the subsidiaries" if owned by subsidiaries and are presented in equity. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is presented in share premium.

(ı) Employee Benefits

In accordance with the existing labor law in Turkey, the entities operating in Turkey are required to make lump-sum payments to employees who have completed one year of service and whose employment is terminated without cause, or due to retirement, military service or death. With respect to Group's employees in Turkey, retirement pay liability is calculated by using lower of employee's monthly salary and retirement pay ceiling. It is detailed in Note 22 as at 31 December 2023 and 2022. The Group recognizes retirement pay liability as the present value of the estimated total reserve of the future probable obligation of the Group. The key actuarial assumptions used in the calculation of the retirement pay liability are detailed in Note 22.

(i) TFRS 2 – Share-based payment arrangements

On 1 April 2021, 1 April 2022 and 1 April 2023 the Group established share option program that entitles key management personnel to receive shares in the Global Ports Holding Plc based on the performance of Global Ports Holding Plc during the vesting period.

Under this program, holders of vested option are entitled to receive shares of Global Ports Holding Plc at the grant date. Currently, this program is limited to key management personnel and other senior employees.

The option will be settled by physical delivery of shares.

On 1 April 2021, 1 April 2022 and 1 April 2023 the Group granted 111.000, 115.000 and 172.000 Restricted Stock Units ("RSUs") to employees that entitle them to a share issued after three years of service. The RSUs will be granted at the end of three-year vesting period and issued after one year holding period. Shares issued under the long-term incentive plan are subject to a dilution limit of up to 3% over 10 years, which will be monitored by the Committee. Upon vesting of an RSU, Employees must pay the par value in respect of each share that vests. Employees are also responsible to declare and pay the tax related to gains from RSUs to the authorities. The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies (continued)

(j) Foreign Currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities by using exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency differences arising on retranslation are recognized in profit or loss.

Companies, whose functional currencies are not TL, prepare their financial statements according to their functional currency and these financial statements are translated to TL for consolidation purpose in accordance with TAS 21.

Foreign currency differences arising on operations with foreign currency are recognized in profit or loss as foreign currency exchange gains and losses.

According to TAS 21, balance sheet items presented in the financial statements of domestic and foreign subsidiaries and joint ventures whose functional currency is different from TL, are translated into TL at the balance sheet (USD/TL and EURO/TL) exchange rates whereas income, expenses and cash flows are translated at the average exchange rate or ruling rate of the transaction date. Profit or loss from translation difference of these operations is recognized as "Currency Translation Differences" under the equity.

As at 31 December 2023 and 31 December 2022, foreign currency buying exchange rates of the Central Bank of Republic of Turkey ("CBRT") comprised the following:

	31 December 2023	31 December 2022
USD / TL	29,4382	18,6983
EURO / TL	32,5739	19,9349

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to TL at exchange rates at the reporting date. The income and expenses of foreign operations are translated to TL at exchange rates at the dates of the transactions.

Foreign currency differences are recognized in other comprehensive income, under the currency translation differences ("CTD"). When a foreign operation is disposed of, in part or in full, the relevant amount in the CTD is transferred to profit or loss as part of the profit or loss on disposal.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(k) Discontinued Operations, Assets Held For Sale and Liabilities Directly Associated with Assets Held For Sale

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the net assets of the discontinued operations are measured at fair value less cost of sale of the operation. The profit/ (loss) before tax and the profit/ (loss) after the tax of the discontinued operation are presented in the notes of the consolidated financial statements and a profit/ (loss) analysis including the income and expenses is performed. Besides, the net cash flows related to operational, investing and financing activities of the discontinued operations are presented in the related note.

In compliance with TFRS 11 "Joint Arrangements" and TFRS 5 "Assets Classified as Held for Sale and Discontinuing Operations", the interests in jointly controlled entities are accounted for in accordance with TFRS 5. When an interest in a jointly controlled entity previously classified as held for sale no longer meets the criteria to be classified, it is accounted for using proportionate consolidation or the equity method as from the date of its classification as held for sale. Financial statements for the periods since classification as held for sale are amended accordingly. The operations of the joint venture whose operations have been previously classified as discontinued are classified as continued.

A group of assets is classified as asset held for sale if their carrying amount is planned to be recovered principally through a sale transaction rather than through continuing use. The liabilities directly associated with these assets are classified similarly. Such group of assets is accounted for at the lower of its carrying amount (being the net amount of the assets and liabilities directly associated with them) and fair value less costs to sell.

If the Group has classified an asset (or disposal group) as held for sale, but the criteria of such classification are no longer met, the Group ceases to classify the asset (or disposal group) as held for sale. The Group measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

(a) Its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortization or revaluations that would have been recognized had the asset (or disposal group) not been classified as held for sale.

(b) Its recoverable amount at the date of the subsequent decision not to sell.

The Group does not reclassify or re-present amounts presented for non-current assets or for the assets and liabilities of disposal groups classified as held for sale in the balance sheet for prior periods to reflect the classification in the balance sheet for the latest period presented.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(l) Earnings/ (Loss) Per Share

The Group presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, less own shared acquired.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares ("bonus shares") to existing shareholders from retained earnings and inflation adjustments on equity items. Such kind of bonus shares are taken into consideration in the computation of earnings per share as issued share certificates. For the purpose of earnings per share computations, the weighted average number of shares outstanding during the period has been adjusted in respect of bonus shares issues without a corresponding change in resources, by giving them retroactive effect for the period in which they were issued and each earlier period.

(m) Events after the Reporting Period

Events after the reporting period include all events up to the date when the financial statements are authorized for issue, even if those events occur after the public announcement of profit or of other selected information.

The Group adjusts the amounts recognized in its consolidated financial statements to reflect adjusting events after the reporting period. Non adjusting events are disclosed in the notes to the consolidated financial statements if material.

(n) Provisions, Contingent Assets and Liabilities

A provision is recognized in the accompanying consolidated financial statements if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Contingent liabilities are assessed continually to determine whether an outflow of resources embodying economic benefits has become probable. Unless the possibility of any outflow in settlement is remote, contingent liabilities are disclosed in the notes to the financial statements. Where an economic inflow of economic benefits is probable, contingent assets are disclosed in the notes to the financial statements. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the financial statements of the period in which the change occurs.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(o) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

This policy is applied to contracts entered into, on or after 1 January 2019.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

Group has elected not to separate non-lease components and account for the lease and associated non-lease components as a single lease component.

The Group has applied TFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated. In addition to the current period, the Group disclosed its accounting policies within the scope of TAS 17 (for the comparative period presented) in order to understand the comparative information and changes in important accounting policies.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(o) Leases *(continued)*

(i) As a lessee *(continued)*

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

– fixed payments, including in-substance fixed payments;
– variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
– amounts expected to be payable under a residual value guarantee; and

The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right- of-use asset has been reduced to zero.

The Group has recognized right-of-use assests separetely which are not classified as investment property in its consolidated financial statement. Right-of-use asssets which are defined as investment propery presented in the "investment property". The Group presented lease liabilities in the "financial borrowings".

Short-term leases and low-value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and leases that are less than 12 months. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(o) Leases *(continued)*

(ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating leasee.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub- lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short- term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies TFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in TFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from TFRS 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(p) Segment Reporting

An operating segment is a component of the Group that engages in business activities through which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The operating segments of the Group are finance, natural gas/mining/energy generation, port operations, real estate and other segments, and they are disclosed in Note 5.

(r) Government Subsidies and Incentives

All subsidies and incentives, including non-monetary incentives stated at fair market values, are included in the consolidated financial statements when there is reasonable certainty that the Group will qualify for and receive such subsidies and incentives. Government subsidies and incentives utilized by the Group are presented in Note 36.

(s) Related Parties

Parties are considered related to the Company if:

(a) Directly, or indirectly through one or more intermediaries, the party:

- (i) controls, is controlled by, or is under common control with the Company (this includes Parent, subsidiaries and fellow subsidiaries);
- (ii) has an interest in the Company that gives it significant influence over the Company; or
- (iii) has joint control over the Company;

(b) The party is an associate of the Company

(c) The party is a joint venture in which the Company is a venturer;

(d) The party is member of the key management personnel of the Company as its parent;

(e) The party is a close member of the family of any individual referred to in (a) or (d);

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(s) Related Parties *(continued)*

(f) The party is an entity that is controlled or significantly influenced by, or for which significant voting power in such entity resides with directly or indirectly, any individual referred to in (d) or (e)

(g) The party is a post-employment benefit plan for the benefit of employees of the Company, or of any entity that is a related party of the Company.

A related party transaction is a transfer of resources, services or obligation between related parties, regardless of whether a price is charged.

A number of transactions are entered into with related parties in the normal course of business.

(t) Taxes

Income tax expense comprises current and deferred tax. Current tax charge is recognized in profit or loss except for the effects of the items reflected under equity. Current tax except taxes recognized during business combination and taxes recognized under other comprehensive income are recognized in profit or loss.

Current tax liability is calculated on taxable profit for the current year based on tax laws and tax rates that have been effective for the reporting date including adjustment related to previous years' tax liabilities.

Deferred tax is recognized over temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The effective tax rates are use in calculation of deferred tax.

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its financial statements as reported for TFRS purposes as mentioned in Note 2.1 and 2.2 and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable, entity or on different tax entities but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is probable that the related tax benefit will be realized.

2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.3 Summary of significant accounting policies *(continued)*

(u) Receivables From Reverse Repurchase Agreements

The funds given in return for the financial assets subject to reverse repurchase are accounted for as receivables from reverse repurchase agreements under the cash and cash equivalents. For the difference between the purchase and re-sale prices determined in accordance with the related reverse repurchase agreements, which is attributable to the period, an income rediscount is calculated with the internal rate of return method and is accounted for by adding to the cost of the receivables from reverse repurchase agreements.

(v) Statement of Cash Flows

Cash flows for the period are classified as cash flows from operations, investing activities and financing activities. Cash flows from operations are the cash flows generated from the principal activities of the Group. The Group presents the cash flows from operating activities by using the indirect method such as adjusting the accruals for cash inflows and outflows from gross profit/loss, other non-cash transactions, prior and future transactions or deferrals.

Cash flows from investing activities represent the cash flows used in/provided from investing activities (purchase of property, plant and equipment and intangible assets and financial investments).

Cash flows from financing activities represent the funds used in and repayment of the funds during the period.

Cash and cash equivalents are current investments with high liquidity that comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value.

(y) Dividends

Dividend receivables are recorded as income in the period of declaration. Dividend payments are recognized in consolidated financial statements when a distribution of profit is decided by General Assembly.

(z) Finance income and finance expense

Finance income comprises interest income on funds invested, foreign currency gains on financial assets and liabilities (except for trade receivables and payables) and gains on derivative instruments that are recognised in profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, foreign currency losses on financial assets and liabilities (except for trade receivables and payables) and losses on derivatives that are recognised in profit or loss. Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

Borrowing costs that are not directly attributable to the acquisition, construction, or production of a qualifying asset are recognised in profit or loss using the effective interest method. Borrowing costs directly related to the fixed assets under construction are included in the cost of the related asset.

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2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING POLICIES *(continued)*

2.4 Summary of Significant Accounting Judgements, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with TFRS requires management to make judgments, estimates and assumptions that affect both the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The accounting judgements, estimates and assumptions used in preparing the consolidated financial statements, are consistent with the accounting judgements, estimates and assumptions used in preparing the consolidated financial statements as of 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

- Note 5 Segment reporting
- Note 15 Investment properties
- Note 17 Right of use assets

In preparation of the consolidated financial statements, the significant estimates and judgments used by the Group are included in the following notes:

- Note 2.3 (e,f) Useful lives of property, plant and equipment and intangible assets and concession intangible assets
- Note 3 Business Combinations: Assets and liabilities whose fair value is measured at their provisional value
- Note 10 Impairment losses on trade receivables
- Note 12 Impairment losses on receivables from finance sector operations
- Note 15 Fair value of investment properties
- Note 18 Impairment of goodwill
- Note 20 Provisions, contingent assets and liabilities
- Note 22 Assumptions for provision of employment termination benefit
- Note 32 Tax assets and liabilities

Changes and Errors in Accounting Estimates

Changes in accounting estimates are applied in the current period if the change is related with only one period. They are applied in the current period and prospectively if they are related to current and to the future periods. Significant accounting errors are applied retrospectively and prior period financial statements are restated.

The accounting judgements, estimates and assumptions used in preparing the accompanying consolidated financial statements, are consistent with the accounting judgements, estimates and assumptions used in preparing the consolidated financial statements as at 31 December 2022.

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3 BUSINESS COMBINATIONS

The Group has no acquisition for the year ended 31 December 2023 and 2022.

4 INVESTMENTS IN OTHER ENTITIES

Details of the Group's subsidiaries where the non-controlling interests are significant and summary financial information before consolidation adjustments are as follows:

	Non-controlling interests	*Profit/(loss) attributable to non-controlling interests*	*Accumulated non-controlling interests*	*Dividends paid to non-controlling interests*
Global Ports Holding Plc				
31 December 2023	33,76%	388.076.575	1.740.536.528	-
31 December 2022	36,45%	489.489.914	2.369.137.491	-
Naturelgaz Sanayi ve Ticaret A.Ş.				
31 December 2023	40,00%	37.745.140	1.001.788.775	(200.314.080)
31 December 2022	30,00%	304.943.526	872.947.255	(21.419.038)

Consolidated financial information of Global Ports Holding Plc, before consolidation adjustments and eliminations is as follows:

Global Ports Holding Plc

Consolidated Statement of Financial Position	**31 December 2023**	**31 December 2022**
Current assets	4.088.473.438	2.968.775.965
Non-current assets	23.546.900.461	22.488.217.709
Total assets	**27.635.373.899**	**25.456.993.674**
Current liabilities	3.374.060.902	4.095.725.756
Non-current liabilities	23.728.877.219	20.165.534.858
Total liabilities	**27.102.938.121**	**24.261.260.615**
Equity	**532.435.778**	**1.195.733.060**
Total equity and liabilities	**27.635.373.899**	**25.456.993.674**

Global Ports Holding Plc

Consolidated Statement of Profit or Loss	**31 December 2023**	**31 December 2022**
Revenue	5.757.074.123	5.407.639.980
Operating profit/(loss)	1.717.699.183	808.266.104

Global Yatırım Holding A.Ş. and its Subsidiaries

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4 INVESTMENTS IN OTHER ENTITIES *(continued)*

Consolidated financial information of Naturelgaz San. Tic. A.Ş., before consolidation adjustments and eliminations is as follows:

Naturelgaz Sanayi ve Ticaret A.Ş. **Statement of Financial Position**	**31 December 2023**	**31 December 2022**
Current assets	891.598.446	1.701.847.234
Non-current assets	2.181.612.938	2.153.172.194
Total assets	**3.073.211.384**	**3.855.019.429**
Current liabilities	507.238.463	806.793.817
Non-current liabilities	61.500.984	138.401.430
Total liabilities	**568.739.447**	**945.195.247**
Equity	**2.504.471.939**	**2.909.824.182**
Total equity and liabilities	**3.073.211.386**	**3.855.019.429**

Naturelgaz Sanayi ve Ticaret A.Ş. **Statement of Profit or Loss**	**31 December 2023**	**31 December 2022**
Revenue	4.041.498.030	7.003.677.528
Operating profit/(loss)	78.699.035	719.684.578

5 SEGMENT REPORTING

Operating segments considered in performance evaluation of the Group Management are determined by considering the Group's risks and resources and internal reporting structure. The Group's operating segments are port operations, energy generation, natural gas, mining, brokerage and asset management segment, real estate and others. Brokerage and asset management segment includes the finance operations, natural gas (CNG) segment includes compressed natural gas distribution, energy generation segment includes electricity generation facilities and mining segment includes mining operations, port operations segment includes domestic and abroad commercial and cruise port operations and investments, and real estate segment includes operations in respect of investment property and trading property operations.

Especially in the winter months (December, January, February), the operations of the subsidiaries of the Group operating in the port operation sector under the port operations segment decline in comparison with the other months of the year. The busiest period in the cruise port operations is the third quarter of the year. This seasonality of operations has an impact on the performance of the aforementioned segments.

Information regarding all the segments is stated below. Earnings before interest, tax, depreciation, and amortization ("EBITDA") are reviewed in the assessment of the financial performance of the operating segments. The Group management does not present non-recurring income / expenses incurred by these companies in their EBITDA which are not arising from core operations in order to follow the operational and cash-based results of the Group companies (Adjusted EBITDA). These income and expenses include project expenses related to the acquisition/sale of subsidiary and the public offering of subsidiaries, valuation gains/ impairment losses and other non-cash income and expenses. Information related to the operating segments of the Group is presented later in this note.

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5 SEGMENT REPORTING *(continued)*

	Port Operations		Energy Generation		Natural Gas		Mining		Real Estate		Brokerage & Asset Management		Other (**)		Total	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Segment assets	27.679.621.832	25.352.737.807	3.653.836.712	3.379.406.424	3.069.222.482	3.852.849.973	436.068.057	505.733.754	4.690.192.151	4.126.799.764	1.866.028.870	1.835.946.564	3.126.554.606	2.461.201.188	**44.521.524.710**	**41.514.675.474**
Segment liabilities	26.677.718.443	24.062.181.620	2.317.729.555	1.815.344.637	565.966.698	944.231.110	286.982.692	304.393.843	801.120.638	1.216.441.886	1.216.627.416	1.412.654.729	2.068.991.542	2.564.268.822	**33.935.136.984**	**32.319.516.647**

The Twelve-Month Year Ended 31 December (1 January-31 December)

	Port Operations (*)		Energy Generation		Natural Gas		Mining		Real Estate		Brokerage & Asset Management		Other (**)		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
External revenues	5.757.074.123	6.449.804.302	1.170.133.176	1.099.574.990	4.018.546.028	6.973.730.720	465.057.178	650.550.339	163.949.048	136.549.489	1.442.823.724	1.320.122.644	67.702.736	9.089.044	**13.085.286.013**	**16.639.421.528**
EBITDA	3.123.992.863	2.020.763.782	290.881.544	345.598.247	712.234.455	1.646.844.878	117.791.382	208.477.721	80.433.128	66.208.240	498.121.846	526.618.677	(133.110.628)	(130.264.026)	**4.690.344.590**	**4.684.247.519**
Depreciation and amortisation expense (-)	(948.774.989)	(896.973.843)	(169.431.115)	(172.988.233)	(331.713.207)	(247.517.382)	(98.235.011)	(191.290.683)	(387.976)	(482.968)	(109.234.596)	(112.729.332)	(23.466.156)	(35.033.927)	**(1.681.243.050)**	**(1.657.016.368)**
Finance income	565.435.026	122.185.784	87.520.595	141.181.213	66.944.106	17.380.056	29.866.807	51.407.864	3.286.510	2.379.143	109.159.039	17.475.503	207.045.096	71.790.500	**1.069.257.179**	**423.800.063**
Finance expenses	(1.316.596.659)	(1.053.693.805)	(308.286.263)	(226.604.973)	(35.458.045)	(61.702.457)	(40.747.519)	(31.432.883)	(315.515.454)	(325.627.165)	(57.209.200)	(75.156.594)	(715.053.939)	(377.666.193)	**(2.788.867.079)**	**(2.151.884.070)**

(*) For the year ended 31 December 2023 and 2022, port operations' revenues include TFRS Interpretation 12 effect amounting to TL 909.345.322 TL and TL 3.033.063.618 respectively.
(**) Includes Global Yatırım Holding A.Ş.'s standalone operations.

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5 SEGMENT REPORTING *(continued)*

	1 January-31 December 2023	1 January-31 December 2022
Revenues		
Segment revenues	13.317.303.813	17.036.133.743
Elimination of inter-segment revenues	(232.017.800)	(396.712.215)
Consolidated revenues	**13.085.286.013**	**16.639.421.528**

	1 January-31 December 2023	1 January-31 December 2022
Consolidated EBITDA	4.690.344.590	4.684.247.520
Finance income (Note 30)	1.050.897.465	398.806.547
Finance expense (Note 31)	(2.770.507.365)	(2.126.890.554)
Monetary gain/(loss)	288.223.063	868.362.500
Non-operating income/(expenses) (*)	(178.575.828)	1.070.149.052
Depreciation and amortisation expenses (Note 27)	(1.681.243.050)	(1.657.016.368)
Consolidated profit/(loss) before income tax	**1.399.138.875**	**3.237.658.697**

	1 January-31 December 2023	1 January-31 December 2022
Segment finance income	1.069.257.179	423.800.063
Elimination of inter-segment finance income	(18.359.714)	(24.993.516)
Total finance income (Note 30)	**1.050.897.465**	**398.806.547**

	1 January-31 December 2023	1 January-31 December 2022
Segment finance cost	(2.788.867.079)	(2.151.884.070)
Elimination of inter-segment finance cost	18.359.714	24.993.516
Total finance cost (Note 31)	**(2.770.507.365)**	**(2.126.890.554)**

(*) Includes project expenses related to the new acquisitions and public offering of the group companies, impairment loss and revaluation gain, and non-cash other income and expenses.

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6 RELATED PARTY DISCLOSURES

Related party	Nature of relations
Mehmet Kutman	Shareholder and key management personnel
Erol Göker	Shareholder and key management personnel
IEG	Equity accounted investee
Global MD Portföy Yatırım Fonları	Funds of a subsidiary
Turkcom Turizm Enerji İnşaat Gıda Yatırımlar A.Ş. (Turkcom)	Company owned by shareholder
Turquoise Advisory Limited ("TAL")	Company owned by key management personnel of the subsidiary

Due to related parties

As at 31 December 2023 and 31 December 2022, other current payables to related parties comprised the following:

Other current payables to related parties	31 December 2023	31 December 2022
Mehmet Kutman	69.831.484	33.827.618
Other	33.368.031	19.968.247
Total	**103.199.515**	**53.795.865**

Due from related parties

As at 31 December 2023 and 31 December 2022, current receivables from operations in finance sector-due from related parties comprised the following:

Current receivables from operations in finance sector - due from related parties	31 December 2023	31 December 2022
Turkcom	-	13.924.898
IEG Kurumsal Finansal Danışmanlık A.Ş.	1.697.961	2.797.780
Mehmet Kutman	4.920.703	23.879.368
Other	2.564.635	5.619.552
Total	**9.183.299**	**46.221.598**

As at 31 December 2023 and 31 December 2022, other current receivables from related parties comprised the following:

Other current receivables from related parties	31 December 2023	31 December 2022
Other	27.610.901	29.336.009
Total	**27.610.901**	**29.336.009**

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6 RELATED PARTY DISCLOSURES *(continued)*

As at 31 December 2023, the receivable amounting to TL 294.993.785 (31 December 2022: TL 278.478.654) from Goulette, which is accounted by using the equity method, has been recognized as non-current receivable from related parties. The interest rate applied on this receivable is 4% with a maturity date on 2025.

Transactions with key management personnel

The Company's key management personnel consist of the Chairman, members of the Board of Directors and general managers. The compensation of key management personnel includes wages, premiums, and health insurance. As of 31 December 2023, and 2022, the details of compensation of key management personnel comprised the following:

	31 December 2023	31 December 2022
Salaries	144.337.923	103.679.027
Bonuses	154.107.118	168.609.198
Attendance fee	20.823.416	12.030.635
Other	4.731.649	2.327.962
	324.000.106	**286.646.822**

Regarding to the loans used by the Group, there is a personal surety amounting to TL 724.087.457 (31 December 2022: TL 938.605.228) and USD 18.502.687 (31 December 2022: USD 20.150.162), and there is pledge on personal property amounting to TL 567.025.950 (31 December 2022: TL 662.084.692) given by Mehmet Kutman with respect to these loans.

For the year ended 31 December 2023 and 2022, significant transactions with related parties comprised the following:

	1 January-31 December 2023			1 January-31 December 2022		
	Interest Received	Other Income	Other Expense	Interest Received	Other Income	Other Expense
Turkcom (*)	-	6.036.426	4.770.131	-	5.070.613	3.431.727
Mehmet Kutman (*)	-	8.901.748	-	2.726.738	35.114	-
Erol Göker	-	-	-	-	2.142	-
IEG Global Kurumsal Finansal Danışmanlık A.Ş.	-	-	-	-	174.989	-
Global MD Funds	-	3.659.333	-	-	2.411.279	-
Other	81.818	-	-	23.060	-	-
Total	**81.818**	**18.597.507**	**4.770.131**	**2.749.798**	**7.694.137**	**3.431.727**

(*) Includes margin lending and advance interest.

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7 CASH AND CASH EQUIVALENTS

As at 31 December 2023 and 31 December 2022, cash and cash equivalents comprised the following:

	31 December 2023	31 December 2022
Cash on hand	4.627.419	4.687.157
Cash at banks	3.778.380.361	2.854.299.141
-Demand deposits	*2.612.407.064*	*1.563.843.156*
-Time deposits	*1.165.973.297*	*1.290.455.985*
Other	612.978.148	187.227.974
Cash and cash equivalents	**4.395.985.928**	**3.046.214.272**
Blocked deposits (*)	(1.506.831.169)	(572.261.400)
Cash and cash equivalents for cash flow purposes	**2.889.154.759**	**2.473.952.872**

(*) As at 31 December 2023, TL 534.920.874 of total amount is related to customer deposits of Global Menkul Değerler A.Ş.

(*) As at 31 December 2023, cash at banks amounting to TL 949.235.295 (31 December 2022: TL 475.575.103) is blocked by relevant banks due to bank borrowings and letters of guarantee. As at 31 December 2023 TL 557.595.874 (31 December 2022: TL 96.686.297) of other cash and cash equivalents are blocked at banks until their maturities.

Financial risk with respect to cash and cash equivalents are detailed in Note 34.

As at 31 December 2023 and 31 December 2022, maturities of time deposits comprised the following:

	31 December 2023	31 December 2022
Up to 1 month	687.175.694	840.632.226
1-3 months	478.797.603	449.823.759
	1.165.973.297	**1.290.455.985**

As at 31 December 2023 and 31 December 2022, the range of time deposit interest rates included in cash and cash equivalents is as follows:

	31 December 2023	31 December 2022
Interest rate range for time deposit - TL	30,00 % - 45,00 %	13,25 % - 21,50 %
Interest rate for time deposit - USD	0,08 % - 0,25 %	0,25 % - 0,50 %

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8 FINANCIAL INVESTMENTS

As at 31 December 2023 and 31 December 2022, the details of financial investments of the Group comprised the following:

	31 December 2023		
	Current	**Non-current**	**Total**
Financial assets at fair value through other comprehensive income	-	27.848.347	27.848.347
Financial assets at fair value through profit/loss	697.253.172	-	697.253.172
Other financial assets	1.956.579	-	1.956.579
	699.209.751	**27.848.347**	**727.058.098**

	31 December 2022		
	Current	**Non-current**	**Total**
Financial assets at fair value through other comprehensive income	-	28.055.244	28.055.244
Financial assets at fair value through profit/loss	623.671.402	-	623.671.402
Other financial assets	1.729.009	-	1.729.009
	625.400.411	**28.055.244**	**653.455.655**

Financial assets at fair value through profit/loss

As at 31 December 2023 and 31 December 2022, the details of financial investments at fair value through profit/loss of the Group comprised the following:

	31 December 2023	**31 December 2022**
Debt Securities		
Debt securities (governmental bonds)	53.387.674	12.204.458
Investment funds participations	74.494.300	22.516.196
	127.881.974	**34.720.654**
Equity Investments		
Financial investments quoted to stock exchange	9.369.222	5.181.207
Investment and money market funds with an active market	217.732.922	208.279.254
Financial instruments unquoted to an active market	342.269.054	375.490.286
	569.371.198	**588.950.747**
Total	**697.253.172**	**623.671.402**

(Currency: Amounts expressed in Turkish Lira ("TL") in terms of the purchasing power of the TL at 31 December 2023, unless otherwise indicated)

8 FINANCIAL INVESTMENTS *(continued)*

Financial investments held by the Group and traded in an active market are stated with their fair values over market transaction prices as of the reporting date. Gains or losses resulting from fair value changes are included in other comprehensive income in the period in which they occur.

As at 31 December 2023 the equity shares amounting to TL 9.402 are pledged for an ongoing lawsuit case (31 December 2022: TL 9.402).

As at 31 December 2023 and 31 December 2022, the letters of guarantee given to BIST, Settlement and Custody Bank, Derivative Market ("VIOP") and the CMB are explained in Note 21.

Fair value through other comprehensive income

As of 31 December 2023 and 31 December 2022, financial investments measured at fair value through other comprehensive income are as follows:

Equity Investments
Equity instruments unquoted to an active market

	31 December 2023		31 December 2022	
	Share ratio (%)	Book value	Share ratio (%)	Book value
Borsa İstanbul A.Ş.	0,08	319.421	0,08	319.421
Bakü Borsası	4,76	21.911.073	4,76	21.911.073
Bilira Teknoloji A.Ş.	1,00	1.787.046	1,00	1.787.046
Other	-	3.830.807	-	4.037.704
Total		**27.848.347**		**28.055.244**

The cost of the shares that are not traded in the organized markets is used to measure the fair value because the management does not have sufficient recent information about the measurement of the fair value.

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9 BORROWINGS

As at 31 December 2023 and 31 December 2022, borrowings comprised the following:

Current borrowings	**31 December 2023**	**31 December 2022**
Current bank loans	2.779.201.768	2.551.026.303
-TL loans	*359.767.498*	*429.047.334*
-Foreign currency loans	*2.419.434.270*	*2.121.978.969*
Debt securities issued	439.043.301	454.589.749
- TL debt securities	*439.043.301*	*454.589.749*
Other financial liabilities (*)	54.535.765	71.168.690
Total	**3.272.780.834**	**3.076.784.742**

Current portion of non-current borrowings	**31 December 2023**	**31 December 2022**
Current portion of non-current bank loans	489.518.023	1.523.359.964
-TL loans	*21.087*	*1.733.424*
-Foreign currency loans	*489.496.936*	*1.521.626.540*
Debt securities issued	1.155.602.844	504.329.980
-Foreign currency debt securities	*1.155.602.844*	*504.329.980*
Finance lease obligations	223.846.497	178.880.095
Total borrowings	**1.868.967.364**	**2.206.570.039**
Lease liabilities (TFRS 16)	131.565.548	83.984.913
Total	**2.000.532.912**	**2.290.554.952**

Non-current borrowings	**31 December 2023**	**31 December 2022**
Non-current bank loans	2.886.834.735	9.090.290.877
-TL loans	*20.303.301*	*25.801*
-Foreign currency loans	*2.866.531.434*	*9.090.265.076*
Debt securities issued	16.429.191.463	6.888.778.913
-Foreign currency debt securities	*16.429.191.463*	*6.888.778.913*
Finance lease obligations	205.749.342	142.526.930
Other financial liabilities (*)	1.421.024.638	1.494.233.091
Total borrowings	**20.942.800.178**	**17.615.829.811**
Lease liabilities (TFRS 16)	1.843.112.942	1.878.551.802
Total non-current borrowings	**22.785.913.120**	**19.494.381.613**
Total current and non-current borrowings	**26.084.548.376**	**22.899.184.592**
Total	**28.059.226.866**	**24.861.721.307**

(*) As at 31 December 2023, TL 50.513.350 of current other financial liabilities (31 December 2022: TL 37.514.333) and TL 1.250.791.113 of non-current other financial liabilities (31 December 2022: TL 1.352.050.913) are related to concession agreement liabilities of NCP.

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9 BORROWINGS *(continued)*

Maturity profile of non-current bank loans and debt securities issued comprised the following:

Years	31 December 2023	31 December 2022
Repayments in 2nd year	1.534.788.918	1.780.696.665
Repayments in 3rd year	821.950.166	2.293.193.229
Repayments in 4th year	1.289.905.734	5.906.232.328
Repayments after 5th year	15.669.381.380	5.998.947.568
Total	**19.316.026.198**	**15.979.069.790**

Maturity profile of finance lease obligations and lease liabilities comprised the following:

	31 December 2023			31 December 2022		
	Future minimum lease payments	Interest	Present value of minimum lease payment	Future minimum lease payments	Interest	Present value of minimum lease payment
Less than one year	447.255.977	(91.843.932)	355.412.045	281.617.416	(18.752.407)	262.865.008
Between one and five years	3.678.744.614	(1.629.882.330)	2.048.862.284	3.056.401.402	(1.035.322.669)	2.021.078.732
Total	**4.126.000.591**	**(1.721.726.262)**	**2.404.274.329**	**3.338.018.818**	**(1.054.075.076)**	**2.283.943.740**

The movement of financial borrowings as of 31 December 2023 and 2022 is as follows:

	2023	2022
Opening balance as at 1 January	**24.861.721.307**	**27.933.749.642**
Additions	18.252.940.909	7.397.448.745
Repayments	(14.227.122.458)	(6.822.032.544)
Changes in other financial liabilities	(89.841.378)	131.143.197
Additions (TFRS 16)	202.099.418	140.280.087
Repayments related to lease liabilities	(155.216.138)	(156.396.154)
Changes in foreign currency exchange rates	963.406.656	741.719.569
Changes in interest accruals	295.173.205	230.353.133
Currency translation difference	(501.654.695)	(3.055.326.046)
Monetary gain/loss	(1.542.279.960)	(1.679.218.322)
Closing balance as at 31 December	**28.059.226.866**	**24.861.721.307**

A summary of other guarantees with respect to the loans are presented in Note 21.

The details of the foreign currency and liquidity risk with respect to financial liabilities are presented in Note 34.

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9 BORROWINGS *(continued)*

					31 December 2023		
Segment	Loan Type	Currency	Maturity	Interest Type	Nominal Interest Rate %	Principal (TL)	Carrying Value (TL)
Holding	Bond issued	TL	2024	Fixed	51,06 %	160.000.000	162.906.315
Holding	Secured loan	TL	2024	Fixed	29,64 %	21.036	21.087
Holding	Secured loan	USD	2026	Fixed	8,50 - 15,10 %	822.161.172	848.788.462
Holding	Secured loan	EUR	2024	Fixed	4,75 - 9,25 %	811.090.110	815.543.372
Port Operation	Bond issued	USD	2040	Fixed	5,29 - 7,50 %	17.221.347.000	17.086.456.113
Port Operation	Secured loan	USD	2027	Floating	5,75% +SOFR - 6,25	912.123.437	923.264.128
Port Operation	Secured loan	USD	2024	Fixed	6,00 - 15,70 %	285.697.731	305.064.095
Port Operation	Secured loan	EUR	2025-2033	Floating	Euribor + 2,00 % / Euribor + 4,25 %	662.488.038	645.070.825
Port Operation	Secured loan	EUR	2024-2037	Fixed	1,50 - 7,56 %	581.735.436	597.254.052
Port Operation	Bond issued	EUR	2030	Fixed	6,25 %	493.299.142	498.338.184
Port Operation	Secured loan	TL	2025	Fixed	13,46 - 43,80 %	27.557.478	30.170.786
Energy Generation	Bond issued	TL	2024	Fixed	53,00 %	250.000.000	276.136.986
Energy Generation	Secured loan	USD	2024	Fixed	8,75 - 16,42 %	158.657.179	164.361.840
Energy Generation	Secured loan	USD	2024-2029	Floating	Libor + 5,95 - 15,30 %	770.941.904	780.915.842
Energy Generation	Secured loan	TL	2024	Fixed	50,00 %	50.000.000	50.000.000
Mining	Secured loan	USD	2024	Fixed	14,30 - 14,35 %	65.058.422	71.746.958
Mining	Secured loan	TL	2024	Fixed	18,50 - 31,00 %	129.900.000	129.900.000
Brokerage & Asset Management	Secured loan	TL	2024	Fixed	43,00 - 43,10 %	170.000.000	170.000.000
Real Estate	Secured loan	EUR	2024	Revolving	-	106.256.062	106.350.787
Real Estate	Secured loan	USD	2025	Floating	Libor + 7,00 %	487.617.722	517.102.303
						24.165.951.868	**24.179.392.134**
	Finance Lease Obligations						
Energy Generation	Leasing	USD	2024-2029	Fixed	5,90 - 18,00 %	117.439.848	117.439.848
Energy Generation	Leasing	TL	2024-2025	Fixed	19,70 - 35,00 %	3.917.461	3.917.461
Energy Generation	Leasing	EUR	2024-2025	Fixed	4,40 - 17,50 %	222.630.320	222.630.320
Mining	Leasing	EUR	2026	Fixed	4,25 - 7,00 %	3.343.596	3.343.596
Mining	Leasing	TL	2024	Fixed	27,50 %	95.410	95.410
Natural Gas	Leasing	USD	2026	Fixed	7,00 %	29.735.269	29.735.269
Port Operation	Leasing	EUR	2028	Floating	2,32 - 6,74 %	7.268.866	7.268.866
Port Operation	Leasing	TL	2024	Fixed	8,75 %	2.830.007	2.830.007
Port Operation	Leasing	USD	2024-2025	Fixed	6,25 - 6,81 %	42.335.062	42.335.062
						429.595.839	**429.595.839**
						24.595.547.707	**24.608.987.973**

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9 BORROWINGS *(continued)*

					31 December 2022		
Segment	Loan Type	Currency	Maturity	Interest Type	Nominal Interest Rate %	Principal (TL)	Carrying Value (TL)
Holding	Bond issued	TL	2023	Fixed	29,00 %	173.011.565	182.771.313
Holding	Secured loan	TL	2023-2024	Fixed	11,20 - 29,64 %	4.441.634	4.449.485
Holding	Secured loan	EUR	2023	Fixed	8,40 %	932.863.790	938.605.228
Holding	Secured loan	USD	2026	Fixed	8,40 - 15,10 %	559.386.677	583.548.193
Port Operation	Secured loan	EUR	2024-2025	Floating	Euribor + 2,00 % / 4,25 %	797.101.101	801.505.633
Port Operation	Secured loan	USD	2026-2027	Floating	Libor + 5,25 % + (PIK rate 2,00 %) / 6,75 %	7.645.186.307	7.533.274.577
Port Operation	Bond issued	USD	2040	Fixed	5,29 - 8,00 %	7.529.899.146	7.393.108.892
Port Operation	Secured loan	TL	2023	Fixed	30,00 - 47,35 %	30.482.990	39.010.684
Port Operation	Secured loan	EUR	2025-2037	Fixed	0,89 - 5,37 %	421.403.436	431.360.162
Port Operation	Secured loan	USD	2023	Fixed	5,00 - 15,15 %	903.495.469	910.195.571
Mining	Secured loan	TL	2023	Fixed	12,00 - 28,00 %	165.847.945	165.852.466
Energy Generation	Secured loan	USD	2024-2029	Floating	Libor + 5,95 - 15,00 %	949.862.919	972.264.109
Energy Generation	Secured loan	TL	2023	Fixed	15,75 - 21,00 %	127.204.693	130.868.818
Brokerage & Asset Management	Bond issued	TL	2023	Fixed	25,00 - 26,00 %	264.713.393	271.818.436
Brokerage & Asset Management	Secured loan	TL	2023	Revolving	-	90.625.105	90.625.105
Real Estate	Secured loan	USD	2025	Fixed	Libor + 7,00 %	564.253.039	563.117.113
						21.159.779.208	**21.012.375.786**
	Finance Lease Obligations						
Energy Generation	Leasing	USD	2024-2025	Fixed	5,90 - 7,50 %	15.960.860	15.960.860
Energy Generation	Leasing	TL	2023-2024	Fixed	10,50 - 35,00 %	9.715.326	9.715.326
Energy Generation	Leasing	TL	2024-2025	Floating	Libor + 8,15 % - 31,00 %	27.179.828	27.179.828
Energy Generation	Leasing	EUR	2024	Fixed	4,40 - 10,22 %	129.249.578	129.249.578
Mining	Leasing	TL	2024	Fixed	27,50 - 28,30 %	944.238	944.238
Mining	Leasing	EUR	2024	Fixed	4,25 - 7,00 %	24.392.976	24.392.976
Natural Gas	Leasing	USD	2026	Fixed	8,87 %	42.244.244	42.244.244
Port Operation	Leasing	TL	2024	Fixed	8,75 %	11.400.073	11.400.073
Port Operation	Leasing	USD	2025	Fixed	6,25 %	60.319.902	60.319.902
						321.407.025	**321.407.025**
						21.481.186.233	**21.333.782.810**

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10 TRADE RECEIVABLES AND PAYABLES

Current trade receivables

As at 31 December 2023 and 31 December 2022, current trade receivables other than related parties comprised the following:

	31 December 2023	31 December 2022
Receivables from customers	1.532.850.564	2.221.928.607
Doubtful receivables	121.041.616	144.726.461
Allowance for doubtful receivables (-)	(121.041.616)	(144.726.461)
Other	16.639.726	23.426.376
Total	**1.549.490.290**	**2.245.354.983**

The movement of the allowance for doubtful trade receivables for the year ended 31 December 2023 and 2022 comprised the following:

	2023	2022
Balance at the beginning of the period (1 January)	(144.726.461)	(202.882.128)
Allowance for the period	(3.863.496)	(19.895.114)
Cancellation of allowances and collections	1.341.644	6.103.275
Disposal to the scope of consolidation	-	5.211.505
Currency translation differences	21.517.409	59.086.189
Monetary gain/loss	4.689.288	7.649.812
Balance at the end of the period (31 December)	**(121.041.616)**	**(144.726.461)**

The expenses related to the allowance for doubtful receivables are presented under impairment gains (losses) and reversal of impairment losses determined in accordance with TFRS 9.

The average maturity of trade receivables arising from port operations is between 60 and 120 days, the average maturity of trade receivables arising from energy generation activities is between 30 and 180 days, the average maturity of trade receivables arising from natural gas sales activities is between 10 and 33 days, the average maturity of trade receivables arising from mining operations is between 30 and 180 days, the average maturity of trade receivables arising from real estate activities is between 30 and 90 days.

The details of the liquidity and currency risk of the Group's current trade receivables are disclosed in Note 34.

Current trade payables

As at 31 December 2023 and 31 December 2022, current trade payables other than related parties comprised the following:

Current trade payables

	31 December 2023	31 December 2022
Payables to suppliers	1.136.362.529	1.403.104.820
Total	**1.136.362.529**	**1.403.104.820**

The details of the liquidity and currency risk of the Group's current trade payables are disclosed in Note 34.

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11 OTHER RECEIVABLES AND PAYABLES

Other current receivables

As at 31 December 2023 and 31 December 2022, current other receivables other than related parties comprised the following:

	31 December 2023	31 December 2022
Deposits and advances given	154.572.086	176.071.251
Receivables from subsidiaries' and joint ventures' other shareholders	8.283.115	12.162.059
Tax returns	67.164.558	71.611.335
Other	92.359.974	67.805.668
Total	**322.379.733**	**327.650.313**

Other current payables

As at 31 December 2023 and 2022, current other payables other than related parties comprised the following:

	31 December 2023	31 December 2022
Due to subsidiaries' and joint ventures' other shareholders	25.582.808	49.843.024
Taxes payable and others	201.304.968	272.092.127
Deposits and advances received	36.351.079	26.765.532
Other	33.714.553	50.823.402
Total	**296.953.408**	**399.524.085**

Other non-current payables

As at 31 December 2023 and 2022, non-current other payables other than related parties comprised the following:

	31 December 2023	31 December 2022
Non-current liabilities relating to the concession agreement (*)	52.824.348	128.662.006
Consideration payable	4.903.721	8.080.004
Deposits and advances received	4.504.296	2.853.939
Other	9.140.544	32.190.008
Total	**71.372.909**	**171.785.957**

(*) Consists of the payments to concessionaire regarding to the new Pier construction in terms of concession agreement of Antigua.

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12 RECEIVABLES FROM AND PAYABLES TO OPERATIONS IN FINANCE SECTOR

Current receivables

As at 31 December 2023 and 31 December 2022, current receivables from operations in finance sector other than related parties comprised the following:

	31 December 2023	31 December 2022
Receivables from customers	211.803.121	396.765.483
Receivables from money market	154.686.000	439.454.317
Deposits and guarantee given	70.504.029	39.899.281
Doubtful receivables	5.001.886	10.398.165
Allowance for doubtful receivables	(5.001.886)	(10.398.165)
Other trade receivables	80.845	241.357
Total	**437.073.995**	**876.360.438**

Current trade payables

As at 31 December 2023 and 31 December 2022, current trade payables due to operations in finance sector other than related parties comprised the following:

	31 December 2023	31 December 2022
Payables to money market	154.661.974	440.801.728
Payables to customers	504.443.833	104.551.269
Payables to suppliers	22.226.152	10.610.773
Other	6.465	9.135
Total	**681.338.424**	**555.972.905**

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13 INVENTORIES

As at 31 December 2023 and 31 December 2022, inventories comprised the following:

	31 December 2023	31 December 2022
Properties held for sale (*)	126.792.761	127.866.556
Raw materials (**)	340.999.517	289.553.239
Trading goods	54.047.858	82.859.521
Provision for impairment on inventories	(2.548.122)	(2.943.434)
Other	59.212.890	72.903.871
Total	**578.504.904**	**570.239.753**

Movements of properties held for sale for the year ended 31 December 2023 and 2022 are as follows:

	2023	2022
Balance at the beginning of the period (1 January)	127.866.556	157.715.207
Disposals (***)	(1.073.795)	(4.786.111)
Dispsosal to the scope of consolidation (****)	-	(25.062.540)
Balance at the end of the period (31 December)	**126.792.761**	**127.866.556**

(*) The Group's land classified as inventory transferred from investment property consist of the land plots on which residential flats started to be built in 2011 in the scope of the residential project in Denizli. The land is located in Denizli, Plot 6224, and Parcel numbered 1. In addition, the offices of the Sky City Office Project and the apartments in the Sümerpark Houses 3rd Block are included in the properties held for sale.

(**) A significant portion of the raw materials comprised of inventories held by the Group's subsidiaries which operates in energy generation, natural gas sales, and mining.

(***) As at 31 December 2023, disposals amounting to TL 1.073.795 include Sümerpark Houses 3rd Block flats. As at 31 December 2022, disposals amounting ot TL 4.786.111 include cost of sales related to Sky City Office.

(****) Consists of the inventories of Pera GYO, which is out of the scope of consolidation for the period ended 31 December 2022.

As at 31 December 2023 and 31 December 2022, the mortgage or pledge on the inventory of the Group is explained in Note 21.

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14 PREPAID EXPENSES

Prepaid expenses-current

As at 31 December 2023 and 31 December 2022, current prepaid expenses comprised the following:

	31 December 2023	31 December 2022
Prepaid expenses (*)	160.580.013	172.260.879
Advances given (**)	297.033.216	380.921.992
Other	468.485	4.582.595
Total	**458.081.714**	**557.765.466**

Prepaid expenses-non current

As at 31 December 2023 and 31 December 2022, non-current prepaid expenses comprised the following:

	31 December 2023	31 December 2022
Advances given (**)	212.393.614	185.285.529
Prepaid expenses (*)	9.601.014	22.434.871
Total	**221.994.628**	**207.720.400**

(*) As at 31 December 2023 and 31 December 2022, the major part of prepaid expenses comprises of prepaid expenses for energy, mining and port operation activities of the Group.

(**) As at 31 December 2023 and 31 December 2022, the major part of current and non-currents advances given comprises of advances given for developing projects of the Group for energy, mining and port operation investments.

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15 INVESTMENT PROPERTY

As at 31 December 2023 and 31 December 2022, investment properties comprised the following:

	31 December 2023	31 December 2022
Non-operating investment properties		
- Hospital land in Denizli	152.365.000	179.882.595
- Land in Bodrum	22.700.000	20.415.365
- Land in Bilecik	2.666.500	1.450.002
- Land in Bodrum	7.000.000	6.648.587
- Building in Karaköy (*)	1.232.254.350	826.771.416
Operating investment properties		
- Van Shopping Mall ("Van AVM")	2.643.810.000	2.457.151.433
- School building in Denizli	246.700.000	220.095.426
Total	**4.307.495.850**	**3.712.414.824**

	31 December 2023	31 December 2022
1 January	**3.712.414.824**	**2.173.375.540**
Additions (*)	147.389.919	604.384.406
Valuation gain	447.691.107	1.282.416.726
Disposals (**)	-	(347.761.848)
31 Aralık	**4.307.495.850**	**3.712.414.824**

(*) According to valuation report as of 31 March 2023, the fair value of the property upon completion of the project is amounting to TL 918.790.000. Deducting the estimated cost of TL 165.875.000 for completing the project as stated in the valuation report and considering the cost of TL 147.389.919 incurred in the last 9 months as of 31 December 2023, the calculated amount has been adjusted according to inflation accounting and accounted for in the financial statements as investment property.

(**) Pera GYO is excluded from the scope of consolidation as of 30 September 2022.

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15 INVESTMENT PROPERTY *(continued)*

Van Shopping Mall ("Van AVM")

	2023		2022	
	Valuation Report Date	**Fair Value**	**Valuation Report Date**	**Fair Value**
Van AVM	31 December 2023	2.643.810.000	31 December 2022	2.457.151.433
		2.643.810.000		**2.457.151.433**

Investment properties consist of Van AVM which has completed construction process on 2015 and has been officially opened on 15 December 2016. Van AVM is the property of Global Ticari Emlak, one of the Group companies.

As at 31 December 2023, there is an insurance amounting to TL 171.670.655 on Van AVM (31 December 2022: TL 282.866.749).

As at 31 December 2023 and 2022, Van AVM is first degree pledged as collateral in favor of a bank amounting to USD 50.000.000. In addition, there is a pledge on shares, that owned by the Group, of Global Ticari Emlak amounting to nominal value of TL 45.600.000.

In accordance with the valuation report prepared by an independent real estate appraisal company, which has the authorization license of CMB, the fair value of the Van AVM has been determined as TL 2.643.810.000 by using the income approach method at 31 December 2023. The income approach method determines the present value of the real estate by capitalizing the future benefits and the net income it brings. In accordance with the valuation report prepared by an independent real estate appraisal company, the fair value of the Van AVM has been determined as TL 2.457.151.433.

The conciliation protocol was signed between the Group and Municipality with respect to withdrawing lawsuits and operating the project based on the decisions of Van City Council and related conciliation commission on 5 July 2014. According to the conciliation protocol, ownership of the property belongs to the Group and the project is started to actualize based on the fulfillment of the certain conditions specified in the protocol.

The main assumptions contained in the valuation reports related to the income capitalization method of investment properties are as follows:

Main assumptions used in income capitalization method:

	2023	2022
Discount rate (%)	17,5 - 25,0	14,0 - 17,0
Occupancy rate (%)	92,5 – 99,4	88,5 – 100,0
Capitalization rate (%)	7,7	7,7
Rent increase rate (%)	20,0	20,0

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15 INVESTMENT PROPERTY *(continued)*

Van Shopping Mall ("Van AVM") (continued)

Sensitivity analysis of the investment property is as follows:

		Changes in fair value 2023	2022
Discount rate			
	1% increase	(179.125.000)	(165.819.227)
	1% decrease	195.410.000	180.904.187
Rent increase rate			
	1% increase	166.255.000	152.884.553
	1% decrease	(156.385.000)	(143.838.519)
Occupancy rate			
	1% increase	27.485.000	494.319
	1% decrease	(36.070.000)	(502.557)

As at 31 December 2023, the fair value of investment properties is in the scope of level 3 based on the methods used for valuation. (31 December 2022: level 3)

School and Land

	2023		2022	
	Valuation Date	**Fair Value**	**Valuation Date**	**Fair Value**
Denizli Land (Hospital)	31 December 2023	152.365.000	31 December 2022	179.882.595
School building in Denizli	31 December 2023	246.700.000	31 December 2022	220.095.426
		399.065.000		**399.978.021**

These land plots of the Group in Denizli include the plots on which the investments made on them and are located in Denizli Sümer Mahallesi. The land plot, located in Denizli, Plot # 6224 Parcel # 1 is allocated to a residential flat project. This plot has been transferred to inventory in 2011 as the construction of the residential units' project started in 2011. The land plots, located in Denizli, Plot #6227 Parcel 1 and Plot #6225 Parcel 1 will include the hospital and hotel projects.

As at 31 December 2023, the fair values of these land plots have been determined by market approach method according to the valuation reports prepared by an independent real estate appraisal company, which has the authorization license of CMB.

The Group has made a lease agreement with Final Okulları to operate a school building on the land plot of the Group located in Denizli #6225 Parcel 1 with respect to Sümerpark Multicomponent Project which functions as a shopping mall, flats, a hospital, a hotel and a school and carried out by one of the subsidiary of the Group, in Denizli. According to the agreement, Final Okulları has a right to operate on the land plot mentioned above as a school for fifteen years. The school has started operations in 2014-2015 education period, consist of 11.450 square meter long closed area with seventy-four classrooms, gym, swimming pool, dining hall, library, conference, and meeting rooms.

As at 31 December 2023, the fair value of investment properties is in the scope of level 2 based on the methods used for valuation (31 December 2022: level 2).

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16 PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the year ended 31 December 2023 is as follows:

	Land	Land improvements	Buildings	Machinery, plant and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Other fixed assets	Construction in progress	Total
1 January 2023										
Cost	170.237.673	413.882.303	913.244.532	5.359.500.439	1.103.093.011	1.181.464.629	3.264.446.899	7.108.277	420.699.264	**12.833.677.027**
Accumulated depreciation	-	(110.740.343)	(226.892.465)	(1.437.111.932)	(842.916.348)	(587.858.715)	(1.285.351.969)	(5.313.099)	-	**(4.496.184.871)**
Carrying value	**170.237.673**	**303.141.960**	**686.352.067**	**3.922.388.507**	**260.176.663**	**593.605.914**	**1.979.094.930**	**1.795.178**	**420.699.264**	**8.337.492.156**
Additions	7.311.943	5.236.395	3.482.224	319.897.359	170.323.076	67.778.101	102.961.292	329.587	376.848.844	**1.054.168.821**
Current period depreciation	-	(15.204.648)	(26.614.181)	(286.660.827)	(110.014.464)	(89.391.284)	(114.957.694)	(480.019)	-	**(643.323.117)**
Disposals	(327.750)	(2.983.794)	-	(34.899.886)	(6.817.429)	-	(10.672.145)	-	(4.549.963)	**(60.250.967)**
Transfers	23.965.275	3.174.263	45.911.005	177.936.395	-	32.123.290	5.373	-	(283.115.601)	-
Foreign currency translation differences	1.975.655	(439.128)	(11.589.972)	(100.125.626)	977.296	(2.078.684)	(65.559.059)	(57.865)	66.297.671	**(110.599.712)**
Carrying value at the end of the period	**203.162.796**	**292.925.048**	**697.541.143**	**3.998.535.922**	**314.645.142**	**602.037.337**	**1.890.872.697**	**1.586.881**	**576.180.215**	**8.577.487.181**
31 December 2023										
Cost	203.162.796	417.499.914	945.074.690	5.731.354.518	1.236.449.271	1.269.924.587	3.245.457.681	7.369.133	576.180.215	**13.632.472.805**
Accumulated depreciation	-	(124.574.866)	(247.533.547)	(1.732.818.596)	(921.804.129)	(667.887.250)	(1.354.584.984)	(5.782.252)	-	**(5.054.985.624)**
Carrying value	**203.162.796**	**292.925.048**	**697.541.143**	**3.998.535.922**	**314.645.142**	**602.037.337**	**1.890.872.697**	**1.586.881**	**576.180.215**	**8.577.487.181**

As at 31 December 2023, the insurance amount on property, plant and equipment is TL 26.691.722.340 (31 December 2022: TL 20.041.888.347).

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16 PROPERTY, PLANT AND EQUIPMENT *(continued)*

Movements of property, plant and equipment for the year ended 31 December 2022 is as follows:

	Land	Land improvements	Buildings	Machinery, plant and equipment	Motor vehicles	Furniture and fixtures	Leasehold improvements	Other fixed assets	Construction in progress	Total
1 January 2022										
Cost	172.182.120	495.084.617	1.663.828.947	5.568.921.170	1.085.733.952	1.120.850.396	3.735.413.960	7.521.177	296.552.845	**14.146.089.184**
Accumulated depreciation	-	(113.627.606)	(248.920.393)	(1.272.693.040)	(858.333.475)	(570.386.492)	(1.340.463.615)	(5.158.561)	-	**(4.409.583.182)**
Carrying value	**172.182.120**	**381.457.011**	**1.414.908.554**	**4.296.228.130**	**227.400.477**	**550.463.904**	**2.394.950.345**	**2.362.616**	**296.552.845**	**9.736.506.002**
Additions	2.541.672	1.646.196	1.576.714	195.327.753	166.103.333	90.033.796	36.905.917	677.357	292.756.999	**787.569.737**
Current period depreciation	-	(13.183.997)	(24.171.708)	(285.006.065)	(91.209.288)	(73.105.585)	(107.608.357)	(863.608)	-	**(595.148.608)**
Disposals	(717.168)	-	-	(12.786.406)	(17.032.881)	-	-	-	(28.099)	**(30.564.554)**
Transfers	9.714.064	-	(346.260.689)	87.073.941	-	63.637.901	3.166.019	-	(160.336.101)	**(343.004.865)**
Foreign currency translation differences	(13.483.015)	(66.777.250)	(359.700.804)	(358.448.846)	(25.084.978)	(37.424.102)	(348.318.994)	(381.187)	(8.246.380)	**(1.217.865.556)**
Carrying value at the end of the period	**170.237.673**	**303.141.960**	**686.352.067**	**3.922.388.507**	**260.176.663**	**593.605.914**	**1.979.094.930**	**1.795.178**	**420.699.264**	**8.337.492.156**
31 December 2022										
Cost	170.237.673	413.882.303	913.244.532	5.359.500.439	1.103.093.011	1.181.464.629	3.264.446.899	7.108.277	420.699.264	**12.833.677.027**
Accumulated depreciation	-	(110.740.343)	(226.892.465)	(1.437.111.932)	(842.916.348)	(587.858.715)	(1.285.351.969)	(5.313.099)	-	**(4.496.184.871)**
Carrying value	**170.237.673**	**303.141.960**	**686.352.067**	**3.922.388.507**	**260.176.663**	**593.605.914**	**1.979.094.930**	**1.795.178**	**420.699.264**	**8.337.492.156**

Information on mortgages and pledges on property, plant and equipment is presented in Note 21.

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16 PROPERTY, PLANT AND EQUIPMENT *(continued)*

According to the Transfer of Operational Rights Agreements ("TOORA") of Ege Liman, Port of Adria, Barcelona Port, VCP, subsidiaries of the Group and the Build-Operate-Transfer ("BOT") tender agreement of Bodrum Liman, at the end of the agreement periods, fixed assets with their capital improvements will be returned as running, clean, free of any liability and free of charge.

Pledges on the property, plant and equipment related to loans are presented in Note 21.

Other mortgage and pledges related to property plant and equipment are presented in Note 21.

As at 31 December 2023 and 2022, the carrying values of the leased assets in property, plant and equipment are as follows:

	31 December 2023	31 December 2022
Motor vehicles	18.911.960	93.545.456
Machinery, plant and equipment	273.266.936	290.763.698
Land improvements	37.100.586	6.590.164
	329.279.482	**390.899.318**

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17 RIGHT OF USE ASSETS

Movements of right of use assets for the year ended 31 December 2023 and 2022 are as follows:

	Lease rights related to port concession agreements	Other (*)	Total
Carrying value as at 1 January 2023	**2.488.073.824**	**192.562.834**	**2.680.636.658**
Additions	-	202.099.418	202.099.418
Disposals	-	(21.268.055)	(21.268.055)
Current period depreciation	(133.988.242)	(143.239.470)	(277.227.712)
Currency translation differences	(51.961.110)	(5.120.869)	(57.081.979)
Carrying value as at 31 December 2023	**2.302.124.472**	**225.033.858**	**2.527.158.330**

As at 31 December 2023, the carrying amount of TL 2.302.124.471 comprised the right of use assets related to port concession agreements.

(*) As at 31 December 2023, the carrying amount of TL 225.033.859 are classified as right of use asset of office, vehicle, facility etc.

As a lessee, the Group pays rent and right-of-use assets that represent the right to use the underlying asset. It has included lease payables representing the lease payments it is obliged to in its consolidated financial statements.

	Lease rights related to port concession agreements	Other (*)	Total
Carrying value as at 1 January 2022	**2.877.565.796**	**286.100.911**	**3.163.666.707**
Additions	-	140.280.087	140.280.087
Disposals	-	(49.051.680)	(49.051.680)
Transfers	-	(7.250.008)	(7.250.008)
Current period depreciation	(152.197.080)	(153.716.193)	(305.913.273)
Currency translation differences	(237.294.892)	(23.800.283)	(261.095.175)
Carrying value as at 31 December 2022	**2.488.073.824**	**192.562.834**	**2.680.636.658**

As at 31 December 2022, the carrying amount of TL 2.488.073.824 comprised the right of use assets related to port concession agreements.

(*) As at 31 December 2022, the carrying amount of TL 192.562.834 are classified as right of use asset of office, vehicle, facility etc.

As a lessee, the Group pays rent and right-of-use assets that represent the right to use the underlying asset. It has included lease payables representing the lease payments it is obliged to in its consolidated financial statements.

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18 INTANGIBLE ASSETS AND GOODWILL

a) Other intangible assets:

Movements of other intangible assets for the year ended 31 December 2023 is as follows:

	Rights	Software	Port operation rights	Customer relationships	Royalty rights	Naturel gas licenses	Other intangible assets	Total
1 January 2023								
Cost	144.683.699	53.090.872	18.838.527.132	1.393.627.338	1.203.555.119	246.338.768	179.119.546	**22.058.942.474**
Accumulated amortization	(84.192.523)	(47.416.651)	(3.968.476.949)	(215.898.101)	(1.166.777.331)	(111.369.269)	(89.139.193)	**(5.683.270.017)**
Carrying value	**60.491.176**	**5.674.221**	**14.870.050.183**	**1.177.729.237**	**36.777.788**	**134.969.499**	**89.980.353**	**16.375.672.457**
Additions	3.970.637	870.130	2.171.050.701	-	-	-	24.210.325	**2.200.101.793**
Current period amortization	(10.587.351)	(1.842.516)	(601.616.718)	(81.002.734)	(36.132.634)	(7.249.468)	(22.260.800)	**(760.692.221)**
Transfers	-	-	-	-	-	-	(5.373)	**(5.373)**
Diposals	-	(245.042)	(12.057.974)	-	-	-	15.454	**(12.287.562)**
Foreign currency translation differences	(2.313.581)	(17.638)	(378.628.218)	(245.089)	(184.787)	(417.773)	(626.941)	**(382.434.027)**
Carrying value at the end of the period	**51.560.881**	**4.439.155**	**16.048.797.974**	**1.096.481.414**	**460.367**	**127.302.258**	**91.313.018**	**17.420.355.067**
31 December 2023								
Cost	143.644.762	53.530.068	20.453.512.876	1.387.868.269	1.193.538.447	245.576.278	201.425.294	**23.679.095.994**
Accumulated amortization	(92.083.881)	(49.090.913)	(4.404.714.902)	(291.386.855)	(1.193.078.080)	(118.274.020)	(110.112.276)	**(6.258.740.927)**
Carrying value	**51.560.881**	**4.439.155**	**16.048.797.974**	**1.096.481.414**	**460.367**	**127.302.258**	**91.313.018**	**17.420.355.067**

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18 INTANGIBLE ASSETS AND GOODWILL *(continued)*

a) Other intangible assets *(continued)*

	Rights	Software	Port operation rights	Customer relationships	Royalty rights	Naturel gas licenses	Other intangible assets	Total
1 January 2022								
Cost	146.729.903	55.898.217	18.104.446.688	1.419.698.124	1.398.817.380	53.892.146	154.459.207	**21.333.941.665**
Accumulated amortization	(79.153.786)	(45.837.416)	(4.127.138.925)	(148.058.089)	(1.205.876.892)	(43.464.758)	(69.498.782)	**(5.719.028.648)**
Carrying value	**67.576.117**	**10.060.801**	**13.977.307.763**	**1.271.640.035**	**192.940.488**	**10.427.388**	**84.960.425**	**15.614.913.017**
Additions	9.959.585	542.563	3.623.509.226	-	-	-	49.522.140	**3.683.533.514**
Current period amortization	(9.987.493)	(4.113.123)	(487.808.812)	(86.642.498)	(123.489.037)	(12.195.837)	(31.717.688)	**(755.954.488)**
Transfers	775.257	-	-	-	-	-	-	**775.257**
Diposals	-	-	-	-	-	-	(18.787)	**(18.787)**
Foreign currency translation differences	(7.832.290)	(816.020)	(2.242.957.994)	(7.268.300)	(32.673.663)	136.737.948	(12.765.737)	**(2.167.576.056)**
Carrying value at the end of the period	**60.491.176**	**5.674.221**	**14.870.050.183**	**1.177.729.237**	**36.777.788**	**134.969.499**	**89.980.353**	**16.375.672.457**
31 December 2022								
Cost	144.683.699	53.090.872	18.838.527.132	1.393.627.338	1.203.555.119	246.338.768	179.119.546	**22.058.942.474**
Accumulated amortization	(84.192.523)	(47.416.651)	(3.968.476.949)	(215.898.101)	(1.166.777.331)	(111.369.269)	(89.139.193)	**(5.683.270.017)**
Carrying value	**60.491.176**	**5.674.221**	**14.870.050.183**	**1.177.729.237**	**36.777.788**	**134.969.499**	**89.980.353**	**16.375.672.457**

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18 INTANGIBLE ASSETS AND GOODWILL *(continued)*

The details of port operation rights as at 31 December 2023 and 31 December 2022 are as follows:

	31 December 2023		31 December 2022	
TL	**Net book value**	**Remaining amortization period**	**Net book value**	**Remaining amortization period**
Creuers del Port de Barcelona	1.775.506.272	78 months	2.086.653.603	90 months
Cruceros Malaga	254.733.642	104 months	272.406.364	116 months
Valletta Cruise Port	1.631.405.284	515 months	1.683.431.269	527 months
Port of Adria	377.340.325	240 months	400.819.625	252 months
Ege Liman	1.384.092.678	339 months	269.176.961	123 months
Nassau Cruise Port	10.075.831.622	284 months	9.842.934.564	296 months
Cagliari Cruise Port	27.444.939	36 months	36.900.419	48 months
Catania Cruise Port	34.351.923	48 months	42.731.177	60 months
Bodrum Liman	66.806.462	531 months	71.508.469	543 months
Tarragona Cruise Port	91.460.547	123 months	17.870.122	135 months
Canary Islands Cruise Port	276.320.843	462 months	145.617.610	474 months
Alicante Cruise Port	53.503.437	171 months	-	-
Total	**16.048.797.974**		**14.870.050.183**	

Port operating rights of Nassau have been created by discounted cash outflows of fixed payments related to the future concession fees payable to the government and future payments to local organization (in substance payments to obtain the rights) in accordance with the concession agreement. The discount rate used is a risk-adjusted rate that matches the duration of concession term and currency of the cash flows. As these payments are contractually agreed simultaneously with the port operating rights with an interest rate of 2,39% and 2047 maturity, an equivalent long-term financial liability of USD 42.488.709 (TL 1.250.791.113), short term financial liability of USD 1.715.912 (TL 50.513.350) has been created.

All port operating rights have arisen as a result of TFRS 3 Business combinations, except BPI, Port Operation Holding S.r.l and Nassau Cruise Port, which arose as a result of applying TFRS Interpretation 12. Each port represents a separate CGU as per TAS 36.

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18 INTANGIBLE ASSETS AND GOODWILL *(continued)*

b) Goodwill:

	2023	2022
Carrying value as at 1 January	**622.119.449**	**689.857.391**
Currency translation differences	(18.493.142)	(61.934.341)
Dispsosal from the scope of consolidation	-	(5.803.601)
Carrying value as at 31 December	**603.626.307**	**622.119.449**

During the years ended 31 December 2023 and 2022, the distribution of goodwill is as follows:

Distribution by segments	**31 December 2023**	**31 December 2022**
Port Operations	396.931.144	415.424.286
Finance	163.609.289	163.609.289
Real Estate	43.085.874	43.085.874
Total	**603.626.307**	**622.119.449**

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19 EQUITY ACCOUNTED INVESTEES

As at 31 December 2023 and 31 December 2022, the details of financial information related to equity accounted investees are as follows:

	Effective voting power	Effective ownership held	Carrying value 31 December 2023	Carrying value 31 December 2022
Assets				
Port of Singapore	40,00 %	26,49 %	182.923.689	172.378.571
Port of Lisbon	50,00 %	33,12 %	316.328.128	269.433.936
Venezia Investimenti Srl	25,00 %	16,56 %	44.668.458	46.210.562
Pelican Peak Investment Inc.	10,23 %	6,78 %	12.210.261	12.793.319
Total Assets			**556.130.536**	**500.816.388**
Liabilities				
IEG	50,00 %	37,50 %	(742.389)	(1.434.653)
Total Liabilities			**(742.389)**	**(1.434.653)**
			555.388.147	**499.381.735**

The financial information that represents summary financial information of 100% of the of the Group's investments accounted for using the equity method as at 31 December 2023 and 31 December 2022 are as follows:

31 December 2023	Current Assets	Non Current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities	Income	Expenses	Net Profit/(Loss) for the period
IEG	1.207.118	-	1.207.118	(2.691.895)	-	(2.691.895)	301.562	(44.960)	256.602
Port of Lisbon	215.974.208	725.959.728	941.933.936	(116.951.604)	(192.326.076)	(309.277.680)	352.207.683	(240.085.621)	112.122.062
Port of Singapore	532.211.167	246.317.950	778.529.117	(274.043.759)	(47.176.135)	(321.219.894)	1.026.685.108	(641.988.384)	384.696.724
Venezia Investimenti Srl	83.895.962	525.127.951	609.023.913	-	(430.350.081)	(430.350.081)	-	(3.180.399)	(3.180.399)
Pelican Peak Investment Inc.	-	148.248.706	148.248.706	(14.420.833)	(14.470.481)	(28.891.314)	-	(4.677.328)	(4.677.328)

31 December 2022	Current Assets	Non Current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities	Income	Expense	Net Profit/Loss for the period
IEG	1.271.392	14.625	1.286.017	(4.155.325)	-	(4.155.325)	133.919	(219.780)	(85.861)
Port of Lisbon	182.186.139	785.753.075	967.939.214	(82.349.142)	(346.722.200)	(429.071.342)	249.669.553	(194.289.219)	55.380.334
Port of Singapore	483.102.584	300.882.999	783.985.583	(170.848.167)	(182.190.990)	(353.039.157)	739.136.507	(560.794.657)	178.341.850
Venezia Investimenti	93.186.655	395.530.601	488.717.256	(3.043.846)	(300.831.163)	(303.875.009)	-	(3.739.012)	(3.739.012)
Pelican Peak Investment Inc.	-	148.979.386	148.979.386	(9.788.558)	(14.133.942)	(23.922.500)	-	(4.830.499)	(4.830.499)

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

20.1 Other provisions

As at 31 December 2023 and 31 December 2022, the details of other provisions are as follows:

Other Current Provisions

	31 December 2023	31 December 2022
Provision for lawsuits	13.700.658	21.665.432
Provisions for the purchase of Nassau (***)	284.760.282	386.353.177
Other current provisions (****)	335.706.773	15.657.017
	634.167.713	**423.675.626**

Other Non-current Provisions

	31 December 2023	31 December 2022
Provisions for the purchase of Port of Barcelona (*)	292.282.801	284.726.417
Provisions for the purchase of Port Operation Holding (**)	8.927.011	13.088.745
Provisions for the purchase of Nassau (***)	-	55.823
	301.209.812	**297.870.985**

(*) As part of the concession agreement between Creuers and the Barcelona and Malaga Port Authorities entered in 2013, the company has an obligation to maintain the port equipment in good operating condition throughout its operating period, and in addition return the port equipment to the Port Authorities in a specific condition at the end of the agreement. Therefore, replacement provisions have been recognized based on Management's best estimate of the potential capital expenditure required to be incurred in order to replace the port equipment assets in order to meet this requirement.

(**) On 13 June 2011, Catania Port Authority and Catania Passenger Terminal S.r.l. ("CCT"), reached an agreement on the concession rights of the Catania Passenger Terminal, which will expire on 12 June 2026. CCT is obliged to pay a concession fee to the Port Authority of EURO 152.974 per year until the concession is over. The expenses related to this concession agreement are recorded on a linear basis over the duration of the concession period and accrued in the relevant years.

On 14 January 2013, Cagliari Cruise Port ("CCP") and Cagliari Port Authority signed a contract in connection with the concession right of the Cagliari Cruise Terminal operating expiry on 13 January 2029. CCP is obliged to pay a concession fee to the Port Authority of EURO 48.403 per year until the concession is over. The expenses related to this concession agreement are recorded on a linear basis over the duration of the concession period and accrued in the relevant years.

(***) As part of agreement between NCP and Government of Bahamas entered in 2019, ancillary contributions will be made to local community to increase the wealth of people of Bahamas. These payments will be made as grant and partly as interest free loan. Therefore, a provision is provided for ancillary contributions based on the company management's best estimate of these payments. As at 31 December 2023, these provisions have been recognized as current and non-current.

(****) It consists of the impairment provision amounting to TL 325.315.611 due to the decision to stop the activities of the power plant of Doğal Enerji a subsidiry of the Group located in Şanlıurfa with 5,2 MWe installed capacity.

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.1 Legal issues

There are lawsuits pending that have been filed against or by the Group. These lawsuits primarily include the labor and debt cases. The management of the Group assesses the possible results and financial effects of these lawsuits at the end of each period and as a result of these assessments, the required provisions are recognized for those possible earnings and liabilities. The amount of provision that has been accounted for is stated in Note 20.1. The information related with the significant lawsuits that the Group is directly or indirectly a party is as follows:

(i) The former owner of the shares of a subsidiary of the Group filed a lawsuit against the Group for the restitution of the shares. On 2 March 2010, the court decided on return of shares on a free of charge basis to the former owners. Although the decision was overruled, the first instance court ruled against the Group again, and the judgment became final on 3 March 2016. The shares that are subject matter of the case were transferred to a foreign company during court hearings and examinations in 2015. On the other hand, the Group has filed counter claims in order to collect the expenditure made for the purposes of the project against the 4 partners on 21 April 2016. Three of the court claims have been ruled in favor of the Group by the courts of first instance, and the other one is still pending before the court of first instance. One of the first instance court decisions, which was in favor of the Group, was affirmed by the Court of Cassation (partial affirmation, partial overruling). The other two were reversed by the upper regional courts, due to procedural reasons, and were sent back to the first instance courts, upon which the first instance courts ruled against the Group. Both of these decisions were first brought before the regional courts, upon the regional courts' ruling against the Group, the cases were brought before the Court of Cassation. Group lawyers succeeded in their application to take and impose an interim injunction on company shares of one of the debtors.

(ii) GYH and Global Liman were part of a consortium which participated in the tender process relating to the privatization of İzmir Port. The joint venture in which the Group also attended placed as the highest bid for the tender regarding the privatization of the operating rights of TCDD İzmir Ports via transferring method conducted by the Privatization Administration on 3 July 2007. The High Council of Privatization Administration approved the tender. Liman-İş and Kamu İşletmeciliğini Geliştirme Merkezi Vakfı separately filed lawsuits for the cancellation of the tender. These lawsuits were rejected by the Council of State. Plaintiffs appealed the verdicts. 1st Department of Council of State has approved the Privatization of Operating Rights without waiting for the approval of the 13th Department of Council of State. High Council of Privatization has invited the Joint Venture to sign the Agreement with a declaration dated 23 September 2009.

The Group, on behalf of the joint venture partnership participating in the tender, requested an extension from the PA to complete the privatization by 15 April 2010. The PA granted a 45-day extension on 10 November 2009, permitting the joint venture to complete the privatization by 24 December 2009. Pursuant to the terms of the tender, on 7 January 2010 the PA cancelled the tender and called the USD 15.000.000 bid bond provided by GYH and its joint venture partners during the bid process. On 8 January 2010, the Group deposited USD 6.900.000 in escrow, its portion of the bid bond, and on 12 January 2010 the PA received the bid bond in full from all joint venture partners. Following forfeiture of the bid bond, the Group and its joint venture partners fulfilled all of their obligations to the PA in connection with the tender.

20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.2 Legal issues *(continued)*

The Group initiated a pilot debt recovery procedure of USD 10.000 against the PA with the Ankara Enforcement Authority (which then is to be followed by the actual procedure) claiming the repayment of the Bid Bond with a total amount of USD 12.750.000 which was liquidated on unjustifiable grounds. However, the proceeding was suspended upon defendant's objection. The cancellation of the defendant's claim and a penalty amounting to 40% of the total amount were requested from Ankara Commercial Court on the ground that defendant's claim was unjustifiable. The expert, in the report, has the opinion that Group's request was rightful. The defendant, Privatization Administration, made an objection to the Report. Although the latter expert report has also represented in favor of the Group, the Group has requested for correction of the expert report due to insufficient examination. The Court dismissed the lawsuit. The Group have appealed the Court decision. The Court of Appeal rejected the appeal and the rectification request thus the verdict became final. Since all the judicial remedies have been exhausted Group lawyers lodged an individual application to the Constitutional Court, this appeal has been rejected by the Constitutional Court through its decision dated 21 September 2021. The Group made an application to the European Court of Human Rights.

Group lawyers initiated a debt recovery procedure for TL 10.128.300, which is TL equivalent of USD 6.890.000 which amounts to USD 6.900.000 Group's portion of the bid bond minus USD 10.000 as described above, against the PA and sent a payment order to the PA on 8 January 2020. The PA has objected to this payment order thus the execution proceeding is suspended. The Group will file a lawsuit against this objection in order to have it cancelled. The PA, besides the objection to the payment order, also filed a separate lawsuit before the Enforcement Court in order to have the execution proceeding cancelled. The Enforcement Court cancelled the execution proceeding. The Group also appealed this decision as objections to the payment orders shall be made to the Execution Offices, not to the Enforcement Courts, thus the Enforcement Court should have denied this application. This appeal before the Regional Court has been ruled in favour of the Group through the Regional Court's decision dated 20 October 2021. The PA appealed this ruling.

(iii) On 14 March 2008 the joint venture ("JV") consisting of Energaz (newly titled as Enerya Gaz Dağıtım A.Ş. ("Enerya")) and GYH placed the highest bid USD 1.610.000.000 for the tender relating to the privatization of the shares of "Başkent Doğalgaz Dağıtım A.Ş." owned by the Municipality of Ankara via the block sale method. STFA Yatırım Holding A.Ş. and ABN Amro Infrastructure Capital Management Ltd. (newly named "Eiser Infrastructure Limited") also became members of the JV. Along with other reasons, as the information in relation to Başkent Doğalgaz Dağıtım A.Ş. within the tender specifications was misleading the shares of Başkent Doğalgaz Dağıtım A.Ş. were not transferred to the JV. As the procedure was continuing, the Municipality applied to the guarantor bank to enable the liquidation of the USD 50.000.000 Letter of Guarantee, procured by the Consortium, submitted to the Municipality as a requirement under specifications by GYH, the 51,66 % participant of the JV.

The Group filed a lawsuit before the Ankara Administrative Court against the Municipality, requesting cancellation of the Municipality Council's resolution dated 22 January 2009, numbered 86/325 regarding the forfeiture of the letter of guarantee given by JV according to Article 10/c of the tender specification. The Group also requested an injunction on 15 January 2010. Ankara Administrative Court decided incompetence and the case has been taken over by the Thirteenth Chamber of Council of State. The Thirteenth Chamber of Council of State rejected the request for a stay for execution. The Group appealed and the Administrative Division of the High Council of the State overturned the rejection on 8 July 2010. At this point, 13th Chamber of Council of State completed the parts which were missed before. Afterwards, 13th Chamber of Council of State dismissed the case and the judgement of dismissal received on 4 August 2014. The decision has been appealed in due of time by the Group lawyers on 2 September 2014. The Chamber of Council of State approved the decision, and it was notified on 28 July 2016. Request of rectification has been submitted by the Group lawyers but this request of rectification has been rejected and thereby became final.

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.2 Legal issues *(continued)*

On 2 July 2009, a decision of the Turkish High Council of Privatization Administration was published in the Official Gazette. Accordingly, the Privatization Administration shall be in charge in order to conduct and finalize the privatization process of the Başkentgaz shares as at the date of the decision as the Municipality could not close the tender in the two years period according to the Law No.4046. Thus, the Turkish Privatization Administration finalized the privatization process of the Başkentgaz shares by means of making several tenders in 2014.

In the meantime Boru Hatları ile Petrol Taşıma A.Ş. ("BOTAŞ") initiated an execution process in accordance with the Article 79 of the Collection of the Public Receivables Act No. 6183 against the Municipality. As a precautionary measure, the Group applied to Beyoğlu Commercial Court to prevent the liquidation of the Letter of Guarantee amounting to USD 50.000.000. The court issued a precautionary measure for 15% of the collateral of the Letter of Guarantee which prevented the liquidation. The Municipality raised an objection against the measure, which was rejected by the Court.

Continuing with their precautionary measure, a lawsuit was filed by the Group against the Ankara Metropolitan Municipality and BOTAŞ before the First Chamber of the Beyoğlu Commercial Court claiming to dissolve the discrepancy for the payment of the bid amount and the restitution of the Letter of Guarantee. The court decided that it is not a competent court to conduct the case and that Ankara courts were the most appropriate forum for the litigation. The guarantor bank that provided the Letter of Guarantee requested an intervention in the lawsuit, which was then approved by the Court. The court additionally allowed the plaintiff to file a separate lawsuit against the PA and enabled this separate lawsuit to be combined with the pending lawsuit. Upon this order, the Consortium filed another lawsuit against the PA, as it became the competent authority to conduct the privatization process. The court decided to combine this lawsuit with the pending lawsuit which is behind Ankara 3rd Chamber Commercial Court.

The file has been sent to a three person expert commission for detailed examination on 17 January 2012. Commission declared in their report that the outcome of the Administrative Court case may be a prejudicial question however the Court, has not taken the objections to the Commission report into account and, rejected the case and cancelled the preliminary injunction on the Bid Bond on 26 February 2013. The Bid Bond amounting to USD 50.000.000 has been paid by the Group. The decision has been appealed. As a result of the appeal, the Court of Cassation acknowledged all objections and reversed the decision in favor of the Group. The defendant Municipality requested for the revision of decision and such revision request has been rejected by the Court of Cassation. The file has been sent to Ankara 4th Chamber Commercial Court with the file number 2016/37 and been approved the remittitur and ruled an interim decision to wait the decision of the Chamber of Council of State. The court decided in the hearing dated 27 June 2018 to refer the court file to expert examination. The expert report was in favor of the Group. The court has decided to obtain an expert report from a new experts commission in line with the parties' objections. The new expert panel has also concluded in favour of the Group. The parties have submitted their statements and objections in respect of the new expert report. In the hearing dated 25 November 2020 the court rejected the case on the grounds that it is not a competent court to conduct the case that administrative courts were the most appropriate forum for the litigation. The decision has been appealed by Group lawyers. Lawyers of the Municipality also appealed the decision following the receipt of Group lawyers' petition of appeal. The Court of Cassation 11th Civil Chamber decided to reverse the decision of the first instance court, in favor of the Group, and send back the case to the first instance court for retrial, on the grounds that the case must be heard in the judicial courts. Although it is impossible to request a revision of this decision of the Court of Cassation, the Municipality requested a revision of the decision. The first instance court accepted the Municipality's request and decided to send the file to the Court of Cassation.

20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.2 Legal issues *(continued)*

Briefly as at 31 December 2012, the Group allocated provision amounting to USD 50.000.000 (TL 89.130.000) under "provisions" in its consolidated financial statements. The reimbursement of the provisions is accounted for under "other receivables" as "reimbursement of provisions" amounting to USD 24.170.000 (TL 43.085.422) and a net amount of provision and reimbursement of the provision amounting to USD 25.830.000 (TL 46.044.558) is accounted for as provision expense under "finance costs" in the consolidated financial statements. As of 31 December 2013, since the liability have been paid, the receivables amounting to TL 51.586.031 (31 December 2014: TL 38.656.063) accounted as "reimbursement of payments" in the other receivables. As at 31 December 2014, the Group has come to agreement with the other partners of the Consortium, Enerya and STFA, and the related amount has been collected. The difference between the receivable arising from the recourse and the agreed amount has been written off and expensed under finance costs in the amount of TL 9.379.317. As of 31 December 2016, USD 16.670.000 is accounted for under "other receivables" as "reimbursement of provisions". However, the legal process with regards to the other member of the Consortium is still ongoing and yet the Group management considers that collection of the receivables from the other members of the Consortium shall have a positive impact on the process. Although preparations to start legal proceedings abroad with regards to such receivable, in order to speed up the collectability of such receivable which is already in a high chance upon winning the case, based on the precautionary principle, the Group has allocated provision amounting to TL 62.877.573 for the provision to be indemnified which are accounted under the other receivables as "reimbursement of provisions" in the consolidated financial statements as of 31 December 2017.

(iv) The Company filed a lawsuit of USD 15.000 against ABN Amro Infrastructure Capital Management Ltd. before Beyoğlu Commercial Court claiming that the defendant, with regards to the related articles of the JV Agreement signed between the Parties after the Tender of the Privatization of Başkent Doğalgaz Dağıtım A.Ş. arranging to share jointly all the financial, accounting, legal, tax, commercial and insurance expenses, has not paid its share of USD 236.918, reserving the right to claim the whole amount. The expert report and the additional report have been received and the parties have raised objections to such reports. In the hearing held on 3 March 2014, it has been decided to be pended the filing until the decision of the file numbered 2010/920 E before 13th Council of State. Since the lawsuit with the file numbered 2010/920 E before 13th Council of State which is regarding the forfeiture of the letter of guarantee has been decided to be pended, interrelation with and the differences from the lawsuit have been indicated in the most recent petition. In the said petition, it has been stated that the decision taken by the Administrative Court has no defect evaluation for the Company; and only has a defect evaluation for the JV, and therefore it has been defended that the interrelation of the parties are different and lawsuit must be approved without making it a pending issue. During the hearing held on 24 February 2016, the Court has removed the pending decision and rejected the lawsuit. The decision of the first instance court is appealed by the Group on 27 May 2016. The Court of Appeal has accepted the appeal and overruled the Court decision on 26 November 2018. The Court will re-examine the court file in accordance with the Court of Appeal decision. At the hearing held on 10 October 2019, the court ruled to abide by the overturning decision of the Court of Appeal and to wait for the result of the 2010/308 E. file (new file number as 2016/37 E.) of Ankara 4th Commercial Court and adjourned the hearing to 13 February 2020. In its recent interim decision, the Court decided to await the full case file to be received from the Ankara 4th Commercial Court, in line with the previous preliminary rulings. The next hearing will be held on 12 September 2024.

20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.2 Legal issues *(continued)*

(v) Dağören, one of GYH's subsidiaries made an application to the General Directorate of State Hydraulic Works (the "Administration") to obtain a generation licence for the Dağören Hydroelectric Power Plant ("HEPP").

According to correspondence sent by the Administration dated 18 July 2008, the Administration accepted the application and the generation licence had to be granted by the Energy Market Regulatory Authority ("EMRA"). Subsequently, Dağören completed its licence application to EMRA and EMRA approved the application for a 46 year generation licence on 27 November 2008. Consequently, the Right of Water Usage Agreement was signed and sent to Dağören by the Administration.

On the grounds that the Bilateral Cooperation Agreement ("Agreement") between Turkey and USA is abrogated, which includes the development of Hakkari Dam and Hydroelectric Power Plant ("HEPP") Project located on the upper level of Dağören Regulator and HEPP Project, the Administration refrained from signing the water utilization rights agreement and subsequently notified Dağören, that Dağören Regulator and HEPP Project is also cancelled.

Dağören lawyers filed a lawsuit in the Sixteenth Administrative Court of Ankara to cancel the administrative decision given by the Administration on grounds that EMRA is the only body entitled to give or cancel any production licence; that the Administration has no authorization to cancel a project which is already approved by EMRA; that the Administration has no right to refrain from signing the water utilization rights agreement of any project that is approved by EMRA and the cancellation of Hakkari Dam and HEPP Project is not automatically a reason for the cancellation of the Dağören Regulator and HEPP Project.

The Court decided against Dağören as a matter of public interest and not considering any contradiction against the law. Dağören appealed the verdict to the Council of State declaring that the process conducted by the Administration cannot be lawful as a matter of public interest where it contradicts the express provisions of the law. The Council of State approved the decision of the Court of the First Instance. The Group Lawyers applied for a request of rectification which has been rejected by the Council of State, and thereby the decision of the Court of First Instance became firm. As a result of exhaustion of legal remedies, the Group Lawyers have made an individual application to Constitutional Court on 11 February 2019. On 20 April 2020 the Constitutional Court partially accepted our claims regarding the breach of our constitutional rights, ordered to be paid TL 16.000 and decided the court decision to be served to the relevant courts and governmental authorities.

The Group also filed a full remedy action against the Administration for the recovery of damages incurred in respect of HEPP Project before 23th Administrative Court of Ankara on 12 March 2019. Court rejected the file through its ruling dated 23 November 2021. This ruling has been appealed by the Group. The Regional Administrative Court has dismissed the first instance court's decision. The decision of the Regional Administrative Court has been appealed by the Administration. The Group Lawyers have also appealed the Regional Administrative Court's decision with regards to Group's claims which have not been adjudged by the Regional Administrative Court.

As at 31 December 2017, based on the precautionary principle and according to the current existing situation, the Group has accounted for an impairment provision amounting to TL 50.968.072 for the HEPP license and for the other tangible assets accounted in the consolidated financial statements.

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.2 Legal issues *(continued)*

(vi) Raiffeisen Centrobank AG ("Raiffeisen") filed a lawsuit before the 14th Commercial Court of First Instance in request for recognition and approval of the decision numbered 600337-2013 dated 14 October 2014 made by Swiss Chambers' Arbitration Institution and the reimbursement of litigation cost, lawyer expense and other compensable expenses by the Group. The Group lawyers submitted a petition and claimed that the conflict causing arbitration process was out of the scope of the conditions of the agreement signed by the parties, so the arbitrator was unauthorized and also Group lawyers asserted other reasons to the Court. Afterwards, Raiffeisen submitted a counter petition against Group's declarations and the Group lawyers submitted rebuttal petition dated 6 July 2015 together with the legal opinion prepared by Prof. Dr. Cemal Şanlı. In the hearing held on 10 March 2016, the expert report was submitted to the Court and the parties have raised objections and statements to the report. However, in the hearing held on 2 February 2017, the Court accepted the case and decided to the recognition and approval of the decision numbered 600337-2013 dated 14 October 2014 made by Swiss Chambers' Arbitration Institution. The Group lawyers appealed the decision before the Provincial High Court. The Provincial High Court ruled on rescission of the court decision due to short payment of the court claim fee by the claimant. The file has returned to the first instance court and on the hearing dated 29 November 2018, the Court ordered the claimant to remit the remaining court claim fee amount until the next hearing. Raiffeisen remitted the remaining court fee. At the hearing held on 5 December 2019, the court accepted the court claim and ruled to approve the arbitration award. The Group lawyers appealed this court decision before the Court of Appeal. However, the reasons for appeal were not deemed appropriate by the 14th Civil Chamber of İstanbul Court of Appeal and it was decided to enforce the arbitration award with the decision number of 2023/1559. The decision of the Court of Appeal was served on 23 October 2023 and was appealed by the Group Lawyers. The Group has accounted provision amounting to TL 4.147.795 for this lawsuit in its consolidated financial statements in 2014.

(vii) In Global Menkul Değerler A.Ş., one of the subsidiaries of the Group, a group of clients failed to fulfill their margin requirements and went into default as a result of margin trading in a stock in May 2021. As a result of the negotiations with these clients, most of the default amount was collected, and for the remaining balance, precautionary attachment decisions were taken against the relevant clients and execution proceedings were commenced. A provision of TL 7.230.269 has been accounted as of 31 December 2021 for the part that is anticipated to be difficult to collect. As a result of the settlement reached with five of the clients, the agreed part has been collected. As of 31 December 2023, the amount of provision made in the consolidated financial statements is TL 3.798.501.

(viii) A now former employee in the Accounting Department of Global Menkul Değerler A.Ş., fraudulently prepared fake money transfer instructions and sent them via fax to the banks and transferred money from Company's accounts to third party accounts without Company's knowledge and approval. The total amount transferred is TL 31.710.677. A criminal complaint was filed by the Group's lawyers in December 2021 and the former employee was arrested by the relevant court. A criminal lawsuit is filed against the former employee in the competent court by the Prosecution Office and he is sentenced to ten years in jail as a result of this judgement. The decision is appealed by the defendant. A separate investigation conducted by the Prosecutor's Office regarding this incident is also pending. A lawsuit for monetary damages has also been filed against the former employee.

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.2 Legal issues *(continued)*

(ix) The Port of Adria-Bar (Montenegro) is a party to the disputes arising from the collective labour agreement executed with the union by Luka Bar AD (former employer/company), which was applicable to Luka Bar AD employees transferred to Port of Adria-Bar. The collective labour agreement has expired in 2010, before the Port was acquired by the Group under the name of Port of Adria-Bar. However, a number of lawsuits have been brought in connection to this collective labour agreement seeking (i) unpaid wages for periods before the handover of the Port to the Group, and (ii) alleged underpaid wages as of the start of 2014. On March 2017, the Supreme Court of Montenegro adopted a Standpoint in which it is ruled that collective labour agreement cannot be applied on rights, duties and responsibilities for employees of Port of Adria-Bar after 30 September 2010. Although the Standpoint has established a precedent that has applied to the claims for the period after 30 September 2010; there are various cases pending for claims related to the period of 1 October 2009 – 30 September 2010. In respect of the foregoing period of one year, the Port of Adria-Bar has applied to the Constitutional Court to question the alignment of the collective labour agreement with the Constitution, Labor Law, and general collective agreement. The Port of Adria-Bar is notified that the application for initiating the procedure for reviewing the legality of the Collective Agreement has been rejected due to a procedural reason, without evaluating the arguments submitted. In evaluating the merits of the existing cases, local courts have ruled out in contradiction of the previous judgments which has allowed Port of Adria- Bar to appeal before the Supreme Court of Montenegro and request re-evaluation of the applicability of the dispute clauses of the collective labour agreement until 30 September 2010. The statute of limitations for claims for the period between 1 October 2009 - 30 September 2010 is 8 January 2024 and the Group has allocated a provision expense of EUR 268.718 for this lawsuit in its consolidated financial statements as of 31 December 2023.

20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.3 Contingent liabilities

Details of the Group's guarantees, pledges, and mortgages ("GPM's") are presented in Note 21. Moreover, the Group has the following contingent liabilities:

Ege Liman

The details of the Transfer of Operational Rights Agreement ("TOORA") dated 2 July 2003, executed by and between Ege Liman and Privatization Authority ("PA") together with Turkish Maritime Organization ("TDI") is stated below:

Ege Liman will be performing services such as sheltering, installing, charging, discharging, shifting, terminal services, pilotage, towing, moorings, water quenching, waste reception, operating, maintaining and repairing of cruise terminals, in Kuşadası Cruise Port for an operational period of 30 years. Ege Liman is liable for the maintenance of Kuşadası Cruise Port together with the port equipment in good repair and in operating condition throughout its operating right period. Subsequently, 19-year extension was obtained for the relevant operating rights within the scope of the contract signed in May 2023. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the TDI, while the movable properties stay with Ege Liman.

Bodrum Liman

The details of the Built Operate Transfer Contract dated 23 June 2004, executed by and between Bodrum Liman and the State Railways, Ports and Airports Construction Company ("DLH") are stated below:

Bodrum Liman had to construct the Bodrum Cruise Port in a period of 1 year and 4 months following the delivery of the land and thereafter, will operate the Bodrum Cruise Port for 12 years. The final acceptance of the construction was performed on 4 December 2007, and thus the operation period has commenced. Bodrum Liman is liable for the maintenance of the port together with the port equipment in good repair and in operating condition throughout its operating right period. The facilities, equipment, installations and the systems together with the tools and other equipment belonging thereto shall be surrendered to the DLH after the expiry of the contractual period.

Bodrum Liman also executed an extension on prior Concession Agreement with the General Directorate of National Property on 15 November 2018 ("Bodrum Port Concession Agreement"). The BOT Agreement is attached to the Bodrum Port Concession Agreement and Bodrum Liman is entitled to use the Bodrum Cruise Port under these agreements for an extended period of 49 years starting from 31 December 2019.

Port of Adria

The details of the TOORA dated 15 November 2013, executed by and between Global Liman and Ministry of Transportation and Maritime and Port Administration of Montenegro ("PAM") are stated below:

The contract with respect to acquisition of 62,09 % shares of general freight and cargo terminal of Port of Adria located in Montenegro has been signed on 15 November 2013 after a subsidiary of Group, Global Liman, offered the tender comprised the repair and maintenance of the Port, financing, construction and operating the Port for 30 years and initiated by Ministry of Transportation and Maritime and Port Administration of Montenegro at best, approvals and procedures related to sales transaction was completed on 30 December 2013 which is the Group obtained management and control of the company.

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.3 Contingent liabilities *(continued)*

Barcelona Cruise Port

The details of the TOORA Contract dated 29 July 1999, executed by and between Creuers del Port de Barcelona and the Barcelona Port authority are stated below:

Creuers del Port de Barcelona, S.A. ("Creuers") will be performing the management and exploitation of the port service related to the traffic of tourist cruises on the Port of Barcelona, as well as the development of commercial complementary activities corresponding to a sea station, in World Trade Center Wharf in Barcelona for an operational period of 27 years. However, the Port concession period can be extended automatically for three years provided that (i) Creuers has complied with all the obligations set forth in the Port Concession; and (ii) Creuers remains rendering port services on tourist cruises until the expiry of the extended term. Therefore, the concession period is considered as 30 years. Creuers is liable for the maintenance of World Trade Center Wharf terminals North and South together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Barcelona Port Authority.

The details of the TOORA Contract dated 26 July 2003, executed by and between Creuers and the Barcelona Port authority are stated below:

Creuers will be performing the management and exploitation of the port service related to the traffic of tourist cruises on the Port of Barcelona, as well as the development of commercial complementary activities corresponding to a sea station, in Adossat Wharf in Barcelona for an operational period of 27 years. However, the Port concession period can be extended automatically for three years provided that (i) Creuers has complied with all the obligations set forth in the Port Concession; and (ii) Creuers remains rendering port services on tourist cruises until the expiry of the extended term. Therefore, the concession period is considered as 30 years. Creuers is liable for the maintenance of Adossat Wharf Terminals A, B and C together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Barcelona Port Authority.

Malaga Cruise Port

The details of the TOORA Contract dated 9 July 2008, executed by and between Cruceros Malaga and the Malaga Port authority are stated below:

Cruceros Málaga, S.A. obtained an administrative concession to adapt the Terminal Levante of the Malaga Port and its exploitation, for a 30-year period. However, the Port concession period can be extended automatically for 5 years provided that Creuers has complied with all the obligations set forth in the Port Concession. Therefore, the concession period is considered as 35 years. Cruceros will perform passenger services, terminal usage and luggage services. Cruceros is liable for the maintenance of Terminal Levante together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Malaga Port Authority.

The details of the TOORA Contract dated 11 December 2011, executed by and between Cruceros Malaga and the Malaga Port authority are stated below:

Cruceros Málaga, S.A. obtained an administrative concession to adapt the of Terminal El Palmeral of the Malaga Port and its exploitation, for a 30-year period. However, the Port concession period can be extended automatically for 5 years provided that Creuers has complied with all the obligations set forth in the Port Concession. Therefore, the concession period is considered as 35 years. Cruceros will perform passenger services, terminal usage and luggage services. Cruceros is liable for the maintenance of Terminal El Palmeral together with the port equipment in good repair and in operating condition throughout its operating right period. After the expiry of the contractual period, the real estate and the integral parts of it shall be surrendered to the Malaga Port Authority.

20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.3 Contingent liabilities *(continued)*

Valletta Cruise Port

On 22 November 2001, VCP signed a deed with the Government of Malta by virtue of which the Government granted a 65-year concession over the buildings and lands situated in Floriana, which has an area of 46.197square meters ("sqm"). VCP will perform operation and management of a cruise liner passenger terminal and an international ferry passenger terminal together with complementary leisure facilities.

A ground rent is payable by Valletta Cruise Port to the Government of Malta. At the end of each 12 months period, VCP is required pay to the Government of Malta (a) 15% of all revenue deriving from the letting of any buildings or facilities on the concession site for that 12 month period, and (b) 10% of revenue deriving from passenger and cruise liner operations, subject to the deduction of direct costs and services from the revenue upon which 10% fee is payable.

Catania Cruise Terminal

On 18 October 2011, Catania Cruise Terminal SRL ("CCT") signed a deed with the Catania Port Authority by virtue of which the Port Authority granted a 15-year concession over the passenger terminal area situated on Catania City Center. CCT will perform operation and management of a cruise passenger terminal in the area.

A fixed rent is payable by CCT to the Port Authority in the sum of EURO 140.000 for each year during the concession period.

Cagliari Cruise Terminal

On 14 January 2013, Cagliari Cruise Port S.r.l ("CCP") signed a deed with the Cagliari Port Authority by virtue of which the Port Authority granted a 15-year concession over the passenger terminal area situated within Cagliari Port. CCT will perform operation and management of a cruise passenger terminal in the area.

A fixed rent is payable by CCP to the Port Authority in the sum of EURO 46.027 for each year during the concession period.

Nassau Cruise Port

On 9 October 2019, Nassau Cruise Port Ltd ("NCP") signed a deed with the Government of Bahamas by virtue of which the Government granted a 25-year concession over the passenger terminal area situated within Nassau Cruise Port. NCP will perform operation and management of the cruise passenger terminal in the area.

NCP will invest an amount of USD 250 million in expanding the capacity of the port. Investment amount also includes ancillary contributions made to local community to increase the wealth of people of Bahamas. These payments will be made as grant and partly as interest free loan.

The construction phase is expected to start in 2020 and is anticipated to be completed within 24 months; once construction has been completed total revenues are expected to be in the range of USD 35-40 million per annum.

A variable fee payment based on the number of passengers will be made to the Port Authority starting from the operations commencement date. Starting from the construction commencement date and until the end of the concession, a minimum fixed fee will be payable to the Port Authority amounting to USD 2 million per annum subject to US CPI adjustment.

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.3 Contingent liabilities *(continued)*

Antigua Cruise Port

On 24 October 2019, Antigua Cruise Port Ltd ("ACP") signed a deed with the Government of Antigua&Barbuda by virtue of which the government granted a 25-year concession over the passenger terminal area situated within Antigua Cruise Port. ACP will perform operation and management of a cruise passenger terminal in the area.

Total initial investment in the first 12 months of operation was USD 50 m, including repayment of the existing bond of USD 21 million, completion of new pier construction and dredging work, and investment into the retail facilities. The Company's cash equity contribution is set at 27,5%, with the balance provided through non-recourse project finance.

A variable fee payment based on the number of passengers will be made to the Port Authority with a minimum fee guarantee. From the 21st year of the concession, ACP will pay a share of its annual revenue annually to the Port Authority.

Taranto Cruise Port

On 29 April 2021, Taranto Cruise Terminal SRL ("TCP") signed a contract with the Taranto Port Authority to be granted a concession right for 20 years on the passenger terminal area located in Taranto city center. TCP will operate and manage a cruise passenger terminal in the region. A variable fee based on the number of passengers with a minimum fee guarantee will be paid to the port authority.

Kalundborg

On 4 March 2022, Kalundborg ApS ("Kalundborg") signed a 20-year (with an option to extend for an additional 10 years) concession agreement with the Kalundborg Port Authority in Denmark to manage the cruise operations of Kalundborg Port. Kalundborg will operate and manage the passenger terminal in the region. Under the concession terms, EURO 6 million investment will be made for modular terminal facilities and pay a variable fee based on the tonnage of visiting ships, with a minimum fee guarantee, to the Port Authority.

Tarragona

On 1 April 2022, Tarragona Cruise Port ("TrCP") signed a 12-year (with an option to extend for an additional 6 years) concession agreement with the Tarragona Port Authority in Spain to manage the cruise operations of Tarragona Port. TrCP will operate and manage the passenger terminal in the region. Under the concession terms, TrCP will invest approximately EURO 7 million in a new terminal building.

20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.3 Contingent liabilities *(continued)*

Canary Islands

On 9 August 2022, Global Ports Canary Islands S.L. ("GPCI"), a joint venture in which Global Ports Holding PLC holds an 80% share, signed a concession agreement with the Port Authority of the Canary Islands for the cruise ports of Las Palmas de Gran Canaria, Arrecife (Lanzarote) and Puerto del Rosario (Fuerteventura) in Spain/Canary Islands.

The concession period for Las Palmas, the largest of the three cruise ports, is 40 years, while the concession periods for the other two ports are 20 years each. The Company took over the operations of these three cruise ports in the fourth quarter of 2022. GPCI will invest approximately 40 million euros in new terminal building in Las Palmas, Marmoles pier in Arrecife, and modular terminal facilities in Puerto del Rosario in Fuerteventura.

Crotone

On 4 March 2022, Crotone Cruise Port ("CrCP") signed a 4-year (renewable) concession agreement with the Southern Tyrrhenian and Ionian Port Authority in Italy to manage the cruise operations of the Crotone Port. CrCP will operate and manage the passenger terminal in the region. Under the concession terms, CrCP will invest in systems, equipment, and technology to improve the port's operational performance and enhance environmental protection and security.

Prince Rupert

On 11 November 2022, Prince Rupert Cruise Port (PRCP), British Columbia, signed a 10-year (with an option to extend for an additional 10 years) concession agreement with the Prince Rupert Port Authority to manage the cruise operations of Prince Rupert Cruise Port in Canada. PRCP will manage and operate the passenger terminal in the region and will make variable payments based on the number of passengers, in addition to guaranteeing a minimum fee to the port authority.

Receivables Subject to Fraud

An employee in the Accounting Department of Global Menkul Değerler A.Ş., fraudulently prepared fake money transfer instructions and sent them via fax to the banks and transferred money from Company's accounts to third party accounts without Company's knowledge and approval. The total amount transferred is TL 31.710.677. A criminal complaint was filed by the Group's lawyers in December 2021 and he is arrested by the relevant court. A criminal lawsuit is filed against the former employee in the competent court by the Prosecution Office and his trial is still pending. The accused is released from jail by the court. A separate investigation conducted by the Prosecutor's Office regarding this incident is also pending.

The Group follows the legal process to collect the related amounts.

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20 PROVISIONS, CONTINGENT ASSETS AND LIABILITIES *(continued)*

20.4 Operating leases

Group as lessee

The Group entered into various operating lease agreements. As at 31 December 2023 and 2022, operating lease rentals are payable as follows:

	2023	2022
Less than one year	12.734.093	3.325.038
Between one and five years	11.393.994	8.285.672
More than five years	-	4.820.592
Total	**24.128.087**	**16.431.302**

For the year ended 31 December 2023, payments recognized as rent expense are TL 59.599.035 (2022: TL 22.958.680).

Group as lessor

As at 31 December 2023 and 2022, the future lease receivables under operating leases are as follows:

	2023	2022
Less than one year	243.529.697	130.615.923
Between one and five years	321.789.459	145.414.389
More than five years	5.449.825	-
Total	**570.768.981**	**276.030.312**

The Group's main operating lease agreements as lessor are the rent agreements of Ege Liman, Bodrum Liman, VCP, Barcelona Port, Malaga Cruise Port, ZIPO and Antigua.

During the year ended 31 December 2023, TL 470.038.355 (2022: TL 315.653.182) have been recognized as rent income in the consolidated financial statements.

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21 COMMITMENTS

As at 31 December 2023 and 31 December 2022 guarantees, pledges and mortgages (GPMs) given by the Group are presented below:

31 December 2023

		Original Amount		
	TL Equivalent	**TL**	**USD**	**EUR**
A Total amount of GPMs given in the name of its own legal personality	2.969.729.600	885.000.000	-	64.000.000
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint	13.449.677.758	1.862.970.726	331.688.715	55.946.273
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	-	-	-	-
D Other GPMs given	-	-	-	-
- Total amount of GPMs given in the name of the main shareholder	-	-	-	-
and C	-	-	-	-
- Total amount of GPMs given in the name of third parties except for C	-	-	-	-
Total	**16.419.407.358**	**2.747.970.726**	**331.688.715**	**119.946.273**

31 December 2022

		Original Amount		
	TL Equivalent	**TL**	**USD**	**EUR**
A Total amount of GPMs given in the name of its own legal personality	2.739.821.961	1.463.988.361	-	64.000.000
B Total amount of GPMs given in the name of the consolidated subsidiaries and joint	13.796.541.333	2.967.041.294	351.982.292	213.095.102
C Total amount of GPMs given to be able to conduct ordinary business transactions to secure payables of third parties	-	-	-	-
D Other GPMs given	-	-	-	-
- Total amount of GPMs given in the name of the main shareholder	-	-	-	-
and C	-	-	-	-
- Total amount of GPMs given in the name of third parties except for C	-	-	-	-
Total	**16.536.363.294**	**4.431.029.655**	**351.982.292**	**277.095.102**

As at 31 December 2023 the ratio of other GPMs given to the Group's equity is 0% (31 December 2022: 0%).

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21 COMMITMENTS *(continued)*

The details of the GPMs (contingent liabilities) given by the Group are presented below:

	31 December 2023	31 December 2022
Given to Energy Market Regulatory Authority (1)	5.782.035	3.573.529
Given for tenders	176.956.263	189.793.630
Given to Borsa Istanbul	12.500	20.597
Given to banks	166.129.320	197.338.533
Given to Takasbank	248.100.000	151.632.278
Given to Privatization Administration	27.119.394	2.096.123
Given to supply for natural gas	116.495.806	386.397.076
Given to courts, ministries, Tax Administration	355.717.558	211.538.196
Given to Capital Markets Board	67.776	114.642
Other	332.561.246	246.356.768
Total letters of guarantee	**1.428.941.898**	**1.388.861.372**
Mortgages and pledges on inventory, property plant and equipment and investment property (2)	12.166.581.388	11.301.699.322
Pledges on equity securities (3)	279.725.012	1.844.214.773
Sureties given (4)	2.544.159.060	2.001.587.827
Total contingent liabilities	**16.419.407.358**	**16.536.363.294**

(1) The amounts include the letters of guarantee given by the Group for its subsidiaries operating in energy sector to EMRA.

(2) Mortgages and pledges on inventory, property, plant and equipment and investment property:

As at 31 December 2023, there is a mortgage amounting to TL 720.000.000 and EURO 53.000.000 (TL 1.726.416.700) over one of the buildings of the Group (which is classified as property, plant and equipment) with respect to the loans obtained (31 December 2022: TL 1.186.365.017 and EURO 53.000.000).

As at 31 December 2023, there is mortgage on the land of the Group located in Denizli, as collateral of the Group's bank loans amounting to TL 165.000.000 and EURO 11.000.000 (TL 358.312.900) (31 December 2022: TL 271.875.316 and EURO 11.000.000). Additionally, as at 31 December 2023, there is a mortgage on the land of the Group located in Van, related with the loans utilized by Global Ticari Emlak amounting to USD 50.000.000 (TL 1.471.910.000) (31 December 2022: USD 50.000.000 (TL 934.915.000)).

As at 31 December 2023, there is a mortgage over the property, plant and equipment of the Group's subsidiaries which are operating in energy generation sector amounting to USD 207.850.000 (TL 6.118.729.870) and TL 676.000.000 with respect to the loans utilized by those subsidiaries.

As at 31 December 2022, there is mortgage over the property, plant and equipment of the Group's subsidiaries which are operating in energy generation sector amounting to USD 207.850.000 (TL 3.886.441.655), EURO 90.000.000 (TL 1.794.141.000) and TL 1.113.864.930 with respect to the loans utilized by those subsidiaries.

21 COMMITMENTS *(continued)*

As at 31 December 2023, there is a mortgage over the property, plant and equipment of VCP and Port of Adria amounting to EURO 18.752.084 (TL 610.828.509) and EURO 9.804.887 (TL 319.383.409) respectively due to the loans utilized by those companies.

As at 31 December 2022, there is a mortgage over the property, plant and equipment of Barcelona Port, VCP and Port of Adria amounting to EURO 13.493.042 (TL 268.982.443), EURO 18.752.084 (TL 373.820.919) and EURO 9.804.887 (TL 195.459.442) respectively due to the loans utilized by those companies.

(3) Pledges on equity securities:

As at 31 December 2023, the Group gave equity shares with a nominal value of TL 9.402 as collateral. There are pledges on shares of the subsidiaries which operating in port operations amounting to TL 49.115.610, on shares of the subsidiaries which operating in natural gas, mining, energy generation amounting to TL 185.000.000 and on shares of the subsidiaries which operating in real estate development amounting to TL 45.600.000 with respect to the loans obtained by the Group.

As at 31 December 2022, the Group gave equity shares with a nominal value of TL 15.492 as collateral. There are pledges on shares of the subsidiaries which operating in port operations amounting to TL 1.464.232.931, on shares of the subsidiaries which operating in natural gas, mining, energy generation amounting to TL 304.829.899 and on shares of the subsidiaries which operating in real estate development amounting to TL 75.136.451 with respect to the loans obtained by the Group.

(4) Securities given:

As at 31 December 2023, the Group provided surety amounting to EURO 17.529.468, USD 60.982.261 and TL 186.742.879, a total of amounting to TL 2.544.159.060 (31 December 2022: EURO 5.038.107, USD 81.365.673 and TL 379.753.905, a total of amounting to TL 2.001.587.827) with respect to loans and lease agreements of subsidiaries of the Group.

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22 EMPLOYEE BENEFITS

Payables related to employee benefits

As at 31 December 2023 and 31 December 2022, payables related to employee benefits comprised the following:

	31 December 2023	31 December 2022
Payables to personnel	194.405.723	229.477.270
Social security premiums payable	32.275.972	32.870.345
Other	7.391.742	2.964.006
Total	**234.073.437**	**265.311.621**

Provisions for employee benefits

As at 31 December 2023 and 31 December 2022, current and non-current provisions for employee benefits comprised the following:

Current provisions

	31 December 2023	31 December 2022
Provision for notice pay and vacations	46.153.666	32.985.854
Other	23.237.880	37.073.907
	69.391.546	**70.059.761**

Non-current provisions

Non-current provisions consist of provision for employment termination indemnities. The details of the non-current provisions are as follows:

	31 December 2023	31 December 2022
Provision for employment termination indemnity	60.775.221	70.308.061
	60.775.221	**70.308.061**

The assumptions used to recognize provision for employment termination indemnity are explained below:

Under the Turkish Labor Law, the Group is required to pay employment termination benefits to each employee who has qualified for such benefits as the employment ended. The amount payable consists of one month's salary limited to a maximum of TL 23.490 for each period of service as of 31 December 2023 (31 December 2022: TL 19.983).

Provisions for employment termination indemnity are not subject to any statutory funding.

For the year ended 31 December 2023 and 2022, the movement of the provision for employment termination indemnity as follows:

	2023	2022
Opening balance (1 January)	70.308.061	48.430.866
Interest for the period	6.325.343	5.587.545
Service costs	8.997.276	14.966.589
Payments within the period	(31.680.982)	(2.289.711)
Currency translation differences	1.628.877	(858.220)
Disposals from the scope of consolidation	-	(720.265)
Actuarial gain/losses	9.167.465	8.174.668
Monetary gain/loss	(3.970.819)	(2.983.411)
Closing balance (31 December)	**60.775.221**	**70.308.061**

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23 OTHER ASSETS AND LIABILITIES

a) Other current assets

As at 31 December 2023 and 31 December 2022, other current assets comprised the following:

	31 December 2023	31 December 2022
Deferred value added tax (*)	116.270.212	84.171.660
Job and salary advances given to personnel	30.434.129	65.383.227
Income accruals	149.192.757	36.559.805
Other	3.878.599	4.531.971
Total	**299.775.697**	**190.646.663**

(*) The Group has classified deferred VAT assets as current or non-current assets on basis of future realizable projections.

b) Other non current assets

As at 31 December 2023 and 31 December 2022, other non-current assets comprised the following:

	31 December 2023	31 December 2022
Job and salary advances given to personnel (**)	38.167.781	47.123.885
Total	**38.167.781**	**47.123.885**

(*) The Group has classified deferred VAT assets as current or non-current assets on basis of future realizable projections.

(**) As a state-owned company before being acquired by the Group, Port of Adria had granted housing loans to its employees up to a maturity of 35 years. The housing loans were acquired as part of business combinations and recognized at fair value on acquisition date. Subsequent to the acquisition date the loans have been held, at amortized cost. Whilst there is credit risk associated with the collection of these loans the Group has mortgages over the relevant properties and the value of the properties is expected to cover the outstanding amount in the event of a default.

c) Other current liabilities

As at 31 December 2023 and 31 December 2022, other current liabilities comprised the following:

	31 December 2023	31 December 2022
Expense accruals (*)	269.521.328	322.590.444
Other	6.183.161	34.575.884
Total	**275.704.489**	**357.166.328**

(*) A significant part of the expense accruals consists of the accrual amount accounted for the construction investments of the Nassau Cruise Port.

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24 CAPITAL, RESERVES AND OTHER EQUITY ITEMS

24.1 Share capital / Capital adjustments due to cross ownership/ Treasury shares

Share capital:

As at 31 December 2023 and 31 December 2022 the Company's statutory nominal value of paid-in share capital consists of 65.000.000.000 registered shares with a par value of TL 0,01 each. Number of shares is presented in lots in the consolidated financial statements and the accompanying notes (1 lot = 100 shares).

The issued capital of the Company is TL 650.000.000 and the authorized capital ceiling is TL 9.000.000.000 (31 December 2022: TL 650.000.000). The authorized capital ceiling permit given by the Capital Markets Board is valid for the years 2022-2026 (5 years). The shareholder structure of the Company is as follows:

	31 December 2023		31 December 2022	
	Proportion of share %	Value of share	Proportion of share %	Value of share
Mehmet Kutman (*)	34,71%	225.619.743	33,68%	218.904.742
Erol Göker	0,15%	974.747	0,15%	974.747
Publicly traded other shares	65,14%	423.405.510	66,17%	430.120.511
Total	**100%**	**650.000.000**	**100%**	**650.000.000**
Adjustment related to inflation		4.290.013.122		4.290.013.122
Inflation adjusted capital		**4.940.013.122**		**4.940.013.122**

(*) Disclosed together with the shares of Turkcom Turizm Enerji İnşaat Gıda Yatırımlar A.Ş. which is owned by Mehmet Kutman.

The shares of the Company include privileged shares. The privileges of the (A), (D) and (E) group shares are explained below:

Two of the members of the Board of Directors are chosen among the candidates nominated by the owners of the group (A) shares. One of the members of the Board of Directors is chosen among the candidates nominated by the owners of the group (D) shares and one of them is chosen among the candidates nominated by the owners of the group (E) shares. Each member of the board is chosen by the decision of the majority of the shareholders of the privileged share group that nominated the candidate. All the shareholders have the right to nominate any candidate but, in order to select such candidates for the General Assembly; the nominations should be approved by the group (A) shares before the selection. All the shareholders have the right to nominate for two candidates for the Board. In case that group (D) and group (E) shares donot nominate any candidate, any shareholder can nominate a candidate.

Capital adjustments due to cross ownership / Treasury shares

The Company and some of the subsidiaries of the Group repurchased shares of the Company from the capital markets in prior periods. These repurchased shares are called as treasury shares. The shares can be sold back to the market. Profit or loss that arises as the result of the sale of the shares is accounted for under retained earnings in the consolidated financial statements. The shares are accounted for at cost under treasury shares owned by the Company and capital adjustments due to cross-ownership. Amounts related to these transactions are presented under "Increase/(decrease) due to treasury share transaction" in the consolidated statement of changes in equity. As at 31 December 2023, the Company and the subsidiaries of the Group has no share of Global Yatırım Holding A.Ş (31 December 2022: none).

In accordance with Article 520 of the Turkish Commercial Code no 6102, reserve provision is made for the treasury shares owned by the Group as the amount allocated to meet the acquisition value. As at 31 December 2023, there is no provision for the shares owned by the Group (31 December 2022: none).

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24 CAPITAL, RESERVES AND OTHER EQUITY ITEMS *(continued)*

24.2 Share premium/discounts

Share premium represents the inflow of cash arising from the sales of shares on market value. The premium amount is included in equity and cannot be distributed. It can only be used for the future capital increases.

24.3 Accumulated other comprehensive income/expense not to be reclassified to profit or loss

This item comprises, income/expenses defined as a component of other comprehensive income and reported for the period in which they arise and in no case transferred directly in equity through profit or loss such as following:

a) Gain/Loss on Revaluation and Remeasurement

- *Actuarial loss on employee benefits*

Based on the transitional provisions of the TAS 19 standard, starting from 1 January 2012 actuarial gains and losses in accordance with the announcement on the financial statements and footnote formats stated in the Communiqué Serial: II, 14.1 published in the Official Gazette No. 28676 dated 13 June 2013 followed under these accounts.

b) Other Gain/Loss

Special funds

As of 30 September 2022, since Pera GYO was excluded from scope of the consolidation, there is no special fund in the consolidated financial statements.

24.4 Other comprehensive income/expense to be reclassified to profit or loss

This item comprises, income/expenses defined as a component of other comprehensive income and reported for the period in which they arise and subsequently transferred directly in equity through profit or loss such as following:

a) Currency translation differences

Currency translation differences comprise the foreign exchange differences arising from the translation of the financial statements of subsidiaries and joint ventures from their functional currencies to the presentation currency (TL) recognized in the equity.

b) Gain or loss on hedging

Gain or loss on net investment hedge

The exchange rate differences that forms part of the Group's net investment in its subsidiaries Mavi Bayrak Enerji, Mavi Bayrak Doğu, Doğal Enerji and RA Güneş, operating in the energy generation segment whose functional currency is other than TL, and that arises from the payable of these subsidiaries to Consus Enerji, the shareholder of these subsidiaries, which has different functional currency from mentioned subsidiaries, are considered as a part of the net investment and the effective portion of this gain or loss is recognized in other comprehensive income in the consolidated financial statements. In relation to the mentioned accounting, the cumulative loss of TL 150.299.090, which is the share of the Group in the year ended 31 December 2023, has been accounted for as other comprehensive income or expense, which will be reclassified to profit or loss in equity in the consolidated financial statements (31 December 2022: TL 117.845.852 loss).

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24 CAPITAL, RESERVES AND OTHER EQUITY ITEMS *(continued)*

24.4 Other comprehensive income/expense to be reclassified to profit or loss (continued)

Gain or loss on cash flow hedge

In order to maintain its position against the change in interest rates, the Group entered into an interest rate swap transaction. The effective portion of the cash flow hedge accounting recognized in other comprehensive income is TL 1.017.833 loss (31 December 2022: TL 1.294.988 loss).

Within the cash flow hedge transactions, the amount classified from equity to profit or loss, in other words effective portion of changes in the fair value row for the current period is TL 545.456 (31 December 2022: TL 1.576.129) accounted under finance expense in profit or loss.

24.5 Restricted reserves

As at 31 December 2023, the Group's restricted reserves are total of TL 219.810.012 (31 December 2022: TL 173.021.347).

As disclosed in Note 24.1, in accordance with Article 520 of the Turkish Commercial Code no 6102, reserve provision is made for the treasury shares owned by the Group as the amount allocated to meet the acquisition value. As at 31 December 2023, there is no provision for the shares owned by the Group (31 December 2022: none).

24.6 Retained earnings / accumulated losses and non-controlling interests

The retained earnings/accumulated losses excluding the net income/loss for the period, and the general reserves which have retained earnings/accumulated losses nature are included in retained earnings/accumulated loss account.

The result of these transactions is recognized under equity and is shown as change in ownership interests in subsidiaries without change in control in Consolidated Statement of Changes in Shareholders' Equity.

24.7 Dividend Distribution

Publicly held companies distribute dividends according to "Dividend Distribution Announcement" numbered II-19.1 and issued by CMB at 1 February 2014. Dividends of companies are distributed based on dividend distribution policy and related regulations approved by General Assembly There is not any minimum rate for distribution in the announcement mentioned above. Companies distribute dividends according to their prime contracts or dividend distribution policy. In addition, it is possible to pay dividends in equal or different instalments and distribute dividend advance in cash for profit in financial statements.

In line with the dividend distribution proposal of the Board of Directors for the year ended 31 December 2022,

a) TL 633.893,41, be set aside as legal reserve funds for the accounting period of 1 January 2022 - 31 December 2022,

b) A total (gross) of TL 15.000.000, be distributed as cash dividends, of which TL 12.043.974,72 from the period profit and TL 2.956.025,28 from other distributable reserves

c) Cash dividend payments be made until 31 December 2023

has been decided and gross dividend payment of TL 2,30769 per share was made on 13 November 2023.

24 CAPITAL, RESERVES AND OTHER EQUITY ITEMS *(continued)*

24.8 Transactions with owners of the Company, recognized directly in equity

The IPO of Consus Enerji comprised from issuance of new ordinary shares and sale of existing shares with fixed price and equal distribution sale. Consus Enerji issued 52.500.000 new shares, increasing the total number of shares issued from 333.000.000 to 385.500.000. In addition, GYH sold 63.000.000 shares with nominal value of TL 63.000.000 and the IPO was completed on 15 April 2022 and Consus Enerji started to be traded in BIST with continuous trading method on 20 April 2022. After the IPO, GYH remains the largest shareholder of Consus Enerji with 70% (31 December 2023 and 31 December 2022: 51% and 68%).

Since the Group has not lost its control in Consus Enerji, the transaction is a transaction that does not result in loss of control in the subsidiaries and is therefore recorded in equity rather than income statement. Accounting for this transaction is made in accordance with TAS 27" Consolidated and Separate Financial Statements ", paragraphs 30 and 31. According to these paragraphs; changes in the ownership rate of a parent company in the event of a without loss of control despite the change in the ownership of the subsidiary is accounted as equity transactions. In such cases, the carrying values of the non-minority shares or the controlling power and non-controlling interests are adjusted to reflect the changes in their relative shares in the subsidiary. The difference between the amount in which the non-controlling interests are adjusted and the fair value of the consideration paid or received is directly accounted in equity and owned by the owners of the parent company.

Accounting of the Group's public offer transaction of Consus Enerji has been made in accordance with TAS 27 "Consolidated and Separate Financial Statements" paragraps 30 and 31. According to these paragraps; if a parent does not lose control despite a change in ownership in its subsidiary, the changes are accounted as equity transaction.

The Group has made a sales transaction regarding the shares of its subsidiary, Naturelgaz, whose shares are publicly traded in BIST, for the period ended 31 December 2023. After this transaction, the Group's ownership rate in Naturelgaz capital decreased to 60,00% as of 31 December 2023. This transaction had a positive impact of TL 378.542.554 on the Group's cash flows.

The Group has made a sales transaction regarding the shares of its subsidiary, Consus Enerji, whose shares are publicly traded in BIST, for the period ended 31 December 2023. After this transaction, the Group's ownership rate in Consus Enerji capital decreased to 50,99% as of 31 December 2023. This transaction had a positive impact of TL 469.072.777 on the Group's cash flows.

Accounting of the Group's sales transactions of Naturelgaz and Consus Enerji have been made in accordance with TAS 27 "Consolidated and Separate Financial Statements" paragraphs 30 and 31. According to these paragraphs; if a parent does not lose control despite a change in ownership in its subsidiary, the changes are accounted as equity transaction.

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24 CAPITAL, RESERVES AND OTHER EQUITY ITEMS *(continued)*

24.9 IAS/IFRS Comparative Amounts

Due to the use of different indices in the application of inflation accounting under the Tax Procedure Law and TMS 29, and the adjustment of amounts from previous reporting periods to reflect the purchasing power as of 31 December 31 2023, in the application of TMS 29; there have been differences between the amounts recorded in the balance sheet prepared according to the Tax Procedure Law and the amounts recorded in the financial statements prepared in accordance with TMS/TFRS for the items "Share Capital Adjustment Differences," "Premiums (Discounts) on Shares," "Restricted Reserves Appropriated from Profit," and "Other Reserves." These differences have been reflected in the "Retained Earnings or Losses" line in the TMS/TFRS financial statements, and the details of these differences are presented in detail below.

	31 December 2023		
	Inflation adjustment to share capital	**Restricted reserves appropriated from profits**	**Share Premium (Discounts)**
According to financial reporting in line with TAS/TFRS	4.290.013.122	219.810.012	1.690.194.718
According to tax procedure law	6.901.198.117	338.805.716	2.544.445.484

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25 REVENUE AND COST OF SALES

For the year ended 31 December 2023 and 2022, the Group's gross profit on the basis of operations comprised the following:

Revenue	**1 January- 31 December 2023**	**1 January- 31 December 2022**
Natural gas revenue	4.018.546.028	6.973.730.720
Port operating revenue	5.757.074.123	6.449.804.302
Mining revenue	465.057.178	650.550.339
Real estate rent and service revenue	163.949.048	136.549.489
Energy generation and sales revenue	1.170.133.176	1.099.574.990
Other	67.702.736	9.089.043
Total	**11.642.462.289**	**15.319.298.883**
Cost of sales		
Cost of natural gas sales and services	(3.262.496.510)	(5.203.825.944)
Cost of port operations	(3.034.057.237)	(4.702.831.555)
Cost of mining operations	(313.131.227)	(455.906.036)
Cost of energy generation and sales	(986.343.209)	(868.592.999)
Cost of real estate service	(20.348.531)	(20.962.177)
Other	(32.713.216)	(39.423.709)
Total	**(7.649.089.930)**	**(11.291.542.420)**
Gross Profit from Non-finance Operations	**3.993.372.359**	**4.027.756.463**

Revenues from Finance Operations	**1 January- 31 December 2023**	**1 January- 31 December 2022**
Agency commissions	209.842.484	205.348.500
Interest received from customers	298.653.754	154.986.617
Portfolio management fees	885.498.348	907.896.425
Gain on sale of marketable securities, net	5.442.707	14.135.163
Other revenue	43.386.431	37.755.940
Total	**1.442.823.724**	**1.320.122.645**
Cost of Revenues from Finance operations (-)		
Commission charges	(11.293.554)	(8.808.805)
Interest charges from loans delivered to customers	(44.032.128)	(12.262.460)
Total	**(55.325.682)**	**(21.071.265)**
Gross Profit from Finance Operations	**1.387.498.042**	**1.299.051.380**
GROSS PROFIT	**5.380.870.401**	**5.326.807.843**

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26 GENERAL ADMINISTRATIVE EXPENSES AND MARKETING EXPENSES

26.1 Marketing expenses

For the year ended 31 December 2023 and 2022, marketing expenses comprised the following:

	1 January-31 December 2023	1 January-31 December 2022
Personnel expenses	145.034.155	122.198.035
Depreciation and amortization expenses (Note 16-17-18)	77.050.786	115.479.731
Export expenses of mining operations	94.516.382	132.597.782
Advertising and promotion expenses	45.773.785	21.625.930
Taxes and duties	46.236.232	43.068.388
Commission expenses of derivative exchange market	7.668.786	8.391.868
Representation expenses	54.915.770	28.482.121
Stock market participation share	26.389.964	24.532.046
Commission expenes	15.825.203	28.303.720
Travel expenses	12.696.836	10.665.332
Communication expenses	5.818.637	1.070.953
Insurance expenses	2.154.711	2.453.937
Consultancy expenses	4.137.724	3.256.885
Other	48.212.992	47.666.995
	586.431.963	**589.793.723**

26.2 General administrative expenses

For the year ended 31 December 2023 and 2022, general administrative expenses comprised the following:

	1 January-31 December 2023	1 January-31 December 2022
Personnel expenses	1.346.847.660	1.108.244.784
Consultancy expenses	243.549.520	221.840.841
Travelling expenses	49.677.817	31.575.036
Taxes and duties other than on income	70.963.521	39.487.672
Depreciation and amortization expenses (Note 16-17-18)	201.546.566	214.685.155
IT expenses	71.074.329	49.355.597
Communication expenses	10.712.537	9.682.516
Building management expenses	19.058.363	18.405.119
Vehicle expenses	26.326.904	21.012.876
Representation expenses	18.473.034	10.177.160
Repair and maintenance expenses	12.999.051	9.174.289
Other expenses	127.849.050	110.249.856
	2.199.078.352	**1.843.890.901**

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27 EXPENSES BY NATURE

For the year ended 31 December 2023 and 2022, the breakdown of personnel, depreciation and amortization expenses comprised the following:

Personnel expenses	**1 January-31 December 2023**	**1 January-31 December 2022**
Cost of sales	591.445.015	437.350.361
Marketing expenses	145.034.155	122.198.035
General administrative expenses	1.346.847.660	1.108.244.784
	2.083.326.830	**1.667.793.180**

Depreciation and amortization expenses	**1 January-31 December 2023**	**1 January-31 December 2022**
Cost of sales	1.402.645.698	1.326.851.482
Marketing expenses	77.050.786	115.479.731
General administrative expenses	201.546.566	214.685.155
	1.681.243.050	**1.657.016.368**

Fees for Services Received from Independent Auditor/Independent Audit Firms

Information regarding the fees for the services received from the independent audit firms, in accordance with the letter of POA dated 19 August 2021 that was prepared considering the Board Decision published in the Official Gazette on 30 March 2021, is as follows:

	1 January-31 December 2023 (*)	**1 January-31 December 2022**
Independent audit fee	28.274.368	26.543.263
Tax consulting fee	6.198.087	3.411.790
Other	118.527	3.199.859
Total	**34.590.981**	**33.154.911**

(*) The fees above have been determined through including the independent audit and other related services fees of all subsidiaries and joint ventures, and the foreign currency fees of foreign subsidiaries and affiliates have been converted into TL using the annual average rates of the relevant years.

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28 OTHER OPERATING INCOME / EXPENSES

28.1 Other operating income

For the year ended 31 December 2023 and 2022, other operating income comprised the following:

	1 January- 31 December 2023	1 January- 31 December 2022
Foreign currency exchange gain on trade operations, net	71.502.318	34.004.569
Reversal gain/(loss) of provisions	10.520.416	7.905.971
Gain on sale of subsidiary (*)	-	5.036.385
Other miscalleneous income	93.878.173	76.134.833
Total	**175.900.907**	**123.081.758**

(*) In the latest general assembly of Pera GYO, there is no member of the Board of Directors representing the Group in the newly elected Board of Directors and with the additional sale of shares resulted in lose of control, Pera GYO was excluded from scope of the consolidation and started to be consolidated as current financial investments in the consolidated financial statements as of 30 September 2022. The Group has accounted gain on sale of subsidiary amounting to TL 5.036.385 in consolidated financial statements related to sale of Pera GYO shares.

28.2 Other operating expenses

For the year ended 31 December 2023 and 2022, other operating expenses comprised the following:

	1 January- 31 December 2023	1 January- 31 December 2022
Donations	12.967.721	5.925.725
Project expenses (*)	411.766.629	270.790.298
Provision expenses	6.038.156	5.464.348
Impairment loss (**)	333.956.009	17.978.218
Concession fee expense	6.847.989	7.097.116
Tax amnesty expenses	7.564.060	13.962.766
Other miscalleneous expenses	85.179.144	118.376.882
Total	**864.319.708**	**439.595.353**

(*) The major part of project expenses comprises of uncapitalized project expenses for port investments of the Group.

(**) It consists of the impairment provision amounting to TL 325.315.611 due to the decision to cease the operation of the power plant of Doğal Enerji, a subsidiry of the Group, located in Şanlıurfa with 5,2 MWe installed capacity.

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29 INCOME AND EXPENSE FROM INVESTING ACTIVITIES

29.1 Income from investing activities

For the year ended 31 December 2023 and 2022, income from investing activities comprised the following:

	1 January- 31 December 2023	1 January- 31 December 2022
Investment property valuation gain (Note 15)	447.691.107	1.282.416.726
Gain on sale of financial assets	1.701.350	17.850.188
Gain on sale of fixed assets	41.124.104	33.057.549
Financial assets valuation gain	228.136.931	113.105.654
Total	**718.653.492**	**1.446.430.117**

30 FINANCE INCOME

For the year ended 31 December 2023 and 2022, finance income of the Group comprised the following:

	1 January- 31 December 2023	1 January- 31 December 2022
Foreign currency gain	558.723.038	226.689.627
Interest income	482.890.058	157.085.890
Fair value difference on derivative financial instruments	5.372.487	12.359.503
Other	3.911.882	2.671.527
Total	**1.050.897.465**	**398.806.547**

31 FINANCE COSTS

For the year ended 31 December 2023 and 2022, finance costs of the Group comprised the following:

Recognized in profit or loss	1 January- 31 December 2023	1 January- 31 December 2022
Foreign currency loss	861.763.657	471.254.087
Interest expense on borrowings	1.604.752.150	1.280.838.233
Letter of guarantee commissions	18.628.020	12.567.260
Comission expenses	172.005.607	147.355.259
Interest expense on lease liabilities (TFRS 16)	107.392.842	103.298.286
Other	5.965.089	111.577.429
Total	**2.770.507.365**	**2.126.890.554**

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32 TAX ASSETS AND LIABILITIES

Corporate tax

The Group is subject to corporate tax valid in Turkey. Companies file their tax return until the evening the 25th of the fourth month following the close of the financial year to which they relate and pay in one installment until the end of the relevant month.

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis. The corporate tax ratio which is to be accrued on the corporate income subject to taxation, is calculated on the remaining tax base after the addition of the costs taken into account while determining the corporate income which are non-deductible from the tax base and deduction of the income which is not subject to taxation. The effective tax ratio applied in 2023 is %25 (2022: %23). In Turkey, the provisional tax is calculated on quarterly basis and accrued accordingly. For the accounting term of 2023, %25 provisional tax rate is applied to the corporate earnings (2022: %23). Losses, can be carried at a maximum term of 5 years in order to be deducted from the future taxable profit. However, realized losses can not be deducted from the previous term profits.
Due to the 21st article of the legislation published in the Official Gazette dated 15 July 2023 and numbered 32249 "The introduction of the additional motor vehicle tax and changes in some legislations and also the decree law numbered 375 in order to recover from the Economical Losses resulting from the earthquakes dated 6/2/2023", the first clause of the 32nd article of the Corporate Tax Law numbered 5520 is revised as following: "Corporate tax, is charged %25 on the corporate earnings. The banks, businesses that are in scope of the legislation numbered 6361, electronic payment and money corporations, licensed currency institutions, asset management companies, capital market corporations and insurance and reassurance companies and pension companies corporate earnings are subject to %30 taxation". The 21st article of the law is published and is valid beginning from the publishing date, to be starting from tax statements that are subject to declaration since 1/10/2023, is to be applied on the earnings of the corporations in the term year 2023 and the following years. The corporations which are subject to a special accounting period are subject to the revised law for their periods starting in the term year 2023. The tax ratios used in calculating the deferred tax, taking into every legislation that is valid in every country as of 31 December 2023 are as following:

The corporate tax rate in Spain for the 2023 year is determined at 25% (2022: 25%). Although the Canary Islands are in Spain, the tax rate is 4% because they are an autonomous region. The corporate tax rates in Netherlands, Italy, Malta, Montenegro and Denmark are 25%, 28%, 35%, 11,7% and 22% respectively (2022: 25%, 28%, 35%, 11,7% and 22% respectively).

Losses can be carried forward for offsetting against future taxable income for the next 5 years while it is for up to 18 years in Spain.

Port operations in the Bahamas, Antigua and Barbuda are exempt from corporate tax.

Turkish tax legislation does not permit a parent company and its subsidiaries to file a consolidated tax return. Therefore, provisions for taxes, as reflected in these consolidated financial statements, have been calculated on a separate-entity basis.

Financial loss which is showed in declaration form according to Turkish Tax Regulation in condition not to pass for 5 years can be deducted on corporate income for period. The tax authorities can inspect tax returns and the related accounting records for a retrospective maximum period of five years and tax accounts can be revised.

15% withholding tax rate applies to dividends distributed by resident corporations resident real persons except for, those who are not liable to income and corporation tax, non-resident real persons, non-resident corporations.

32 TAX ASSETS AND LIABILITIES *(continued)*

Corporate tax (continued)

Dividend distribution by resident corporations to resident corporations is not subject to a withholding tax. In addition, if the profit is not distributed or added to the capital, the income tax is not calculated.

Dividend income from participation in shares of capital of another fully fledged taxpayer corporation (except for dividends from investment funds participation certificates and investment partnerships shares) are exempt from corporate tax. Moreover, 75% of the earnings arising from the sale of the associate shares, the founding shares of real estates (immovables), redeemed shares and priority rights, which the institutions have for at least two years in their assets is exempted from corporate tax as of 31 December 2017. However, with the amendment made with Law No. 7061, this rate has been reduced from 75% to 50% in terms of immovables and is used as 50% in tax returns to be prepared as of 2018.

The relevant gain is required to be held in a fund account in liabilities for at least five years to gain the right to use the exemption. The amount of the sale should be collected until the end of the second calendar year following the year of sale.

There is not any application which consists of agreement between companies and tax authority about payables taxes in Turkey. Companies file their tax returns by the end of the fourth month following the closing of the accounting year to which they relate. The tax authorities may check can check Company records for 5 years and if there is a mistake, amount of taxes payables can be changed.

Transfer pricing

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law with the heading of "disguised profit distribution via transfer pricing". The General Communiqué on disguised profit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties, where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

Tax exemption of real estate investment trusts

The real estate investment trusts are exempt from corporate tax in accordance with the Corporate Tax Law numbered 5520, 5th Article and the subparagraph (1) d. According to the 15th Article of this law, even when the earnings of the real estate investment trusts are not distributed, they are subject to the withholding tax of 15 %. However, in the scope of the authorization provided by the law to the Council of Ministers, the withholding tax rate to be applied was determined to be zero with the decision of the Council of Ministers numbered 2003/6577.

Tax exemption on maritime operations:

The Turkish International Ship Registry Law, authorized on 16 December 1999, is designed to accelerate the development of the Turkish maritime sector and increase its contribution to the Turkish economy. The law supports the procurement and operation of ships registered on the Turkish International Ship Registry, and yachts registered to the inventory of tourism companies. Income generated through the vessels covered by the law is not subject to income tax and expenses related to these operations are considered as disallowable expenses.

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32 TAX ASSETS AND LIABILITIES *(continued)*

Income withholding tax:

5th Article of Tax Law, numbered 6009 and dated 23 July 2010, and temporary 69th and 61th Articles of tax law, numbered 193 were changed and declared in Official Gazette on 1 August 2010. Accordingly, to be applied onto the 2010 calendar year income, investment incentives that will be subject to the deducted amount shall not exceed 25% of income for the year of interest, while determining the tax base.

There is a withholding tax liability on dividend distributions and the withholding liability is accrued in the period when the dividend payment is occured. The payments of dividend are subject to the 15% withholding tax until 22 December 2021, except for limited taxpayer companies that generate income through a workplace or their permanent representative in Turkey, and those made to companies residing in Turkey. Additionally, in accordance with the Presidential Decision No. 4936, which was published in the Official Gazette dated 22 December 2021 and numbered 31697, arrangements were made in the provisions of the Income Tax Law No. 193 and the Corporate Tax Law No. 5520 on dividend distribution, the withholding tax rate of 15% has been decreased to 10%.

The withholding tax rates in the Double Taxation Prevention Agreements are also taken into account in the application of the withholding tax rates regarding profit distributions to non-resident companies and real persons. Adding profit to capital cannot be count as distribution of dividend and applied for withholding tax.

According to the Corporate Tax Law, 75% of the capital gains arising from the sale of tangible (50% for real estates) assets and investments in equity shares owned for at least two years are exempted from corporate tax on the condition that such gains are reflected in the equity with the intention to be utilized in a share capital increase within five years from the date of the sale and the sale amount is collected within two years following the year in which the sale is realized.

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32 TAX ASSETS AND LIABILITIES *(continued)*

Current tax income assets

As at 31 December 2023 and 31 December 2022, current tax income assets of the Group comprised the following:

	31 December 2023	31 December 2022
Prepaid taxes and funds	81.871.650	46.343.031
Other	447.797	220.224
Total	**82.319.447**	**46.563.255**

Tax expenses:

For the year ended 31 December 2023 and 2022, tax income/(expense) comprised the following:

	1 January- 31 December 2023	1 January- 31 December 2022
Current tax income / (expense)	(348.996.453)	(415.276.683)
Deferred tax benefit / (expense)	1.499.021.457	(811.817.127)
Total	**1.150.025.004**	**(1.227.093.810)**

As at 31 December 2023 and 2022, current tax liability for the period comprised the following:

	2023	2022
Current tax charge	(348.996.453)	(415.276.683)
Taxes paid during period	228.951.101	293.269.540
Total	**(120.045.352)**	**(122.007.143)**
Changes in prepaid taxes	35.528.619	12.823.746
Income tax payable	**(84.516.733)**	**(109.183.397)**

As of 31 December 2023, the tax payable amounting to TL 166.388.383 (31 December 2022: TL 155.526.428) and the prepaid tax amounting to TL 81.871.650 (31 December 2022: TL 46.343.031) have not been offset since they are subject to different tax legislation.

The tax reconciliation for the year ended 31 December 2023 and 2022 is as follows:

	2023	2022
Profit / (loss) before income tax	1.399.138.875	3.237.658.698
Corporate tax using domestic rate	(349.784.719)	(744.661.500)
Disallowable expenses	(37.787.670)	(51.014.203)
Effect of unrecognized tax profit / (loss)	161.832.667	(213.695.845)
Effect of tax exemption on maritime operations	20.406.475	(25.146.041)
Effect of change in tax rates	(93.338.533)	66.384.092
Effect of non-taxable income	346.122.916	120.502.352
Exemption of profit from subsidiary sale	140.761.572	-
Monetary gain/loss	961.812.296	(379.462.665)
	1.150.025.004	**(1.227.093.810)**

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32 TAX ASSETS AND LIABILITIES *(continued)*

Deferred tax:

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

In Turkey the tax legislation does not permit a parent company, its subsidiaries and associates to file a consolidated tax return. Therefore, deferred tax positions of companies with deferred tax assets and companies with deferred tax liabilities are not netted and are disclosed separately.

As at 31 December 2023 and 31 December 2022, the deferred tax assets and liabilities reflected to the consolidated financial statements are as follows:

	31 December 2023	31 December 2022
Deferred tax assets	1.015.819.646	117.204.007
Deferred tax liabilities	(1.799.533.090)	(3.176.689.344)
Total	**(783.713.444)**	**(3.059.485.337)**

For the year ending 31 December 2023 and 31 December 2022, the movement of deferred tax assets and liabilities is as follows:

	31 December 2023	31 December 2022
Balance at the beginning of the year	(3.059.485.337)	(1.028.264.397)
Deferred tax benefit / expense	1.499.021.457	(811.817.127)
Foreign currency translation differences	(473.806.994)	(1.625.212.879)
Recognized in equity	1.787.656	1.594.061
Monetary gain/loss	1.248.769.774	404.215.005
	(783.713.444)	**(3.059.485.337)**

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32 TAX ASSETS AND LIABILITIES *(continued)*

Deferred tax assets and deferred tax liabilities as at 31 December 2023 and 31 December 2022 are attributable to the items presented in the table below:

	2023		2022	
	Temporary differences	Deferred tax assets / (liabilities)	Temporary differences	Deferred tax assets / (liabilities)
Accumulated tax losses	1.149.076.676	287.269.169	1.426.952.057	313.929.453
Receivables	63.012.824	15.753.206	82.811.948	18.218.629
Valuation differences of marketable securities	50.007.084	12.501.771	(33.613.503)	(7.394.971)
Provisions	5.796.272	1.449.068	12.617.224	2.775.789
Provision for employement termination indemnity	(3.494.320)	(873.580)	(2.983.408)	(656.350)
Valuation of derivative instruments	12.418.808	3.104.702	18.529.936	4.076.586
Property, plant and equipment, intangible assets and concession intangible assets and right of use of assets	(3.266.518.872)	(816.629.718)	(11.558.325.749)	(2.542.831.665)
Loans and prepaid commissions of the loans	85.965.792	21.491.448	66.967.459	14.732.841
Valuation of investment property	(792.968.944)	(198.242.236)	(2.243.516.491)	(493.573.628)
Expense accruals	101.618.292	25.404.573	363.072.018	79.875.844
Other	(539.767.388)	(134.941.847)	(2.039.263.022)	(448.637.865)
		(783.713.444)		**(3.059.485.337)**

As at 31 December 2023 and 31 December 2022, the breakdown of the accumulated tax losses carried forward in terms of their final years of utilization is as follows:

Expiry years of the tax losses carried forward	31 December 2023		31 December 2022	
	Recognized	Unrecognized	Recognized	Unrecognized
2023	-	-	7.412.501	6.647.625
2024	2.671.717	16.879.218	59.058.321	11.763.196
2025	28.190.107	15.493.401	52.435.193	12.284.605
2026	58.162.571	32.362.297	110.020.072	25.079.908
2027	59.334.707	13.149.732	85.003.366	96.886.547
2028	138.910.067	75.770.042	-	-
	287.269.169	**153.654.690**	**313.929.453**	**152.661.881**

Unrecognized deferred tax assets and liabilities

At the reporting date, the Group has statutory tax losses available for offsetting against future profits which are shown above. Such losses carried forward expire until 2028. Deferred tax assets have not been recognized in respect of some portion of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits there from.

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33 EARNINGS/ (LOSS) PER SHARE

For the year ended 31 December 2023 and 2022, basic and diluted earnings per share are calculated by dividing the net profit attributable to owners of the Company by weighted average number of shares outstanding.

	1 January- 31 December 2023	1 January- 31 December 2022
Net profit / (loss) for the period	2.007.817.454	1.141.627.046
Net profit/(loss) from continuing operations for the period	2.007.817.454	1.141.627.046
Weighted average number of shares	650.000.000	650.000.000
Weighted average number of ordinary shares	650.000.000	650.000.000
Weighted average number of shares	650.000.000	650.000.000
Gain / (loss) per share with par value of TL 1 (TL full)	3,0889	1,7563
Gain / (loss) per share of continuing operations with par value of TL 1 (TL full)	3,0889	1,7563

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Financial risk management

The Group has exposure to the various risks from its use of financial instruments. These are credit risk, liquidity risk and market risk.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The responsibility of setting up and following up of risk management processes belongs to management of the Group.

The risk management policies of the Group were set up according to ascertaining and measuring the risk faced, determining adequate risk limits and monitoring the fluctuations. Risk management policies and systems are reviewed to cover the operations of the Group and changes in market conditions.

34.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and financial investments.

Management has a credit risk policy in place to monitor the exposure to credit risk on an ongoing basis. The Group has the ability to receive collaterals for its financial assets. Furthermore, the Group obtains letters of guarantee or similar collaterals from third parties for specific agreements and projects, if necessary.

Regarding the credibility of the counterparty, letters of guarantee or advance payments are received as collaterals of trade receivables from port operations. Credit risk resulting from brokerage activities of the Group are managed by the related companies' risk committees through the regulations on credit sales of securities promulgated by the CMB. Within the context of credit risk policies described in this paragraph, the Group does not have significant credit risk from port operations, natural gas sales and financial operations which constitute major part of the Group's operations.

The Group enters into transactions with accredited parties or the parties that an agreement is signed in financial markets. The transactions in the treasury operations are performed by conditional exchanges through custody cash accounts.

As at 31 December 2023 and 2022, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset, including derivatives, in the consolidated balance sheet.

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.1 Credit risk *(continued)*

Carrying amounts of financial assets present maximum exposure to credit risk. As at 31 December 2023 and 2022 maximum credit risk exposure is as follows:

31 December 2023	Trade receivables (*)	Receivables from related parties	Receivables from finance sector operations (*)	Other receivables (*)	Cash at banks	Current financial investments	Advances given	Total
Maximum credit risk exposure at the reporting date	1.549.490.290	331.787.985	437.073.995	391.934.069	3.778.380.361	357.860.139	539.860.959	**7.386.387.798**
Portion of maximum risk covered by guarantee	85.823.039	-	-	-	-	-	-	**85.823.039**
A. Net book value of financial assets neither past due nor impaired	1.410.780.160	331.787.985	437.073.995	391.934.069	3.778.380.361	357.860.139	539.860.959	**7.247.677.668**
B. Net book value of financial assets past due but not impaired whose terms have been renegotiated	138.710.130	-	-	-	-	-	-	**138.710.130**
Portion of maximum risk covered by guarantee	7.990.794	-	-	-	-	-	-	**7.990.794**
C. Net book value of assets past due and impaired	-	-	-	-	-	-	-	-
-Past due (gross book value)	121.041.616	-	5.001.886	-	-	-	-	**126.043.502**
-Impairment (-)	(121.041.616)	-	(5.001.886)	-	-	-	-	**(126.043.502)**
-Portion of the net book value covered by guarantee	-	-	-	-	-	-	-	-
-Not past due (gross book value)	-	-	-	-	-	-	-	-
-Impairment (-)	-	-	-	-	-	-	-	-
-Portion of the net book value covered by guarantee	77.832.245	-	-	-	-	-	-	**77.832.245**
D. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-	-	-

(*) The amounts from related parties are excluded. The receivables from related parties in the table are collectively presented under the title of "Receivables from related parties".

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.1 Credit risk *(continued)*

31 December 2022	Trade receivables (*)	Receivables from related parties	Receivables from finance sector operations (*)	Other receivables (*)	Cash at banks	Current financial investments	Advances given	Total
Maximum credit risk exposure at the reporting date	2.245.354.983	354.036.261	876.360.438	368.994.545	2.854.299.141	590.679.756	631.590.748	**7.921.315.872**
Portion of maximum risk covered by guarantee	252.834.482	-	-	-	-	-	-	**252.834.482**
A. Net book value of financial assets neither past due nor impaired	1.957.166.003	354.036.261	876.360.438	368.994.545	2.854.299.141	590.679.756	631.590.748	**7.633.126.892**
B. Net book value of financial assets past due but not impaired whose terms have been renegotiated	288.188.980	-	-	-	-	-	-	**288.188.980**
Portion of maximum risk covered by guarantee	15.836.885	-	-	-	-	-	-	**15.836.885**
C. Net book value of assets past due and impaired	-	-	-	-	-	-	-	**-**
-Past due (gross book value)	144.760.030	-	10.398.165	-	-	-	-	**155.158.195**
-Impairment (-)	(144.760.030)	-	(10.398.165)	-	-	-	-	**(155.158.195)**
-Portion of the net book value covered by guarantee	-	-	-	-	-	-	-	**-**
-Not past due (gross book value)	-	-	-	-	-	-	-	**-**
-Impairment (-)	-	-	-	-	-	-	-	**-**
-Portion of the net book value covered by guarantee	236.997.596	-	-	-	-	-	-	**236.997.596**
D. Off-balance sheet items exposed to credit risk	-	-	-	-	-	-	-	**-**

(*) The amounts from related parties are excluded. The receivables from related parties in the table are collectively presented under the title of "Receivables from related parties".

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.1 Credit risk *(continued)*

The maturity analysis of the assets overdue but not impaired is as follows:

	31 December 2023 Trade Receivables	**31 December 2022 Trade Receivables**
1 to 30 days overdue	94.860.244	143.064.330
1 to 3 months overdue	30.301.964	101.709.351
3 to 12 months overdue	10.368.496	40.691.918
1 to 5 years overdue	3.179.428	2.723.381
Total	**138.710.132**	**288.188.980**
Portion of assets secured by guarantee etc.	7.990.794	15.836.885

34.2 Liquidity risk

Liquidity risk arises in the general funding of the Group's activities and in the management of positions. It includes both the risk of being unable to fund assets at appropriate maturities and rates and risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

The Group continuously assesses liquidity risk by identifying and monitoring changes in funding required in meeting business goals and targets set in terms of the overall Group strategy.

The current and future loan needs of the Group are supplied by continuous accessibility of a sufficient number of high-quality creditors for each segment of the Group.

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.2 Liquidity risk *(continued)*

As at 31 December 2023 and 2022 liquidity risk exposure is as follows:

31 December 2023

Contractual Maturities	Carrying Value	Total cash outflows due to contracts	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Non-Derivative Financial Liabilities						
Bank loans and other financial borrowings	6.155.554.526	7.684.059.001	1.763.454.755	2.303.833.429	3.100.146.945	516.623.872
Debt securities issued	18.023.837.608	22.869.313.067	293.198.630	1.073.589.322	1.961.559.614	19.540.965.501
Liabilities due to operations in finance sector	681.338.424	681.338.424	-	681.338.424	-	-
Finance lease obligations	2.404.274.329	4.126.000.591	123.180.794	324.075.183	3.678.744.614	-
Trade payables	1.136.362.529	1.138.152.725	436.563.584	701.589.141	-	-
Other payables	471.525.832	471.525.832	434.333.739	37.192.093	-	-
Derivative Financial Liabilities						
Interest rate swap	12.418.810	17.073.631	-	3.284.352	13.789.279	-

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.2 Liquidity risk *(continued)*

31 December 2022

Contractual Maturities	Carrying Value	Total cash outflows due to contracts	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years
Non-Derivative Financial Liabilities						
Bank loans and other financial borrowings	13.164.677.144	16.988.094.026	2.053.693.073	2.090.121.044	12.653.207.773	191.072.136
Debt securities issued	7.847.698.642	14.381.000.815	547.964.079	548.598.135	1.948.333.953	11.336.104.648
Liabilities due to operations in finance sector	555.972.905	555.972.905	-	555.972.905	-	-
Finance lease obligations	2.283.943.740	3.338.018.817	94.795.030	186.822.386	3.056.401.401	-
Trade payables	1.403.104.820	1.405.868.040	650.123.720	755.744.320	-	-
Other payables	625.105.907	625.105.907	591.840.509	27.503.123	5.762.275	-
Derivative Financial Liabilities						
Interest rate swap	20.382.929	28.132.720	-	5.411.723	22.720.997	-

34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Market risk for all subsidiaries is monitored and managed by the Company's centralized Treasury and Fund Management Department. Treasury and Fund Management Department uses forward transactions and option contracts to minimize possible losses from money market fluctuations.

i) Foreign currency risk

The Group is exposed to currency risk through transactions (such as borrowings) in foreign currencies, especially in USD and EURO. As the currency in which the Group presents its consolidated financial statements is TL, the consolidated financial statements are affected by movements in the exchange rates against TL. For the subsidiaries, whose functional currency is USD, main foreign currency is TL.

Regarding the port operations, the Group has limited exposure to currency risk since port tariff currency, which is the base of functional currency, and material transactions such as revenues and loans are denominated by the same currency.

The Group uses interest swaps and options in order to limit exposure to currency risk mainly arising from financial liabilities.

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.3 Market risk *(continued)*

i) Foreign currency risk (continued)

As at 31 December 2023 and 31 December 2022, foreign currency risk exposures of the Group comprised the following:

	31 December 2023				
	TL Equivalent	**USD**	**EURO**	**GBP**	**TL**
1.Trade Receivables	222.694.285	5.589.789	235.219	-	50.478.958
2.a Monetary Financial Assets	622.712.177	7.982.647	5.028.521	211.170	216.012.314
2.b Non-monetary Financial Assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets (1+2+3)	**845.406.462**	**13.572.436**	**5.263.740**	**211.170**	**266.491.272**
5.Trade receivables	-	-	-	-	-
6.a. Monetary Financial Assets	5.555.542	900	60.910	-	3.544.969
6.b. Non-monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	**5.555.542**	**900**	**60.910**	**-**	**3.544.969**
9. Total Assets (4+8)	**850.962.004**	**13.573.336**	**5.324.650**	**211.170**	**270.036.241**
10. Trade Payables	124.859.984	1.180.847	372.984	-	77.948.430
11. Financial Liabilities	2.730.663.864	44.967.001	43.027.656	-	5.337.731
12.a. Other Monetary Liabilities	386.978.490	530.261	34.550	-	370.243.121
12.b. Other Non-monetary Liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	**3.242.502.338**	**46.678.109**	**43.435.190**	**-**	**453.529.282**
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	727.709.734	20.623.115	2.636.928	-	34.707.316
16.a. Other Monetary Liabilities	17.470.520	-	-	-	17.470.520
16.b. Other Non-monetary Liabilities	-	-	-	-	-
17. Non-current Liabilities (14+15+16)	**745.180.254**	**20.623.115**	**2.636.928**	**-**	**52.177.836**
18. Total Liabilities (13+17)	**3.987.682.592**	**67.301.224**	**46.072.118**	**-**	**505.707.118**
19.Off-balance Sheet Foreign Currency Derivative Instruments Net Position (19a-19b)	**-**	**-**	**-**	**-**	**-**
19a. Foreign currency derivative assets	-	-	-	-	-
19b. Foreign currency derivative liabilities	-	-	-	-	-
20. Net Foreign Currency Asset/Liability Position (9-18+19)	**(3.136.720.588)**	**(53.727.888)**	**(40.747.468)**	**211.170**	**(235.670.877)**
21. Net Foreign Currency Position of monetary items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	**(3.136.720.588)**	**(53.727.888)**	**(40.747.468)**	**211.170**	**(235.670.877)**
22. Fair Value of Derivative Instruments Held for Hedging	**-**	**-**	**-**	**-**	**-**
23. Derivative Assets Held for Hedging	**-**	**-**	**-**	**-**	**-**
24. Derivative Liabilities Held for Hedging	**-**	**-**	**-**	**-**	**-**
Export	**-**	**-**	**-**	**-**	**-**
Import	**-**	**-**	**-**	**-**	**-**

TL foreign currency risk of subsidiaries and joint ventures whose functional currency is other than TL, is shown in TL line in the foreign currency risk table.

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.3 Market risk *(continued)*

i) Foreign currency risk (continued)

31 December 2022					
	TL Equivalent	**USD**	**EURO**	**GBP**	**TL**
1.Trade Receivables	79.096.391	1.776.779	52.703	-	44.823.016
2.a Monetary Financial Assets	508.396.964	7.624.015	6.462.982	131.065	234.054.398
2.b Non-monetary Financial Assets	-	-	-	-	-
3. Other	-	-	-	-	-
4. Current assets (1+2+3)	**587.493.356**	**9.400.794**	**6.515.685**	**131.065**	**278.877.413**
5.Trade receivables	-	-	-	-	-
6.a. Monetary Financial Assets	6.384.576	900	97.527	-	4.423.556
6.b. Non-monetary Financial Assets	-	-	-	-	-
7. Other	-	-	-	-	-
8. Non-current assets (5+6+7)	**6.384.576**	**900**	**97.527**	**-**	**4.423.556**
9. Total Assets (4+8)	**593.877.932**	**9.401.694**	**6.613.212**	**131.065**	**283.300.970**
10. Trade Payables	110.322.083	783.508	776.364	17.000	79.812.761
11. Financial Liabilities	1.280.522.796	38.189.695	27.912.053	-	10.016.437
12.a. Other Monetary Liabilities	18.114.146	110.642	115	-	16.043.036
12.b. Other Non-monetary Liabilities	-	-	-	-	-
13. Current liabilities (10+11+12)	**1.408.959.026**	**39.083.845**	**28.688.532**	**17.000**	**105.872.234**
14. Trade Payables	-	-	-	-	-
15. Financial Liabilities	554.135.854	26.069.148	1.958.648	-	27.641.652
16.a. Other Monetary Liabilities	19.537.685	-	-	-	19.537.685
16.b. Other Non-monetary Liabilities	-	-	-	-	-
17. Non-current Liabilities (14+15+16)	**573.673.540**	**26.069.148**	**1.958.648**	**-**	**47.179.338**
18. Total Liabilities (13+17)	**1.982.632.565**	**65.152.993**	**30.647.180**	**17.000**	**153.051.571**
19.Off-balance Sheet Foreign Currency Derivative Instruments Net Position (19a-19b)	**-**	**-**	**-**	**-**	**-**
19a. Foreign Currency Derivative Assets	-	-	-	-	-
19b. Foreign Currency Derivative Liabilities	-	-	-	-	-
20. Net Foreign Currency Asset/Liability Position (9-18+19)	**(1.388.754.634)**	**(55.751.299)**	**(24.033.968)**	**114.065**	**130.249.398**
21. Net Foreign Currency Position of monetary items (TFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	**(1.388.754.634)**	**(55.751.299)**	**(24.033.968)**	**114.065**	**130.249.398**
22. Fair Value of Derivative Instruments Held for Hedging	**-**	**-**	**-**	**-**	**-**
23. Derivative Assets Held for Hedging	**-**	**-**	**-**	**-**	**-**
24. Derivative Liabilities Held for Hedging	**-**	**-**	**-**	**-**	**-**
Export	**-**	**-**	**-**	**-**	**-**
Import	**-**	**-**	**-**	**-**	**-**

TL foreign currency risk of subsidiaries and joint ventures whose functional currency is other than TL, is shown in TL line in the foreign currency risk table.

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.3 Market risk *(continued)*

i) Foreign currency risk (continued)

Sensitivity Analysis – Foreign currency risk

A 10 percent strengthening or depreciation of the Turkish Lira against the following currencies as at 31 December 2023 and 31 December 2022 would have changed equity or profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

31 December 2023	PROFIT/LOSS		EQUITY (*)	
	Strengthening of foreign currency	Depreciation of foreign currency	Strengthening of foreign currency	Depreciation of foreign curreny
	A 10 percent change in USD against Turkish Lira:			
1-Net USD asset/liability	(158.165.231)	158.165.231	-	-
2- Hedged portion against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	**(158.165.231)**	**158.165.231**	-	-
	A 10 percent change in Euro against Turkish Lira:			
4- Net Euro asset/liability	(132.730.395)	132.730.395	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
6- Net effect of Euro (4+5)	**(132.730.395)**	**132.730.395**	-	-
	A 10 percent change in other currencies against Turkish Lira:			
7- Net other currencies asset/liability	790.656	(790.656)	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
9- Net effect of other currencies (7+8)	**790.656**	**(790.656)**	-	-
TOTAL (3+6+9)	**(290.104.970)**	**290.104.970**	-	-

(*) Profit and loss excluded

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.3 Market risk *(continued)*

i) Foreign currency risk (continued)

Sensitivity Analysis – Foreign currency risk

31 December 2022	PROFIT/LOSS		EQUITY (*)	
	Strengthening of foreign currency	Depreciation of foreign currency	Strengthening of foreign currency	Depreciation of foreign curreny
	A 10 percent change in USD against Turkish Lira:			
1-Net USD asset/liability	(104.245.451)	104.245.451	-	-
2- Hedged portion against USD risk (-)	-	-	-	-
3- Net effect of USD (1+2)	**(104.245.451)**	**104.245.451**	-	-
	A 10 percent change in Euro against Turkish Lira:			
4- Net Euro asset/liability	(47.911.475)	47.911.475	-	-
5- Hedged portion against Euro risk (-)	-	-	-	-
6- Net effect of Euro (4+5)	**(47.911.475)**	**47.911.475**	-	-
	A 10 percent change in other currencies against Turkish Lira:			
7- Net other currencies asset/liability	256.523	(256.523)	-	-
8- Hedged portion against other currencies risk (-)	-	-	-	-
9- Net effect of other currencies (7+8)	**256.523**	**(256.523)**	-	-
TOTAL (3+6+9)	**(151.900.403)**	**151.900.403**	-	-

(*) Profit and loss excluded.

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34 NATURE AND LEVEL OF RISKS ARISING FROM FINANCIAL INSTRUMENTS *(continued)*

34.3 Market risk *(continued)*

ii) Interest rate risk

The Group's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or reprice at different times or in different amounts. This risk is managed through balancing the assets and liabilities exposed to interest rate risk and restricted use of derivative instruments.

Interest Position Table

		31 December 2023	31 December 2022
Financial Instruments with fixed interest		**(19.927.662.884)**	**(9.168.649.406)**
Financial Assets	Financial assets held for trading	355.903.560	588.950.748
	Due from related parties	9.183.299	46.221.598
	Receivables from money markets	202.261.175	378.106.942
	Bank deposits	1.165.973.297	1.290.455.985
Financial Liabilities	Loans and borrowings	(21.629.015.222)	(11.345.816.446)
	Liabilities due to operations in finance sector	24.026	(1.347.411)
	Interest rate swap effect	(31.993.019)	(125.220.822)
Financial Instruments with variable interest		**(2.841.628.965)**	**(9.772.120.438)**
Financial Assets	Loans granted to the key management	-	-
Financial Liabilities	Loans and borrowings	(2.873.621.984)	(9.897.341.260)
	Interest rate swap effect (*)	31.993.019	125.220.822

Sensitivity analysis – interest rate risk

As at 31 December 2023, had the interest rates been higher by 100 base points and all other variables remain constant, profit before tax would have been lower by TL 241.793.921 (31 December 2022: profit before tax lower by TL 210.123.758), the net profit attributable to the owners of the Company would have been lower by TL 181.345.441 (31 December 2021: lower by TL 161.795.294) and total equity attributable to equity holders of the Company would have been lower by TL 105.414.162 (31 December 2021: lower by TL 89.612.152). Had the interest rates been lower by 100 base points, the effect would be the same but in reverse position.

Capital risk management

The Group's objectives when managing capital are to provide the sustainability of the Group's operations in order to bring returns and benefits to the shareholders and to reduce the cost of the capital for maintaining an optimal capital structure.

The Group monitors the capital management by using debt / capital ratio. This ratio is calculated by dividing the net debt to total capital. Net debt is calculated by deducting cash and cash equivalents from total liabilities (the sum of financial liabilities). Total capital is the sum of net debt and equity. The Group's net debt ratio calculated with this method is 69% as of 31 December 2023 (2022: 74%).

The foreign currency risk of subsidiaries and Joint Ventures whose functional currency is not TL is presented under the TL column in the foreign currency position tables above.

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35 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

The estimated fair values of financial instruments have been determined using available market information by the Group, and where it exists, using appropriate valuation methodologies. However, judgment is necessarily required to interpret market data to determine the estimated fair value. While the management of the Group has used available market information in estimating the fair values, the market information may not be fully reflective of the value that could be realized in the current circumstances.

Fair values of cash and cash equivalents and other monetary assets are assumed to approximate their carrying amounts. The carrying amounts of trade and other receivables less the related provisions for impairment are assumed to approximate their fair values. Since the majority of the long-term loans have floating rate or has borrowed close to the balance sheet date, the carrying amounts of floating rate foreign currency liabilities, which are translated to Turkish Lira using the period-end rates, are assumed to reflect their fair values except the Eurobond issued in USD.

Carrying amounts and fair values of financial assets and liabilities are listed below:

		31 December 2023		31 December 2022	
Financial Assets	**Notes**	**Carrying Value**	**Fair value**	**Carrying Value**	**Fair value**
Cash and Cash Equivalents	7	4.395.985.928	4.395.985.928	3.046.214.272	3.046.214.272
Financial Investments	8	727.058.098	727.058.098	653.455.655	653.455.655
Trade Receivables	10	1.549.490.290	1.549.490.290	2.245.354.983	2.245.354.983
Receivables from Operations in Finance Sector	12, 6	446.257.294	446.257.294	922.582.036	922.582.036
Other Receivables	11, 6	714.538.755	714.538.755	676.809.209	676.809.209
Other Current and Non-current assets	23	337.943.478	337.943.478	237.770.548	237.770.548
Total		**8.171.273.843**	**8.171.273.843**	**7.782.186.703**	**7.782.186.703**
Financial Liabilities					
Borrowings	9	28.059.226.866	27.877.622.610	24.861.721.307	24.671.656.055
Trade Payables	10	1.136.362.529	1.136.362.529	1.403.104.820	1.403.104.820
Liabilities due to Operations in Finance Sector	12, 6	681.338.424	681.338.424	555.972.905	555.972.905
Other Payables	11, 6	471.525.832	471.525.832	625.105.907	625.105.907
Other Liabilities	23	271.622.657	271.622.657	350.236.823	350.236.822
Total		**30.620.076.308**	**30.438.472.052**	**27.796.141.762**	**27.606.076.509**

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35 FAIR VALUE OF FINANCIAL INSTRUMENTS *(continued)*

The table below analyses the valuation method of the financial instruments carried at fair value. The different levels have been defined as follows:

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

Level 2: Input other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices);

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets mandatorily at fair value through profit or loss	697.253.172	-	-	697.253.172
Financial assets at fair value through other comprehensive income-equity instruments	-	-	27.848.347	27.848.347
Derivative financial liabilities	-	12.418.810	-	12.418.810
	697.253.172	**12.418.810**	**27.848.347**	**737.520.329**

31 December 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets mandatorily at fair value through profit or loss	623.671.402	-	-	623.671.402
Financial assets at fair value through other comprehensive income-equity instruments	-	-	28.055.244	28.055.244
Derivative financial liabilities	-	16.538.970	-	16.538.970
	623.671.402	**16.538.970**	**28.055.244**	**668.265.616**

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36 GOVERNMENT GRANTS

As explained in detail in Note 32, the Group benefits from investment allowance and miscellaneous tax exemptions.

37 EVENTS AFTER THE REPORTING PERIOD

i) It was announced to the public on 17 August 2022 that the GPH subsidiary of the Group signed a 30-year concession agreement with the Puerto Rico Port Authority regarding the San Juan Cruise Port in Puerto Rico. GPH's project financing for the first phase of the investment for the San Juan Cruise Port was completed by GPH's wholly owned subsidiary San Juan Cruise Port LLC ("SJCP") in February 2024, and the cruise operations have been taken over. The related long-term project financing was provided by two bond issues by the San Juan Cruise Port amounting to total of USD 187 million. The related bonds received a BBB- investment grade credit rating from S&P. This agreement is an important step towards GPH's strategic targets in the Caribbean. San Juan Cruise Port welcomed 1,8 million passengers in 2019 (2,2 million total passenger movements when including 0,4 million home port passengers) and is the third largest port in GPH's global port network.

ii) GPH, subsidiary of the Group, signed a concession agreement with The Mersey Docks And Harbor Company Ltd, a subsidiary of Peel Ports Group, for the cruise operations of Liverpool Cruise Port for 50 years. GPH is expected to take over port operations in the second quarter of 2024.

iii) GPH, subsidiary of the Group, had previously issued warrants in favor of Sixth Street Capital Partners LLC ("Sixth Street") as collateral for a loan provided by Sixth Street to GPH. In this context, GPH granted initial warrants to Sixth Street as part of the financing package announced on 24 May 2021 and additional warrants under the amendment made on 14 July 2023, which were approved at GPH's general assemblies in 2021 and 2023. GPH repaid its loan to Sixth Street in September 2023, which was announced in Group's announcement dated 29 September 2023. All of the 8.395.118 warrants with a nominal value of £0.01 (1 penny) per share, still owned by Sixth Street, have been exercised by Sixth Street. The new shares resulting from the conversion of these warrants started trading on the LSE on 28 March 2024.

After these transactions, GPH's issued capital has consisted of 76.433.126 shares, each with a nominal value of £0,01 (1 penny), and the number of shares owned by the Group has remained unchanged at 45.068.066.

iv) The consortium in which GPH, a subsidiary of the Group, has a 51% stake, local partner Steya has a 40% stake, and other shareholder Ocean Infrastructures Management has a 9% stake, has been selected by Agence Nationale des Ports ("ANP") as the best bid for a 15-year concession agreement to operate the cruise terminal at Casablanca Cruise Port. In the next phase, the mentioned consortium and ANP will engage in negotiations and work to reach an agreement on the terms of the Concession Agreement.

v) It has been decided to definitively and permanently cease the operations of the electricity generation facility ("Facility") located in Şanlıurfa, owned by the Group's subsidiary, Doğal Enerji. The decision was made due to the facility's low capacity utilization performance and inefficient electricity production, which could only be achieved with high levels of biomass fuel consumption. Despite efforts and investments started in 2022 to address these issues and completed in 2023, there has not been a sufficient improvement in production quantity and efficiency. The Facility has incurred losses and cash deficits due to negative Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA"). It has been considered that there are no economic measures available to continue the Facility's operations without generating negative EBITDA and cash deficits.

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