Global Yatırım Holding Anonim Şirketi
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)

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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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.

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.

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

GLOBAL YATIRIM HOLDİNG A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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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.

Global Yatırım Holding A.Ş. and its Subsidiaries

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.

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.

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

(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.

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.

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.

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.

(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.

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.

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.

(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.

(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) <u>Amendments that are mandatorily effective from 2023</u>

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.

(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)

(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.

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.

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.

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.

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

<u>*Financial instruments and contract assets*</u>

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.

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.

(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)

(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.

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.

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 no longer 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.

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.

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

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

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

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.

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

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.

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

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.

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

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**

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

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.

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

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 %

(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

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.

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

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.

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

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.

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

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**

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

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**

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

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.

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

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.

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

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**

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

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.

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

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.

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

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.

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

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

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

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).

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

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).

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

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.

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

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**

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

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.

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

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**

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

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**

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

18 INTANGIBLE ASSETS AND GOODWILL *(continued)*

The details of port operation rights as at 31 December 2023 and 31 December 2022 are as follows:

TL	31 December 2023 Net book value	31 December 2023 Remaining amortization period	31 December 2022 Net book value	31 December 2022 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.

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

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**

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

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)

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

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.

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.

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.

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.

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.

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.

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.

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

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.

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

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%).

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

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.

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

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**

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

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.

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

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).

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).

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.

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

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

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

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**

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

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**

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

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.

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

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.

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

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**

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.

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.

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

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)**

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

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)**

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

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.

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

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

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.

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

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".

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

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".

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

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.

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

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	-

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

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.

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

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.

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

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.

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

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

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

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.

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

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.

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

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**

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

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**

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.