



ENERGY FROM NATURE TO PEOPLE



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Our expertise is working to attain a sustainable future

The year 2022, which encompasses the scope of this annual report that we are presenting under the “energy from nature to people” theme, stood out as a period of intense conflict in all areas of the global arena. The political and geopolitical developments and the resulting economic imbalances affected all sectors globally.

Despite the prevailing uncertainties and turmoil in 2022, we, as Consus Enerji, continued to undertake activities and investments around the country, as well as our growth-oriented operations.

While continuing to invest in the renewable energy industry, we delivered savings to consumers through our distributed power facilities as Türkiye's largest energy service company as measured by installed capacity. We focused on expanding our portfolio by exploring potential opportunities that can generate value in our areas of business.

The public offering that we conducted during the year strengthened our organization, increased our capacity to make investments, and allowed us to raise our targets in the process. We will continue to leverage our energy expertise for seizing new opportunities, and for creating value for our stakeholders and for our planet.

Expertise in transforming renewable sources into the future

We carry out our investments in accordance with our business model and a vision built on sustainability. We generate clean energy from our power plant investments by utilizing the infinite power of the sun with high efficiency. We collect agricultural wastes such as cotton and corn stalks, which served no economic use prior to this point, and convert them into energy. We protect our land and add value to the labor of our farmers, whom we see as stakeholders, and to agriculture. We provide businesses with access to affordable energy through our distributed power plants without them incurring investment costs.



94 MW
Installed Capacity

New routes in the growth journey

We aim to grow our power generation portfolio profitably by investing in the right projects in our country and in various other regions. While shaping our future, we are growing together with our stakeholders by way of sustainability-oriented initiatives that show respect to our planet and to all living things, are free from negative environmental impacts, and are integrated with the circular economy.

Accordingly, we continuously strengthen our corporate organization with the efforts of our teammates, who are among our most valuable stakeholders, and we make swift strides towards new achievements.



560
TRY Million
Total Revenue

For a sustainable future

We are aware of the value of nature and its importance for our future. To ensure the sustainability of the environment, energy production, and our company, we carry out exemplary practices with the aim of being a pioneer in our industry. In addition to expanding clean and renewable sources and prioritizing energy efficiency in the entire value chain to achieve a sustainable future, we conduct our activities to our maximum capability to support our country in achieving energy independence.



80,000
Metric Tons of CO₂
Annual Emission Reduction

Expertise in moving forward with the right steps and strategies

We strengthened our investing capability thanks to the public offering we carried out. Thanks to the addition of new stakeholders to our family, we are moving forward with confidence on our steady growth journey as we accomplish our goal of achieving a better future with the confidence of new investors. Consequently, we aim to unearth potential opportunities with a stronger balance sheet and our expert human resources, to grow and diversify our portfolio, and to create high value.



1.8

TRY Billion

Total Market Capitalization of
Public Offering (IPO)

Consus Enerji in 2022

Consus Enerji **received awards in two different categories at the 9th ICCI Energy Awards in 2022** for the projects it developed.



271

Number of Employees



TRY 1.8 Billion

Public Offering Total Market Capitalization



30%

Public Offering Share

We continue to grow with new projects

While efforts to expand the generation portfolio are in full swing, project development activities for distributed solar power plants have continued with potential customers from various industries, reaching a total capacity of more than 200 MW. In 2022, an Energy Performance Contract was signed with an established industrial company for the construction and operation of a solar power plant for the self-consumption of the industrial facility owned by this company. A contract was also signed for a capacity increase in the existing cogeneration power plant of another industrial customer and the construction of an additional power plant. Additionally, overseas project development activities are ongoing with the goal of expanding the generation portfolio abroad and diversifying the overall portfolio.

Additional SPP investment in biomass power plants

Consus Enerji's license amendment applications for solar power plants to be built as a secondary source to augment its biomass power plants in Aydın and Mardin have been approved by the EMRA (Energy Market Regulatory Authority). Following the amendments to the existing licenses, the construction and installation of solar power plants (SPPs) as additions to these biomass power plants have commenced. Plans are in place to make these investments operational in the first half of 2023. Within the scope of the regulatory changes made by the EMRA in 2022 regarding auxiliary sources and installed power capacities, the application processes for the addition of solar capacity to biomass power plants have also been initiated.

Double awards for Consus Enerji

Consus Enerji received awards in two different categories at the 9th ICCI Energy Awards in 2022 for the projects it developed. Ra Güneş's power plant in Mardin, a subsidiary of the Company, received an award in the Renewable Energy Power Plants category, while Tres Enerji, another subsidiary of Consus Enerji, received the Special Award for Cogeneration Technology under 10 megawatts.

Public Offering

The prospectus for the public offering of 105 million shares with a total nominal value of TRY 105 million, including the shares representing the capital with a nominal value of TRY 52.5 million issued due to the increase in the issued capital of Consus Enerji from TRY 333 million to TRY 385.5 million and the shares corresponding to the capital with a nominal value of TRY 52.5 million belonging to its main shareholder Global Yatırım Holding A.Ş. (Global Investment Holdings), was approved by the Capital Markets Board on April 7, 2022.

Consus Enerji shares were offered for sale on the stock exchange on April 14-15, 2022 at a fixed price of TRY 4.5 for a share with a nominal value of TRY 1 by way of equal distribution method. Due to the fact that the final demand collected exceeded the amount of shares offered for sale, an additional 10.5 million shares belonging to Global Investment Holdings, the main shareholder of Consus Enerji, were offered for sale in accordance with the prospectus. As a result of the public offering, 115.5 million shares with a nominal value of TRY 115.5 million, consisting of shares offered for sale through capital increase, shareholder sale and the additional sale, were sold. Consus Enerji received bids from 173,974 individuals in the book-building process, and the public offering size of Consus Enerji amounted to TRY 519,750,000.

The Consus Enerji stock began trading under the CONSE ticker on Borsa Istanbul Stars Market on April 20, 2022 following the Gong Ceremony.

In the public offering, 81.91 percent of the shares were allocated to domestic individual investors, 17.93 percent to domestic institutional investors, and 0.15 percent to foreign individual investors.

The total market capitalization of the Company, which reached a free float ratio of 30 percent after the public offering, stood at approximately TRY 1.8 billion subsequent to the public offering. Global Investment Holdings' share in the Company was 70 percent as of the date Consus Enerji shares started trading on Borsa Istanbul, after a total of 63 million shares were sold to the public.

Consus Enerji took an important step towards institutionalization with a successful IPO, as its **shares began trading on Borsa Istanbul under the "CONSE" ticker on April 20, 2022.**

Chair's Message

We undertake innovative energy investments all around Türkiye for a sustainable future, our area of expertise, **and take steps towards growth with our young but experienced organization.**



51%
Revenue Increase



26%
EBITDA Increase



April 20, 2022
Date of Public Offering



Esteemed Stakeholders,

While we were preparing our 2022 Annual Report, our country experienced the greatest earthquake disaster in its history on February 6, 2023.

From the first moment of this disaster, which caused great sorrow to all of us and took the lives of tens of thousands of our citizens, we mobilized all the means of the Consus Enerji Family for rescue and relief efforts. We once again wish God's mercy on those who lost their lives and extend our condolences to their loved ones. We continue to do everything in our power to heal the wounds of our injured and the earthquake victims. We will continue our efforts to provide support in the future to help the region recover.

We sincerely believe that we will overcome this challenging period by working together as a country.

I hope there are brighter days ahead.

The year 2022 was a historic year in every aspect all around the world. The recovery and growth trend that started in many areas, especially in the global economy after the pandemic, was interrupted in 2022 due to economic, political, and geopolitical developments.

Undoubtedly, the most detrimental impact to the world was caused by the Russia-Ukraine War. While the thought of a hot war in Europe was unthinkable just three or four years ago, we experienced a devastating humanitarian disaster due to the war in 2022.

As the Russia-Ukraine War has turned into a kind of proxy war between major political poles, the resulting high energy prices and, worse still, the energy supply instability and unpredictability have increased costs in many industries and caused inflation.

IMF statistics revealed that the world economy, which grew by 6 percent in 2021, slowed to 3.2 percent in 2022. Excluding the global financial crisis, this was the weakest growth rate since 2001, bringing with it the risk of an impending global recession. The same report stated that global inflation would rise from 4.7 percent in 2021 to 8.8 percent in 2022.

Türkiye, which pursues a growth- and export-oriented policy, has been one of the countries most affected by the negative effects of global inflation, despite being among the fastest growing countries in the world with a 5.6-percent growth rate.

Energy independence is the most important future

Energy prices continued to be one of the determining factors in the global economy and had an increasing impact in 2022.

The energy price increases, which began following disruptions and interruptions to supply chains after the COVID-19 pandemic, continued as a consequence of the Russia-Ukraine War on energy prices, particularly in the natural gas and oil industries.

Rising energy prices, which occupied the global agenda along with the accusations that Russia was weaponizing the supply of natural gas and oil against many countries in Europe, became one of the most important factors fueling global inflation, which in 2022 reached its highest levels in the last 40 years.

Rising natural gas, oil, coal and electricity prices, particularly in the spring, coupled with concerns over access to energy led countries to face one of the largest energy crises in history.

Many countries in the European Union, notably France and Germany, had to take extraordinary steps to conserve energy, from reducing street and signage lighting at night to heating public buildings at lower temperatures.

The situation looks slightly different for Türkiye, which, due to its strong strategic actions, has avoided the effects of the sanctions imposed on Russia. The most critical issue for Türkiye in the short term is to overcome the doubling of energy costs compared to the previous year while minimizing damage to the national and household economy.

An important threshold was crossed for Türkiye

Türkiye increased its installed power generation capacity by approximately 4 percent compared to the previous year, exceeding 104,000 MW, and succeeded in joining the ranks of countries that crossed the 100,000 MW threshold in 2022. The fact that the share of renewable energy sources in total installed capacity has reached 54 percent shows how prudent and successful the ongoing investments made by our country have been in this field, which has become increasingly important globally.

Renewable energy sources are of great importance for our future energy supply in a world with limited natural sources. The use of these resources can provide economic and social benefits as well as positive impacts on the environment. The transition to renewable energy is an important step towards a more sustainable and prosperous world, ensuring the energy supply security and energy independence of countries in the long term.

As one of the world's 20 largest economies, we enthusiastically support the steps Türkiye has taken in this field and, as the Consus Enerji Family, we are proud to create value for our country on this journey.

We undertake innovative energy investments all around Türkiye for a sustainable future, our area of expertise, and take steps towards growth with our young but experienced organization. Furthermore, we also aim to contribute to the development of our industry through our efforts to introduce many innovations and different perspectives.

A new era has begun under the "CONSE" ticker

The year 2022 was a very important year in our corporate history. Our public offering, which we planned with great excitement and effort, was completed in the first half of the year. Taking an important step towards institutionalization, Consus Enerji's shares started trading on Borsa İstanbul under the "CONSE" ticker as of April 20, 2022.

Thanks to the positive reaction and support we received from investors, we enhanced our capability to make investments after the public offering. We aim to leverage this strength for growing our power-generation portfolio profitably by investing in the right projects in our country and in various other regions.

Our main focus in the coming periods will be to create value with a solid financial stance by ensuring sustainable growth. By focusing on these goals, we will further grow our installed capacity and enhance our financial performance.

While shaping our future, we are making plans to move towards new achievements by continuously strengthening our corporate organization with our young, dynamic and, most importantly, expert human capital.

Our first priority is to carry out our operations in a transparent, accountable, fair, and responsible manner. To this end, the Corporate Governance Committee, the Audit Committee, and the Early Detection of Risk Committee were established during the year and began executing their duties. In the last quarter of 2022, we launched the Sustainability Committee, with the participation of our Company's Senior Management and employees from different teams to further our efforts in this field.

The world is undergoing a period of rapid change; it is not sufficient to keep up with change to be successful in this process. You must be the organization that manages change and shapes the future. As the Consus Enerji Family, we realize our goals one by one while setting new goals that expand our vision and horizon in the second century of the Republic of Türkiye, established by our founding father Gazi Mustafa Kemal Atatürk, with your valuable contributions.

I would like to thank all of our stakeholders for supporting us in this process.

Respectfully,

Ayşegül Bensele
Chair of the Board of Directors

CEO's Statement

As Consus Enerji, we plan to commission our first distributed solar power plant, for which we broke ground in 2022, in the first half of 2023, bringing the number of distributed power facilities we operate to nine.



TRY 560 Million
Revenues



TRY 166 Million
EBITDA



TRY 47 Million
Net Profit



Esteemed Stakeholders,

Consus Enerji, which has set creating value through innovative business models and investments as its main goal, reinforced its strength with the public offering during the year. As Consus Enerji, we finished 2022 successfully despite the uncertainties in the local and global economy, and in the face of one of the biggest energy crises in history.

First and foremost, I would like to congratulate my colleagues, who contributed to this success, for their hard work and dedication.

In the past year, record increases first in the price of natural gas, then oil and coal, and finally electricity, combined with concerns about access to energy, led to what can be deemed one of the worst energy crises in global history. In all honesty, the foggy weather still persists. The global uncertainty and energy security concerns created by the Russia-Ukraine War have led to an increase in the price and cost of almost every product in many industries, as well as in energy prices, and consequently resulted in high inflation. It would not be an overstatement to say that the level the turbulence and price spikes reached far exceeded any predictions.

Amid this backdrop, as Consus Enerji, we tried to manage this uncertain environment in the best possible way. In a period when it was very difficult to make predictions, we managed to adapt to change successfully via quick and prudent decision-making as a team. As a result, we increased our revenues by 51 percent year-on-year to TRY 560 million in 2022. We grew our EBITDA by 26 percent to TRY 166 million, and our net profit by 42 percent to TRY 47 million.

As you may also closely follow, energy dependency has been one of the most important topics not only in our country and in the global corporate sector, but also on the domestic and foreign political agenda of countries. For countries and companies aiming to reduce their energy dependency, the importance of power generation from renewable sources is expected to increase and remain at the top of the agenda in the coming period.

Similarly, we observe that energy production is no longer in the monopoly of industry players; corporate and individual consumers are also taking steps to generate their own energy and investments in this field are accelerating. From now on, we expect energy production by power plants that are in proximity to the consumer in terms of scale and location to gain prominence, rather than generation by large-scale plants located far away from the consumers. Naturally, supply security, efficiency, conservation, and environmental awareness will continue to be the focus of all consumers.

As Consus Enerji, we are closely following these developments in the world and in our country in 2022 while accelerating projects

that will bolster the efficiency of our current operations and portfolio. One of our most important steps in this context was to start the construction of solar power plants to be added to our biomass power plants. We plan to commission this solar capacity in the first half of 2023. The initiatives and investments that we initiated to further increase the capacity utilization and efficiency of our biomass power plants, which currently operate with the highest capacity utilization rates in the industry, have also yielded positive results at our Mardin plant throughout the year. The initiatives at our other two plants have been largely completed, and we expect all of these developments to positively contribute to our results in 2023. As part of our activities in biomass, we will continue to support the agricultural sector and protect our land while generating energy from domestic and renewable sources.

Power generation is approaching the consumer scale. As such, the consumer has become the main focus in the energy industry. As part of our operations in the distributed power segment, we are rapidly preparing new investment plans as part of our energy service model, which enables consumers to save money and neutralize their carbon footprints while generating their own energy from power plants established for their own consumption without incurring any investment costs. As the energy service company with the largest installed capacity in the distributed power segment in Türkiye, we aim to undertake self-consumption-based solar power plant investments in line with the demands of the industry and consumers as part of our business model, in addition to the cogeneration and trigeneration power plants that we currently operate. Thanks to the regulations that support and pave the way for investments in this segment, we anticipate significant growth in this area in the coming period, and we expect this growth to accelerate the progress of the entire industry, from investors and equipment suppliers to technology developers and service providers. As Consus Enerji, we plan to commission our first distributed solar power plant, for which we broke ground in 2022, in the first half of 2023, bringing the number of distributed power facilities we operate to nine. In 2023, distributed power will remain one of the main drivers of new project development and portfolio growth for us.

Our achievements were crowned with awards in two different categories at the ninth ICCL Energy Awards organized in 2022. Ra Güneş's power plant in Mardin, one of our subsidiaries, received an award in the Renewable Energy Power Plants category, while Tres Energy received the Special Award for Cogeneration Technology under 10 megawatts.

Technology continues to advance at full speed in the present day. In the near future, storage, green hydrogen, and various other power-generation and supply methods will be integrated into the grid and offered to

consumers. These methods will undoubtedly support the security of supply while lowering energy costs and aiming for a sustainable environment. As Consus Enerji, we closely follow new technologies, and we are intrigued by the prospect of assessing innovative investment opportunities and business models, as well as creating value for both consumers and stakeholders by implementing these opportunities. We took our first step within this scope with our pre-license application for the power generation facility with storage, which became possible thanks to new regulations in the legislation. Under this application, we will continue to develop projects geared toward new technologies and new business models in the energy sector while upholding the permitting processes for a total of 100-megawatt-hour electricity storage facilities integrated with a total of 100-megawatt installed capacity solar power plants at two different locations in our country under this application.

We do not restrict our investment prospects to the domestic market; we also closely monitor investment opportunities on a global scale. In an effort to geographically diversify our portfolio, we continued to evaluate opportunities in various regions abroad in 2022. Within the scope of this effort, a very pleasing development occurred in the Caribbean. In Antigua, we signed a memorandum of understanding (MoU) for the construction of a 5-MW power plant and its operation for 30 years under a power purchase and feed-in tariff guarantee. We aim to sign the final contract in 2023. We also continue our project development activities for solar power plants in various countries in the Caribbean, as well as in different parts of Europe, and we aim to take more concrete steps in this context starting in 2023.

Following the public offering, we continue our efforts to attain our sustainable growth objective with the awareness of our responsibility towards our investors, who have confidence in our business, support us and, most importantly, share our dreams and goals.

Esteemed Stakeholders,

In addition to creating value in Türkiye's energy industry, Consus Enerji has escalated sustainability initiatives and the fight against climate change, which is vital for the future of our planet, to primary goals in all of its business lines. I would like to emphasize our commitment to being an ethical, transparent, and accountable organization in all of our environmental and social impact areas, from our investments and business models, to our community and employee rights.

On behalf of my colleagues, I would like to thank all of our stakeholders who stand by us.

Respectfully,

Atay Arpacioğulları
Board Member and CEO

Consus Enerji, which looks to the future with the vision of becoming a company that creates added value in its fields of activity and produces projects based on innovative, dynamic, sustainable and clean energy sources, **makes the right energy investments all across Türkiye.**



94.1 MW
Installed Capacity



TRY 560 Million
2022 Total Sales Revenues

Consus Enerji in Brief



Consus Enerji, a subsidiary of Global Investment Holdings, leads its sector as Türkiye's largest energy service company with the largest installed capacity, implementing distributed power plants (cogeneration, trigeneration and solar) with a build-operate business model, in addition to its biomass and solar power plant investments in renewable energy.

Consus Enerji, which looks to the future with the vision of becoming an innovative, dynamic and respectable company that creates added value in its fields of activity, makes the right energy investments all across Türkiye.

The Company realizes next-generation energy investments; invests in renewable sources, which are the future of energy; and implements the energy solutions needed by industrial organizations on site.

Biomass

Consus Enerji is pioneering investments in power generation from biomass with power plants in different regions of Türkiye. With a total installed capacity of 29.2 MW, Consus Enerji's three plants are covered by the Renewable Energy Sources Support Mechanism (YEKDEM).

With its biomass investments, Consus Enerji aims to support stakeholders in the agricultural sector, improve regional employment and make a multifaceted contribution to the national economy by reducing dependence on imported energy. The Company leads the biomass sector by consolidating biomass collection activities and power plant operations under one roof. Consus Enerji also continues to invest in solar energy as a secondary source to increase the efficiency and production performance of biomass power plants.

Licensed Solar Energy

In 2019, Consus Enerji commissioned its first solar power plant with an installed capacity of 10.8 MWp in Mardin, generating electricity within the scope of YEKDEM with its licensed facility.

Distributed Power

With the cogeneration, trigeneration and solar power plant investments it made to bolster its distributed power and energy efficiency, Consus Enerji has become the largest energy service company in Türkiye. It has a total installed capacity of 54.1 MW at eight different locations and makes its distributed power investments with energy performance contracts within the build-operate business model. Thanks to its strong financial structure and experienced workforce, the Company builds facilities that meet the needs of end users in the most accurate way by undertaking all investment costs and manages the energy infrastructure of end users by operating these facilities.

Consus Enerji aims to significantly increase its installed capacity in the field of solar energy in the coming period. In this context, it continuously evaluates new investment opportunities in the sector and aims to provide cost savings to end-users, especially those in industrial facilities and commercial enterprises, with the solar power plants to be installed under the build-operate model.



510,323 MWh^(*)
Total Production in 2022



TRY 166 Million
2022 EBITDA

^(*) Including electricity, heat and cooling.

Vision and Mission

Vision

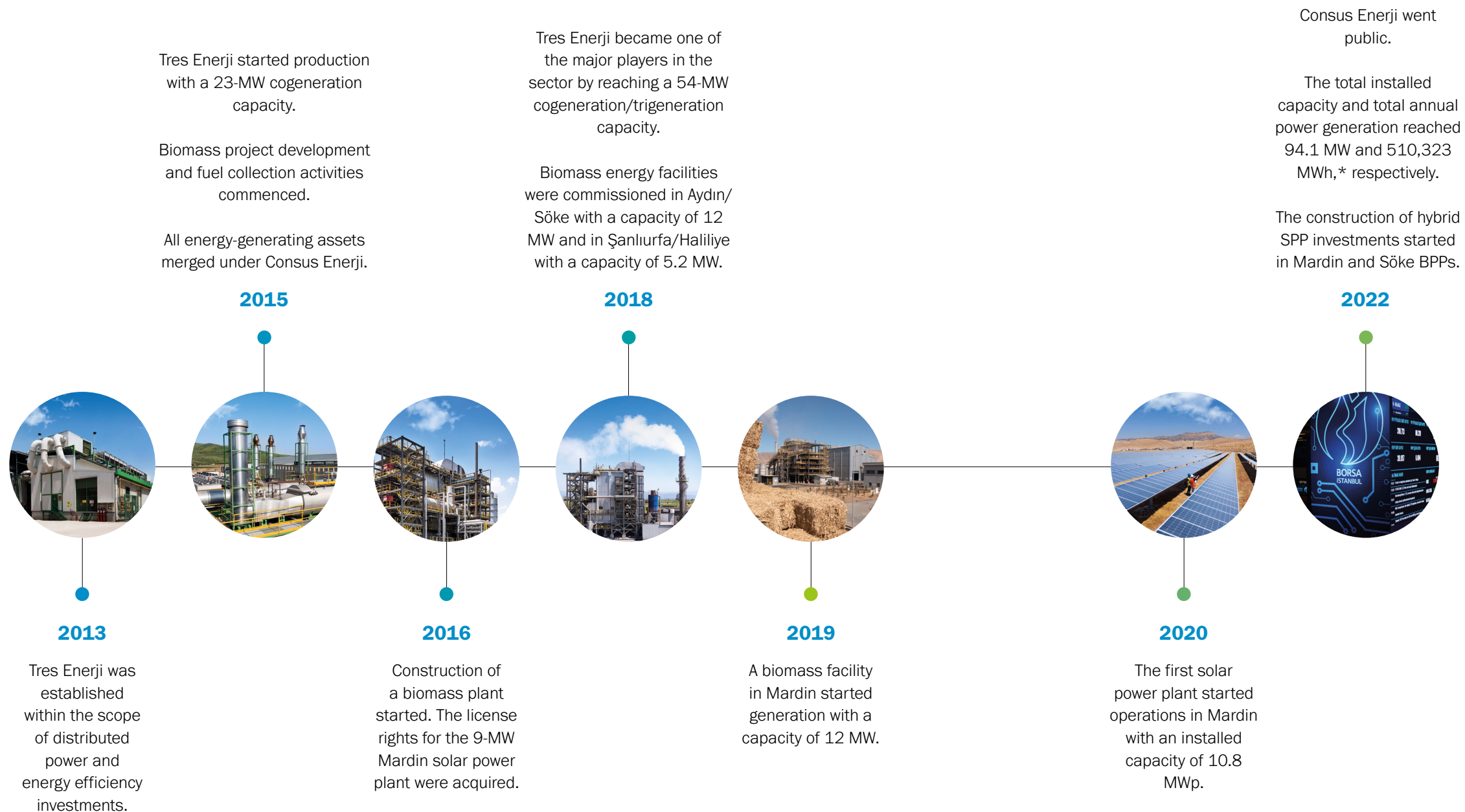
To create value for our country, our stakeholders and energy users while realizing environmentally sensitive projects based on highly efficient, sustainable, clean energy sources using innovative business models and technologies.

Mission

To contribute to energy efficiency and sustainability in our country and the world through its energy projects that focus on the end consumer in the business lines and geographies in which it operates.



Milestones



Consus Enerji has become the company with the leading distributed power portfolio and one of the largest biomass portfolios in Türkiye in a short time. While generation from its licensed solar power plant continues, the Company has also started to implement SPP plants for the self-consumption of its customers.

In today's world where energy sources are being reshaped, **Consus Enerji realizes energy investments that best suit the needs of regions and businesses with the right strategies.**



29.2 MW
Biomass Power Plants
Total Installed Capacity

Consus Enerji's Business Areas and Installed Capacity



Biomass Power Plants

Consus Enerji has three power plants generating electricity from biomass with a total installed capacity of 29.2 MW.

Consus Enerji carries out its activities in the biomass power portfolio through its subsidiaries, Mavibayrak Enerji Üretim A.Ş., Mavibayrak Doğu Enerji Üretim A.Ş., Doğal Enerji Hizmetleri Sanayi Tic. A.Ş., and Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.

Mavibayrak Enerji Biomass Power Plant, the first biomass power plant of Consus Enerji, is located on a 4-hectare area in the Organized Industrial Zone in Söke, Aydın and has an installed capacity of 12 MW. The investment for the plant started in 2016 and generation commenced in 2018.

Mavibayrak Doğu Enerji Biomass Power Plant, which has an installed capacity of 12 MW, was established on 19 hectares in the Derik district of Mardin in 2018, and the plant was commissioned in the same year.

Doğal Enerji Biomass Power Plant, which commenced operations in 2018 in the Şenocak district of Şanlıurfa, has an installed capacity of 5.2 MW.

As per the updates made in the legislation, work is underway to complete solar energy investments as a secondary source within the biomass power plants and implement them into generation efforts.

In this context, the license amendment applications made by Consus Enerji subsidiaries to EMRA in accordance with the Electricity Market Law and secondary legislation for the establishment of a solar power plant as an auxiliary source for both Mavibayrak Enerji and Mavibayrak Doğu Enerji biomass power plants were concluded positively.

The licenses of the related power plants were amended as "combined renewable electricity generation facility" for the registered facility type, "biomass/solar" for the source type, and "1.8 MW" for installed capacity based on the secondary source.

At this stage, the total installed capacity in the licenses for each of the biomass power plants located in Aydın/Söke and Mardin/Derik districts was amended to 14.4 MWm/12.0 MWe.

Following the aforementioned license amendments, a new license amendment application was made to the Energy Market Regulatory Authority (EMRA) on October 27, 2022 to increase the installed capacity of the SPP to be established as a secondary source in the facility owned by Mavibayrak Doğu Enerji from 1.8 MW to 9.9 MW as a result of the evaluations made in consideration of the regulation of EMRA regarding the upper limit of the secondary source installed capacity in multi-source facilities to be raised from 15 percent to 100 percent of the main source installed capacity.



Solar Energy

Consus Enerji began its licensed solar power plant investment in 2019. The power plant with an installed capacity of 10.8 MWp is located on an area of approximately 18 hectares in the Artuklu district of Mardin province in Southeastern Anatolia, one of the most productive regions in terms of solar energy potential in Türkiye. The Company carries out its licensed solar energy activities through its subsidiary Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş. In early

2020, the power plant commenced power generation and generates more than 20 GWh of electricity annually using photovoltaic modules.

Ra Solar Power Plant, where power generation activities are carried out within the scope of renewable energy, is the first licensed facility in our country to use a solar tracking system. Thanks to both its geographical location and the solar tracking system, it is among the SPPs with the highest production per installed capacity in Türkiye.

With the completion and commissioning of the distributed solar power plant currently under construction, **the total installed capacity in distributed power will reach 56.1 MW and the number of facilities operated will increase to nine.**



54.1 mw
Cogeneration/
Trigeneration Facility Total
Installed Capacity

Consus Enerji's Business Areas and Installed Capacity



Distributed Power

Since 2012, Consus Enerji has been providing energy efficiency solutions in the Distributed Power sector as part of the unlicensed power generation legislation and implementing cogeneration, trigeneration, and solar power plants with alternative business structures, including the build-operate business model, by designing the most suitable power-generation system and capacity for each customer through energy performance contracts.

Thanks to its strong financial structure and experienced workforce, the Company builds these power plants, which meet the needs of end users in the most accurate way, for the self-consumption of customers and by undertaking all costs. On the other hand, by operating these facilities in the long term, the Company undertakes the management of end-users' energy infrastructure.

Customers can thus save on energy costs without incurring any investment costs or operating responsibilities, while increasing their competitiveness by achieving high efficiency and using the expertise provided by Consus Enerji with access to high-quality and uninterrupted energy.

At the same time, Consus Enerji's distributed power segment focuses on investments in energy performance solutions to meet the electricity consumption of industrial enterprises, including the installation and operation of solar power plants in addition to financing.

Consus Enerji's total installed capacity of cogeneration/trigeneration facilities in eight different locations in Türkiye is 54.1 MW. Under the contract signed in October 2022, with the completion and commissioning of the distributed solar power plant currently under construction, the total installed capacity in distributed power will reach 56.1 MW and the number of facilities operated will increase to nine.

The Company carries out its distributed power investments through its subsidiary Tres Enerji Hizmetleri San. ve Tic. A.Ş.

Electricity Trading



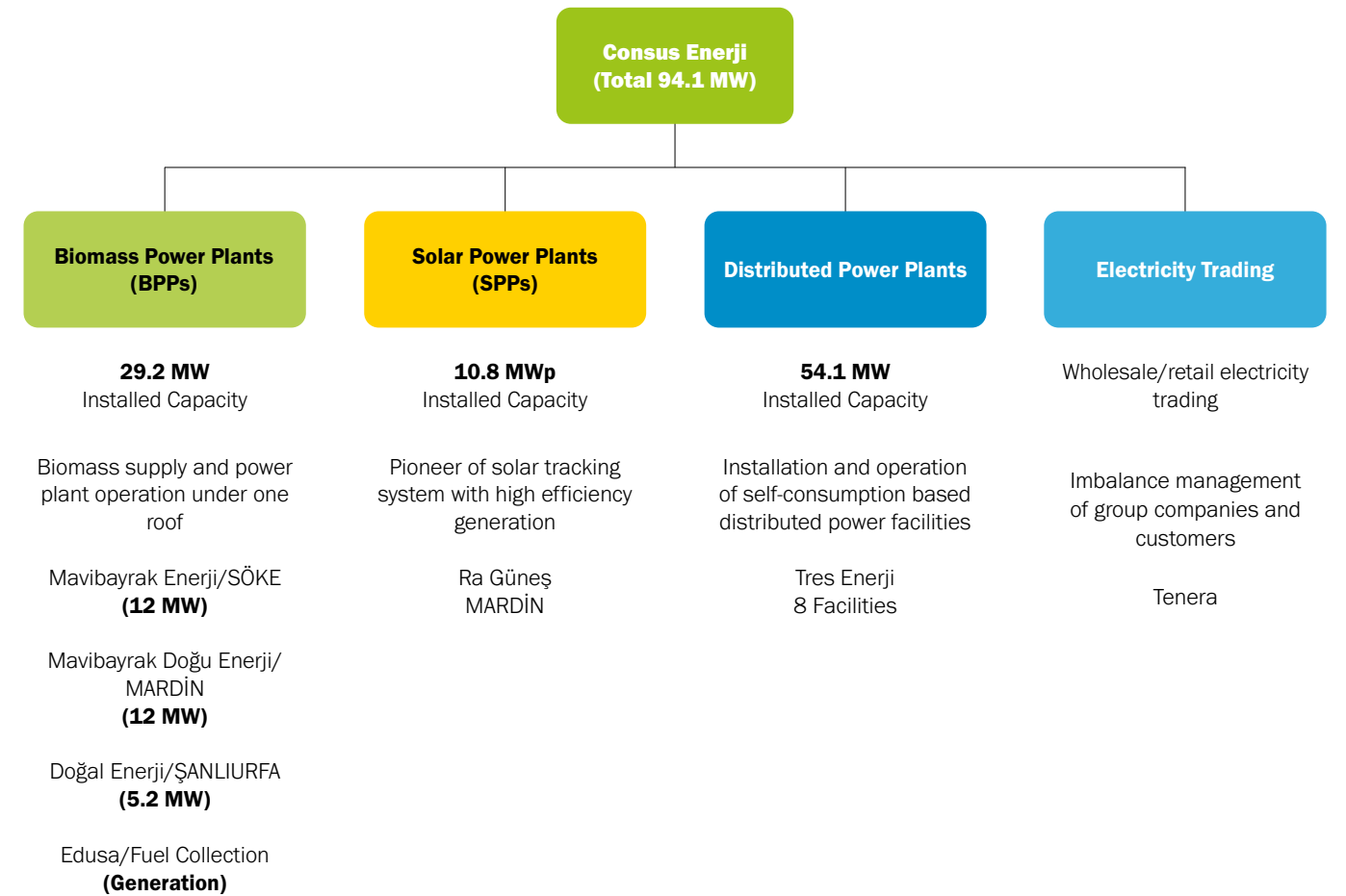
Consus Enerji operates in electricity trading within the scope of its business model, which is integrated with its power-generation activities.

The Company carries out its electricity trading activities through its subsidiary Tenera Enerji Tic. A.Ş.

In addition to electricity supply, energy-monitoring systems are installed at enterprises, and activities are carried

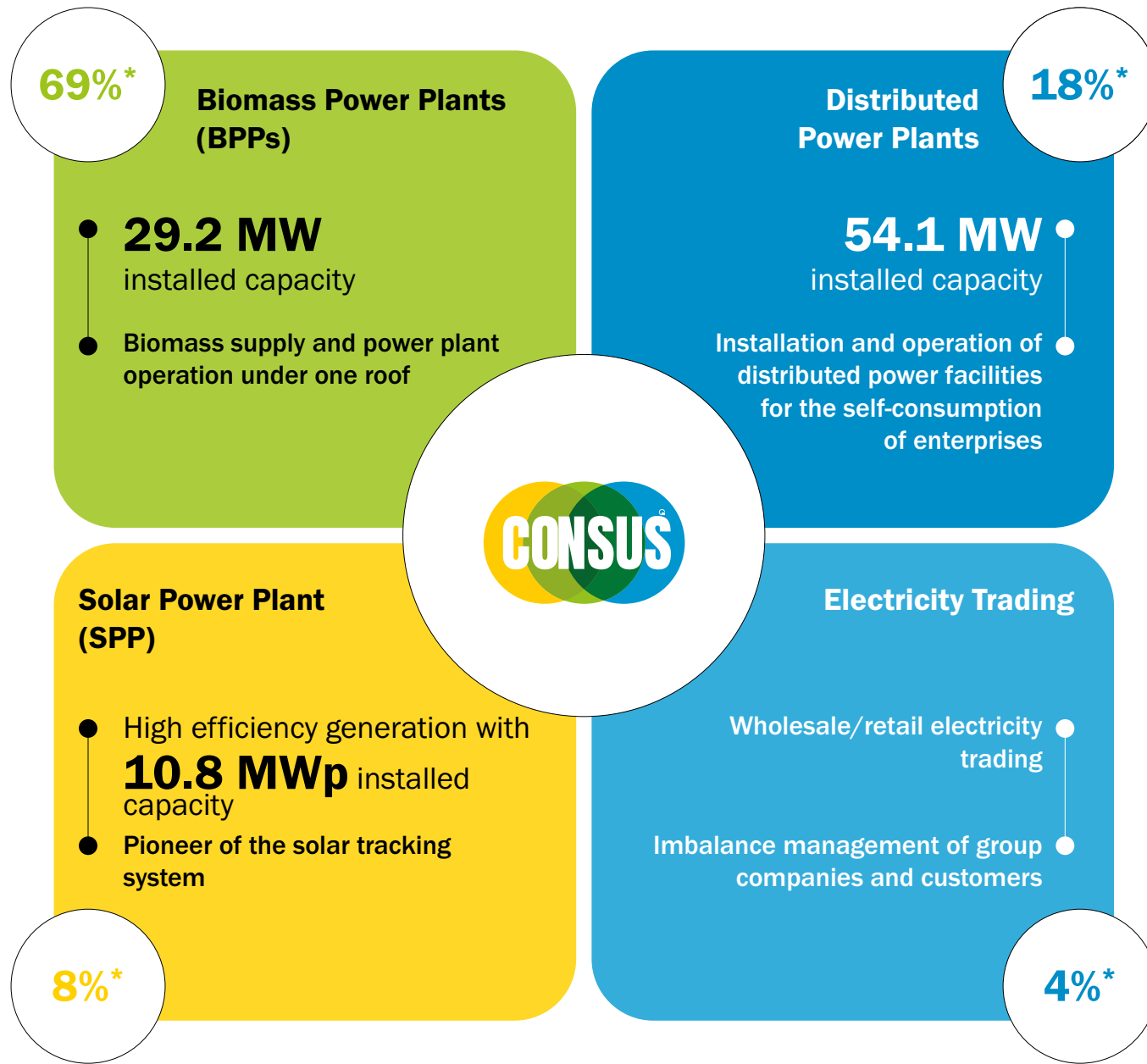
out to optimize customers' electricity consumption by tracking reactive and abnormal consumption and to create added value for enterprises by preventing possible cost increases. Carbon Certificates and Renewable Energy Certificates obtained from renewable power-generation facilities within Consus Enerji are also provided to customers who want to reduce their carbon footprint.

Consus Enerji's Fields of Activity and Installed Capacity Distribution as of 2022 Year-End



Consus Enerji's Business Areas and Installed Capacity

Supply service for Carbon Certificates and Renewable Energy Certificates obtained from renewable power-generation facilities within Consus Enerji **is also provided.**



* Share in total turnover

Capital and Shareholding Structure

Consus Enerji Shareholding Structure

Name Surname/Title of Shareholder	(%)	December 31, 2022 Share Amount (TRY)	(%)	December 31, 2021 Share Amount (TRY)
Global Yatırım Holding A.Ş. (*)	68.6%	264,459,390	100%	333,000,000
Other (Publicly Traded) (*)	31.4%	121,040,610	-	-
Paid-in Capital		385,500,000		333,000,000

(*) As of December 31, 2022, TRY 32,459,390 nominal shares out of the total TRY 264,459,390 nominal shares of Global Yatırım Holding A.Ş. are publicly traded shares. The total free float rate of Consus Enerji with Other (Publicly Traded) shares is 39.82 percent.

As of December 31, 2022, there are no privileges or preferential rights associated with the Company's shares. As per the Company's Articles of Association, shareholders or their proxies have one vote for each share.



April 20, 2022
First Trading Date at
Borsa Istanbul



TRY 385.5 Million
Paid-in Capital

Consus Enerji continues its project development activities in various regions in Türkiye and abroad.

Activity Map



Biomass Power Plants (BPPs)



Distributed Power (Trigeneration) Plants



Solar Power Plants (SPPs)



Distributed Power (Cogeneration) Plants



Key Financial and Operational Indicators

Consus Enerji generates **77 percent of its total revenues within the scope of YEKDEM and in USD.**



29.6%
EBITDA Margin



0.88
Debt/Equity Ratio



0.13
Profit per Share

Balance Sheet in Summary Form (TRY)	2022	2021
Current Assets	379,888,840	207,186,687
Non-Current Assets	1,512,347,061	1,071,879,679
Total Assets	1,892,235,901	1,279,066,366
Short-Term Liabilities	545,385,502	406,409,846
Long-Term Liabilities	488,874,743	416,765,427
Equity	857,975,656	455,891,093
Total Liabilities	1,892,235,901	1,279,066,366

Income Statement in Summary Form (TRY)	2022	2021
Net Sales	559,873,121	371,893,186
Operating Profit/(Loss) Before Financing Revenues/(Expenses)	106,034,453	94,753,312
Activities Pre-Tax Profit	64,393,804	59,504,236
Net Profit for the Period	46,979,795	33,012,644
EBITDA	165,739,353	131,962,817
Profit/(Loss) Per Share	0.13	0.16

Ratios	2022	2021
Operating Profit/(Loss) Margin (%)	18.4%	22.8%
EBITDA Margin (%)	29.6%	35.5%
Net Profit/(Loss) Margin (%)	8.4%	8.9%
Debt/Equity Ratio	0.88	1.38

Current Assets (TRY Million)



84%
Increase



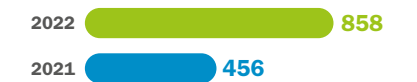
Total Assets (TRY Billion)



48%
Increase



Shareholders' Equity (TRY Million)



88%
Increase



Net Sales (TRY Million)



51%
Increase



EBITDA (TRY Million)



26%
Increase



Net Profit for the Period (TRY Million)



42%
Increase



In the last 17 years, Global Investment Holdings has **managed to increase** its total assets by 100-fold and **its shareholders' equity by 34-fold.**

About Global Investment Holdings

Global Investment Holdings, one of the leading companies in the sector with a broad investment portfolio in emerging sectors and a talented management team, **continues to create value with its dynamic investment strategies.**

Global Investment Holdings (GIH) has been operating as a group of companies making investments in various sectors since 2005 and aims to maximize the value it creates for its shareholders with the investment strategies it implements. Founded in 1990 as a brokerage house, Global Investment Holdings transformed into Türkiye's leading independent brokerage house and investment banking company in a short time. It has played an important role in the development of Turkish capital markets by introducing international investors to our country and many sectors for the first time. Thanks to its strong investment banking experience and investment appetite, the Holdings has built a broad investment portfolio since 2005, with an interest in emerging sectors in addition to traditional non-banking financial services. By participating in the capital and management of its subsidiaries, Global Investment Holdings functions as an umbrella to manage key issues, such as investment, financing, organization, and management.

Over the last 17 years, Global Investment Holdings has grown its total assets by 100-fold and its total shareholders' equity by 34-fold, transforming from a brokerage house into a diversified group of companies. By the end of 2022, the Holding reached total assets of TRY 23.7 billion and a total shareholders' equity of TRY 4.7 billion.

Global Investment Holdings is registered with the Capital Markets Board of Türkiye (CMB) and has been listed on Borsa İstanbul (BIST) since May 1995 (GIH stock formerly traded under the company

name Global Menkul Değerler A.Ş. from May 1995 to October 1, 2004). GIH completed its first IPO abroad, on the London Stock Exchange, in May 2017 with its ports subsidiary Global Ports Holding Plc. Additionally, the shares of Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. operating in renewable energy, distributed power and electricity trading, Global Menkul Değerler A.Ş. providing brokerage services, and Naturel Gaz San. ve Tic. A.Ş., a non-piped natural gas company, are traded at Borsa İstanbul under the tickers CONSE, GLBMD, and NTGAZ, respectively.

Global Investment Holdings is among the leading companies in the sector with its robust and diversified portfolio and capable management team. GIH contributes to the development of the countries in which it operates through responsible investments and aims to provide sustainable returns to its shareholders by focusing on sustainability in all its operations.

Global Investment Holdings currently operates in six main sectors:

- **Port Infrastructure:** The world's largest cruise port operator with 27 ports in 14 countries and 4 continents
- **Power Generation:** Renewable energy and distributed power plants
- **Gas:** Distribution and sales of non-piped natural gas
- **Mining:** The production of value-added feldspar products and feldspar mining activities
- **Real Estate:** The development and operation of real estate projects
- **Finance:** Non-banking financial services such as brokerage, consultancy, and portfolio management



An Overview of the Energy Sector in 2022

The price increase, which began in response to disruptions and interruptions in supply chains following the COVID-19 pandemic, **continued and peaked as geopolitical risks increased partly due to the war.**

Türkiye continued to grow both in economy and energy in 2022. On the electricity side, installed capacity surpassed 100,000 megawatts, **with the majority of new capacity additions coming from renewable energy plants.**

Furthermore, 2022 was an extremely turbulent year for the global energy sector. The price increases that started due to the disruptions and interruptions in supply chains following the COVID-19 pandemic, together with the Russia-Ukraine war, led to oil and natural gas prices rising to unprecedented levels. This increase in energy prices has been one of the most important factors fueling global inflation, which reached its highest level of the last four decades in 2022. The supply shortages caused by the Russia-Ukraine war, coupled with concerns over access to energy, led to record-high prices first for natural gas, then for oil, coal and electricity, creating one of the largest energy crises in world history. With the impact of this energy crisis in 2022, many countries globally faced the threat of high inflation and recession.

Energy geopolitics has become a decisive factor in international relations. The Russia-Ukraine war and subsequent sanctions, new energy policies and geopolitical positioning have led to the fragmentation of energy markets and the redistribution, sharing, and trading of resources between West/East-South/North.

These developments have made governments the largest participants and players not only in energy markets, but in all markets and economies. Energy security concerns have partly hampered and partly postponed efforts of fighting climate change.

The “Green Deal,” which was put into effect by the European Union at the end of 2019 and sets out the continent’s goal of becoming the first climate-neutral continent in the world by 2050, and the “Carbon Border Adjustment” developed

by the European Commission in 2021 are expected to accelerate the steps taken regarding clean energy on a global scale. Due to the war and energy crisis in 2022, governments in Europe reduced natural gas consumption, which is largely imported from Russia, to increase energy supply security, postponed the phase-out of coal power plants, and lifted restrictions on coal production to increase its availability as an energy source. The record-high increase in natural gas and coal prices in many countries compared to the previous year led to an increase in wholesale electricity prices in the market.

Similarly, citing the war as a reason for disrupting global energy markets and pushing natural gas and coal prices to record highs, China emphasized that energy security was its top priority, thus raising concerns that the country might fall behind in its climate goals.

In 2022, despite all these developments, renewable energy remained on the agenda as a strong alternative for countries aiming to reduce their energy dependence within the framework of energy supply security. As the world enters the era of clean energy technology production, investments in solar energy, batteries, heat pumps, hydrogen, and similar clean technology production increased rapidly in 2022. The political and military tensions in the northern Black Sea region have brought many uncertainties and pushed the European Union, which typically supplies most of its energy needs through Russia, to take faster and more effective steps in terms of energy supply security and energy saving. In the current energy crisis, many countries, especially those in the European Union, have taken steps to increase the share of renewable energy

by introducing urgent financial and legal programs. Another development on the European Union side was the historic decision of the European Parliament to label investments in natural gas and nuclear energy as “green.”

Another 2022 development was the introduction of climate compensation at the 27th Conference of the Parties (COP27) held in Egypt. At COP27, the parties reached a milestone by agreeing on a Loss and Damage Fund to support vulnerable countries.

On the United States (US) side, one of the most prominent developments in the context of the energy sector was the “Inflation Reduction Act” signed in August 2022, which is said to include the largest climate package in US history. It was also disclosed that the law, which includes tax cuts for clean energy, aims to reduce greenhouse gas emissions and direct consumers towards green energy. Meanwhile, the announcement of positive results from pilot studies in the US on nuclear fusion technology, which remains a highly anticipated future energy solution, aroused interest and curiosity around the world.

Energy Markets in Türkiye

In 2022, the Turkish electricity market underwent a dynamic process with rising prices and significant new regulations. Although Türkiye was deeply affected by the global war and the resulting energy crisis, our country was not affected by the natural gas supply restrictions imposed by Russia. Thus, the most critical issue for Türkiye in the short term in 2022 was to overcome the energy costs, which increased significantly compared to the previous year, while minimizing the strain caused to the Turkish and household economies. In parallel with the rest of the world, developing and implementing policies to encourage the efficient use of import-based energy resources was also of great importance for Türkiye in 2022.

Türkiye continued to grow both in economy and energy in 2022. On the electricity side, the installed capacity surpassed 100,000 megawatts, with the majority of new capacity additions coming from generation facilities based on renewable energy sources. According to the December 2022 Installed Capacity Report published by Türkiye Elektrik İletim A.Ş. (TEİAŞ), Türkiye’s total installed capacity in 2022 increased by 4 percent compared to the end of 2021, reaching 103,809 MW, 54 percent of which is based on renewable energy sources. The renewable energy capacity reached a total installed capacity of 56,006 MW in 2022, growing by 5 percent compared to the previous year. As of the end of 2022, hydroelectric capacity accounts for the largest share of total installed capacity by primary sources with 30 percent, followed by installed capacity based on natural gas with 24 percent and coal with 21 percent. At the end of 2022, wind accounted for 11 percent of the total installed capacity, solar for 9 percent, and biomass and geothermal for 2 percent each. The number of power plants in Türkiye was 11,427 at the end of 2022, of which 9,353 were solar power plants. The distribution of total installed capacity by organizations remained the same in 2022, with the private sector maintaining its 68-percent share.

According to TEİAŞ Monthly Electricity Generation-Consumption Reports, the total gross amount of electricity generated in Türkiye in 2022 was 326,015 GWh, down 1.7 percent year-on-year, while the share of renewable energy sources in total generation in 2022 was 42 percent. Thus, the share of renewable energy increased by 6 percent compared to last year. The share of thermal energy in total gross generation was recorded at 58 percent. In 2022, coal had the largest share in gross generation with 35 percent, followed by natural gas with 22 percent, and hydroelectricity with 21 percent. Geothermal, wind, and solar accounted for 19 percent of this generation, while biomass accounted for 3 percent of gross generation in 2022. In annual gross generation, the share of coal increased by 3 percent compared to last year, while the share of natural gas decreased by 10 percent. The share of hydroelectricity in gross generation increased by 4 percent compared to 2021, while the combined shares of geothermal, solar, and wind increased by 2 percent. In terms of organizations, 79 percent of total gross generation in the same period was provided by private generation companies. In 2022, Türkiye’s gross electricity demand was realized at 328,719 GWh.



The most important developments in electricity markets were the government's **regulations, which** aimed to protect consumers and **ensure the security of supply and procurement.**

An Overview of the Energy Sector in 2022



The most important developments in electricity markets were the government's regulations, which aimed to both protect consumers and ensure the security of supply and procurement. In the oil and natural gas sector, global impacts and price levels were the most discussed topics. TPAO's new oil (Gabar) and natural gas (upward revision of Sakarya field reserves) discoveries, which were announced towards the end of the year and which will contribute to reducing Türkiye's dependence on foreign energy, and the commissioning of the Silivri Natural Gas Storage Facility, which is also vital for energy security, were the developments that left their mark on the agenda.

In late 2022, applications for YEKDEM decreased compared to the previous year. YEKDEM applications for 2023 decreased by 21 percent in terms of installed capacity compared to the previous year. Applications for 2023 included 882 power plants with a total installed capacity of 19,993 MWe. (2022 entailed a 24,144.41-MWe installed capacity and 1,034 power plants). The most significant reason for this decline was the preference for the power plants to remain outside YEKDEM, despite their unrealized right to benefit from YEKDEM. This is because there was an expectation that the Market Clearing Prices (PTF) were, at the time, higher than the supported prices. It was believed that this trend would continue in 2023.

High natural gas and oil prices created by the Russia-Ukraine war caused the PTF to rise. Regulatory authorities intervened in the electricity market pricing mechanism and aimed to prevent excessive increases in energy prices in Türkiye through various regulations, including the Source-Based Maximum Clearing Price and the Maximum Settlement Price.

In 2022, other important developments in the energy sector included the enactment of regulations in November, which provided flexibility in storage investments and investments in wind and solar power plants.

2023 Expectations in Energy Markets

In 2023, it is predicted that governmental interventions in energy policies will continue. Thus, governments and public policies will remain decisive with new incentives and market interventions.

On the oil side, the 13-member OPEC led by Saudi Arabia and the OPEC+ Group, which consists of 10 non-OPEC oil producing countries led by Russia, announced at the 33rd OPEC and Non-OPEC Ministerial Meeting on October 5, 2022 that they would adhere to the daily 2 million barrels cut decision, which would last until the end of 2023 and was made to prevent a fall in prices amid concerns about the slowdown in the global economy. Economic recession is also expected to affect the oil market.

European countries, which have significantly reduced their natural gas supplies from Russia, are expected to consider LNG alternatives to Russian gas (USA, Qatar, Africa) and green hydrogen production in the coming years.

On the other hand, while the European countries, which continue to search for new natural gas sources, maintain negotiations with the USA, Qatar, Norway, Algeria, and Israel, Azerbaijan has agreed to increase its natural gas supply by 50 percent. Azerbaijani gas is being transported to Europe via pipelines through Türkiye and Bulgaria.

Geopolitical developments and the decisions to be taken by governments based on these developments and risk assessments are expected to leave their mark on 2023.

In Türkiye, which has taken important steps in the field of natural gas with its exploration and drilling activities both on land and in the sea in recent years, domestic gas reserves are estimated to reach 710 billion cubic meters with the new discovery made in the Sakarya Gas Field. The first reactor of the Akkuyu NPP, designed to have a total installed capacity of 4,800 megawatts via four reactors, is planned to be commissioned in 2023. Thus, for the first time in its history, Türkiye will transfer the electricity generated from the nuclear power plant to the country's grid. The remaining units of the power plant are expected to be completed by 2026 with one-year intervals.

Renewable Energy Sector

Türkiye ranks 5th in Europe and 12th in the world in terms of installed capacity in renewable energy. Of the power generation facilities commissioned in 2022, 94 percent is composed of renewable energy sources.

According to the Türkiye Renewable Energy Outlook 2022 study published in December 2022 by Sabancı University Istanbul International Energy and Climate Center (IIECC), the proportional contribution of renewable energy in Türkiye's electricity generation is expected to increase twice by 2050 and the contribution of renewable sources in the total energy system is expected to increase more than four-fold.

According to this IIECC study, in the "high scenario" for 2050, it is predicted that about approximately 90 percent of electricity generation could be provided by renewable energy, that solar and wind would have a significant share in this process, and that the share of these generation sources in total electricity generation could quadruple to two-thirds in 2050.

Of the electricity-generation facilities commissioned in 2022, 94 percent are composed of renewable energy sources.

Consus Enerji's license amendments for solar power plants to be built as a secondary source to its biomass power plants in Aydın and Mardin were approved by EMRA in 2022. The related investments are planned to be operational in the first half of 2023.

Information on Business Lines and Activities



BIOMASS POWER PLANTS

Biomass, also called biological mass, is a renewable energy source that has organic content and can be used in electricity and power generation through various preparation processes. The storable nature of biomass sources provides an advantage over other renewable energy types.

In addition to preventing energy imports, power generation from biomass sources offers new opportunities for all areas of the economy with the sustainability and additional employment it provides. However, the continuous and regular availability of biomass is important for the long-term sustainability of renewable energy generation.

The sustainable use of biomass for power generation has positive impacts on the development of rural areas, creating different sources of income, increasing employment opportunities, reducing fossil fuel use and import dependency, preventing climate change, reducing greenhouse gas emissions, and issues such as biodiversity, land use, water, and air pollution.

Consus Enerji biomass power plants generate electricity from agricultural wastes and similar biomass sources that do not possess food and feed properties and that cannot be utilized in other business areas.

Consus Enerji has three biomass power plants with a total capacity of 29.2 Mwe.

Mavibayrak Enerji Üretim A.Ş.

The investment in the facility, which was established on an area of 4 hectares in the Organized Industrial Zone in Söke, Aydın and is the first biomass power plant under Consus Enerji, with an installed capacity of 12 Mwe, started in 2016. The facility started generation in 2018. Within the update made in the legislation, plans are in place to complete the solar energy investment as a secondary source in the power plant and put it into generation.

Mavibayrak Doğu Enerji Üretim A.Ş.

The investment of the biomass power plant with a capacity of 12 Mwe, which was established on 19 hectares of land 9 kilometers from the Derik district of Mardin, was started in 2018 and commissioned in the same year. Within the update made as part of the legislation, plans are in place to complete the solar energy investment as a secondary source in the power plant and put it into generation.

Doğal Enerji Hizmetleri Sanayi Tic. A.Ş.

The facility, which started operations in 2018 in the Şenocak district of Şanlıurfa, has an installed capacity of 5.2 MWe.

Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.

Edusa Atık aims to secure and sustain the biomass fuel supply of Consus Enerji's power plants by taking responsibility for the supply of various biomass sources, especially agricultural wastes.

Agricultural wastes that remain on farmers' fields after harvesting and had no use in the past are collected without any burden or cost to the farmer and are brought into the economy by converting them into energy at Consus Enerji's biomass power plants. In addition to supporting farmers in terms of production costs, this method contributes to agricultural sustainability and productivity by preventing the damage to the soil caused by agricultural wastes, which are often disposed through burning in the field.

Concentrating its activities in the surrounding provinces, especially Aydın, Şanlıurfa, and Mardin, where the power plants are located, Edusa Atık realizes the production and supply of biomass products through long-term agreements with farmers, public institutions and solution partners in these regions. Edusa Atık collects waste that farmers leave in the field following harvesting with modern machines and equipment and removes it from the field, sparing the farmers the burden and costs of collection.

Developments in the Biomass Business Line

In 2022, stable production performance at Söke and Mardin Biomass Power Plants was noteworthy.

Following the improvements made at Mardin Biomass Power Plant in the second half of 2021, capacity utilization reached even higher levels. Similar improvements were implemented at Söke Biomass Power Plant in the last quarter of 2022, resulting in a significant development in efficiency.

Design and engineering studies for the boiler revision of the Şanlıurfa Biomass Power Plant were completed and a planned shutdown was initiated in the third quarter of 2022 to start the first phase of the revision investment. The revision works were completed in February 2023. Following testing and commissioning activities in March, the plant reached regular production scheduling in April. Şanlıurfa Biomass Power Plant is also expected to maximize its availability after the revision works.

Consus Enerji's license amendments for solar power plants to be built as a secondary source to its biomass power plants in Aydın and Mardin were approved by EMRA in 2022.

The related investments are planned to be operational in the first half of 2023. Following the amendments to the existing licenses, the construction and installation of solar power plants to be added to these biomass power plants were started.

On the other hand, a new license amendment application was made to EMRA on October 27, 2022 to increase the installed capacity of the SPP facility, which was approved as a secondary source in the Mardin Biomass Power Plant following the implementation of the changes requested by the EMRA in the legislation regarding auxiliary source capacities from 1.8 MW to 9.9 MW.

Carbon and Renewable Energy Certificates

The Mavibayrak Enerji Biomass Power Plant, operating under Consus Enerji in Aydın/Söke, has an internationally recognized VCS (Verified Carbon Standard) certificate.

The certificates produced by Mavibayrak Enerji Biomass Power Plant are also Corsia Eligible, which can be used by the aviation industry to reset their carbon footprint.

Mavibayrak Doğu Biomass Power Plant and Ra Solar Power Plant are registered with the GCC (Global Carbon Council) program. The projects related to these power plants are listed and the related carbon certificate processes are ongoing. Doğal Enerji Biomass Power Plant has an I-REC (Renewable Energy Certificate) certificate, and the relevant certificates are also made available to end consumers.

Ra Solar Power Plant is the first licensed plant in Türkiye to use solar tracking systems. Leading the sector in this respect, **the plant generates electricity at a high rate per installed capacity, reaching the leading levels of efficiency among power plants in Türkiye.**

Information on Business Lines and Activities



SOLAR POWER PLANTS

Solar power plants are an environmentally friendly energy source that utilize the energy of the sun, which will last for millions of years. It does not pollute the environment, nor does it create waste such as smoke, gas, carbon monoxide, sulfur and radiation. It creates economic and strategic advantages by eliminating the need for external sources. On the other hand, solar energy has the lowest operating and maintenance costs, contributing to long-term energy price stability and increasing predictability.

Consus Enerji started its licensed solar energy investment in 2019 with its power plant, which has a current installed capacity of 10.8 MWp and is located on an area of nearly 18 hectares in the Artuklu district of Mardin province in Southeastern Anatolia, one of the most productive regions in this field, considering Türkiye's solar energy potential. In early 2020, the power plant began generating electricity.

The Company carries out its licensed solar energy activities through its subsidiary Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş. Ra Solar Power Plant, where electricity generation activities are carried out within the scope of renewable energy, is the first licensed facility in our country to use a solar tracking system. Leading the sector in this respect, the plant generates electricity at a high rate per installed capacity, reaching high levels of efficiency.

Compared to the high production achieved with high radiation as a result of the dry year of 2021, production in 2022 was realized at the expected level with normal radiation levels.



DISTRIBUTED POWER PLANTS

Cogeneration systems are combined energy systems in which electricity and heat are produced together by burning various fuels, mainly natural gas, in an engine or turbine. The aim of cogeneration is to obtain the highest possible efficiency from primary fuel energy. In trigeneration systems, on the other hand, energy can be made available to enterprises simultaneously in three different forms: electricity, heating, and cooling. As a point of difference, the heat generated through trigeneration can be converted and used for cooling needs through the cooling system included in the system.

Cogeneration and trigeneration systems, which provide energy in different forms – such as electricity, heating and cooling – from a single source, achieve high energy efficiency and exceed 90 percent in total. The types of energy needed are made available to enterprises at any time and in any quantity. Distributed power facilities like these, which allow energy to be produced at the site

of consumption, prevent losses in transmission and distribution in addition to energy efficiency and savings. They reduce grid dependency and minimize negative impacts such as interruptions, fluctuations or irregularities.

In addition to providing economic advantages, cogeneration and trigeneration systems protect the environment and people by significantly reducing carbon emissions.

Consus Enerji's distributed power operations are carried out by Tres Enerji. Tres Enerji, the leading energy services company in Türkiye, provides solutions and services focusing on the investment and operation of self-consumption-based distributed power plants, which have been successfully implemented in various countries around the world. Currently, Tres Enerji has a total installed capacity of 54.1 MW at eight different locations in Türkiye.

Tres Enerji undertakes the design, installation, and financing of distributed cogeneration, trigeneration, and solar power plants, enabling end users to achieve savings in energy costs without incurring any investment costs. Tres Enerji also carries out all activities, including operation and maintenance, of the facilities it realizes under long-term contracts, ensuring the savings it provides to end users are uninterrupted and sustainable.

In addition to natural gas cogeneration plant investments, Tres Enerji has recently focused on distributed solar power plant projects, developing projects to generate the energy needs of private and public sector customers from the sun, a completely clean and endless energy source. With the increasing interest in renewable energy sources locally and globally and the impact of the carbon border adjustment mechanism, solar power plant demands from existing and potential customers are increasing. Tres Enerji has the capacity to apply the knowledge, know-how and experience gained from Consus Enerji's licensed solar power plant investment to distributed solar power plants, which gives Tres Enerji an advantage in this context.

The market is vibrant due to the incentives issued for renewable energy investments and positive changes in the legislation. In addition to solar power plant projects, which are primarily applied for customers' roof areas, the amendment to the unlicensed electricity generation regulation dated May 9, 2021 paved the way for solar power plants to be installed on land, and then, with the amendment to the unlicensed electricity generation regulation dated August 11, 2022, the same distribution region requirement for land was abolished and the right to make solar power plant investments for land in any suitable region was granted.

Thus, the activities in the market gained momentum with solar power plants that can be installed both on the roof and on land. In this way, Tres Enerji can offer value-added solutions to all customers who cannot install solar power plants due to roof space or other reasons, or who have the chance to install low capacity, with the land alternative.

Tenera Enerji applied for a pre-license for two separate storage power-generation plant projects

to build a solar power generation plant with a total capacity of 100 MW and an electricity storage facility with a capacity of 100 MW/hour integrated to these power plants.

Information on Business Lines and Activities



ELECTRICITY TRADING

Tenera Enerji operates in electricity trading within the scope of a business model integrated with Consus Enerji's power-generation activities.

Aiming to offer advantageous solutions to meet the needs and expectations of its customers in terms of energy supply, Tenera Enerji introduces new alternatives to the energy market with its mixed and complementary business model.

Tenera Enerji operates under an electricity supply license obtained from the Energy Market Regulatory Authority. With its strong financial structure and expert staff familiar with energy market legislation and dynamics, Tenera Enerji supplies energy to its customers from renewable sources at affordable and sustainable terms. It contributes to increasing the profitability of its customers by saving on energy costs. Carbon Certificates and Renewable Energy Certificates obtained from renewable energy-generation facilities within Consus Enerji are also provided to customers who want to reduce their carbon footprint.

In addition to electricity supply, Tenera Enerji installs energy monitoring systems for enterprises, optimizes electricity consumption by monitoring reactive and abnormal consumption, and creates added value for enterprises by preventing possible cost increases. On the other hand, with its special predictive maintenance monitoring systems, it prevents possible interruptions in operations by creating warning mechanisms for critical consumption points for its corporate customers and ensuring that interventions take place before breakdowns occur. With these services, it helps its customers minimize production losses and helps enterprises use energy as efficiently as possible.

In addition, Tenera Enerji applied to the Energy Market Regulatory Authority for a pre-license for two separate storage power-generation facility projects to establish a solar power generation plant with a total power of 100 MW and an electricity storage facility with an integrated 100 MW/hour capacity within the scope of the Regulation Amending the Electricity Market License Regulation published on November 19, 2022.

Work has accelerated on the establishment of a solar power plant with a total capacity of 3.6 MW as a secondary source for Consus Enerji's biomass power plants in Mardin and Söke. **The plants are expected to be operational in the first half of 2023.**

Investments and Investment Strategy

Consus Enerji's **investment expenditures amounted to TRY 119,937,078** in 2022.

Consus Enerji continues to invest continuously to explore potential and value-generating opportunities in the areas in which it operates and to strengthen its portfolio. With its energy expertise, the Company aims to seize new business opportunities and create value for all its stakeholders.

The Company's subsidiaries make various improvement and revision investments in facilities to ensure the sustainability and profitability of their operations. Additionally, investments are planned to increase installed capacity and operational efficiency.

Organic Growth Through Capacity Expansion and New Investments

Approximately 40 percent of the net proceeds from the Company's public offering in 2022 is planned to be used for the targeted organic growth through capacity increases in the facilities of existing subsidiaries, and through new facility investments in the sectors in which the Company currently operates as well as in new sectors.

In 2022, investment costs amounting to TRY 119,937,078 were recognized in the Company's balance sheet. Of this amount, TRY 10,097,568 is related to operational efficiency enhancing investments for equipment in cogeneration plants in the distributed power segment, TRY 29,464,456 is related to secondary source solar power plant investments in the biomass business line, TRY 15,155,156 is related to equipment purchases for facilities in the biomass business line, TRY 26,177,627 is related to facility revisions and site arrangements in the biomass business line, and TRY 7,703,728 is related to vehicle and land purchases. The remaining portion consists of various investment items.

Additional Source Investments

With the amendment to the Electricity Market License Regulation, it is now possible to establish facilities and generate energy based on more than one source. In this context, work has accelerated on the establishment of a solar power plant with a total capacity of 3.6 MW as a secondary source for the biomass power plants in Mardin and Söke, which are owned by the Company's subsidiaries. The works are expected to be completed and become operational in the first half of 2023. As of December 31, 2022, expenditures and investment advances amounting to TRY 44,826,158 have been paid for the related investments. Expenditures under the investment program will continue in the first half of 2023.

Efficiency-Enhancing Investments

In addition to the Company's biomass power plants in Şanlıurfa and Söke, some cogeneration and trigeneration facilities are planned to be revised to increase availability and efficiency.

Among the related investments, the planned revision of the biomass power plant in Şanlıurfa started in the third quarter of 2022. The works were completed in February 2023. The investment payment amount made in this context is TRY 16,170,982 as of December 31, 2022. For the biomass power plant in Söke, as a result of the revision started in November, the projected improvements were achieved and completed, and the capital expenditure made is TRY 12,694,338 as of December 31, 2022.

Tres Enerji signed an Energy Performance Contract for the installation and operation of a solar power plant with a capacity of up to 2.3 MWp on the roof of a domestic industrial company. **The plant is expected to be commissioned in the first half of 2023.**

Investments and Investment Strategy



Distributed Power Investments

In addition to capacity increase demands from existing customers with cogeneration and trigeneration facilities installed in the Distributed Power segment, new opportunities are evaluated and projects are developed in this segment.

In the Distributed Power segment, new investments, which will realize energy performance contracts – including the build-operate business model that enables consumers to save money while generating their own energy without incurring any investment costs and, at the same time, neutralize the carbon footprint of their operations – are being planned for the potential customer portfolio created for SPP investments.

The decision was made to increase the capacity of the 8.7 MWe cogeneration power plant currently operated by Tres Enerji and to build an additional 3.35 MWe power plant, increasing the total capacity to 12.05 MWe.

Tres Enerji also signed an Energy Performance Contract for the installation and operation of a solar power plant with a capacity of up to 2.3 MWp on the roof of a domestic industrial company for its self-consumption. The plant is expected to be commissioned in the first half of 2023.

Having won the tender for the installation and operation of a SPP announced by a public institution, Tres Enerji will invest in a SPP project with a capacity of 2,090 kWe within the scope of the contract.

Overseas Investments

The Company is also evaluating investment opportunities abroad. In this context, a preliminary agreement was signed for the construction of a 5 MW SPP in Antigua, in the Caribbean Region, and for its operation for 30 years under a power purchase and feed-in tariff guarantee. In this context, negotiations for the power purchase agreement are ongoing.

Overseas investments will continue to be on the Company's agenda in the coming period. The Company aims to build and operate renewable energy power plants in the Caribbean region and other port cities under long-term power purchase guarantees, taking advantage of the relationships that Global Ports Holding Plc (GPH), an indirect subsidiary of Global Investment Holdings, has built through its operations in 27 cruise ports in 14 countries across 4 continents.

The Company is also engaged in project development activities for solar power plants in various parts of Europe.

Sustainability Approach of Consus Enerji

Generating energy with low carbon emissions and energy efficiency are **at the center of Consus Enerji's sustainability approach.**

Consus Enerji Sustainability Committee was established in 2022 and started its work with the decision of the Board of Directors. **The Committee will convene at least four times a year, evaluate progress, targets and activities, and report to the Board of Directors.**



Consus Enerji's sustainability approach is built on three main pillars. These are environment, sustainable production, and occupational health and safety. Generating energy with low carbon emissions by using renewable and clean energy sources and energy efficiency are at the center of Consus Enerji's sustainability approach. In addition, employee engagement, stakeholder engagement and sustainable supplier management are also important elements of the sustainability policy.

The top corporate priorities include continuous improvement in environmental awareness, fighting climate change, full compliance with legislation, following national and international standards and innovations, and increasing the environmental awareness of employees.

Consus Enerji aims to protect not only the environmental interests of its own facilities but also the environmental interests of the community at the highest level of awareness through carbon

emission reduction, the efficient use of resources, and the prioritization of renewable and clean raw materials. In this context, the Environment and Sustainability Department closely monitors all local and national sustainability efforts, integrates them into Consus Enerji and its subsidiaries, and ensures their implementation by employees, stakeholders, and suppliers.

Consus Enerji Sustainability Committee was established with the decision of the Board of Directors dated December 29, 2022. The Committee will convene at least four times a year under the chairmanship of Consus Enerji's CEO; evaluate progress, targets and activities; and report to the Board of Directors.

Furthermore, the Company plans to publish its first Sustainability Report in 2023. In the report, the Company's and its subsidiaries' sustainability efforts as well as their performance in this area will be presented and shared with the public.

Consus Enerji supports internal and external training and development activities in the fields and subjects required for the development and strengthening of employees and the organization.

Human Resources

Consus Enerji aims to create a competent organization consisting of qualified, highly motivated and committed employees to achieve the targeted performance and profitability of all its subsidiaries in line with its vision, mission, and strategies.

In line with this goal, the basic principles of human resources policies are as follows:

- Determining strategies centrally and policies locally according to the specific needs of subsidiaries;
- Building an agile, resilient and proactive organizational structure;
- Increasing organizational efficiency;
- Creating a working environment where mutual trust and respect prevail and communication channels are open and transparent;
- Promoting high employee loyalty and performance;
- Continuously reviewing and updating human resources strategies and policies by following the changing and developing trends depending on the conditions;
- Demonstrating an approach that complies with quality policies and standards and is sensitive to OHS policy.

Recruitment

The recruitment process at Consus Enerji aims to select and place candidates who meet the Group's goals and principles, the corporate culture and the competencies required for the job.

In line with these priorities, tools such as competency-based interviews and personality inventories are used in the recruitment process.

Training, Development and Career Management

Internal and external training and development activities are supported in the fields and subjects required for the development and strengthening of employees and the organization. The competencies of employees are being enhanced and career opportunities for promotion or horizontal advancement are being offered to them.

In the event that access to a qualified labor force is limited in the regions where its facilities are located, the Company contributes to the training of a qualified labor force and thus to the development of the region through necessary on-the-job training.

Performance Management

The performance management system being implemented aims to integrate the Group's goals with the personal goals of employees, to support personal success, to reveal the potential of employees by objectively evaluating their performance and to maximize their performance.

Remuneration and Benefits

The remuneration system is based on a remuneration policy based on the size of the business, market data and Company performance, as well as on the achievement of individual targets. The operative remuneration, fringe benefits and social benefits system is competitive, fair and aims to motivate employees by rewarding performance.

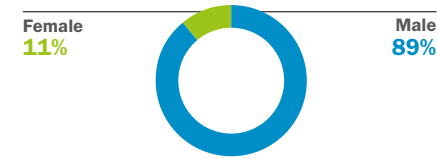
Financial Benefits Provided to the Board Members and Top Management

The Remuneration Policy for the Board of Directors and Senior Executives of Consus Enerji was documented in writing, presented to the shareholders as a separate item at the Ordinary General Assembly Meeting on July 27, 2022, and published on the Public Disclosure Platform (PDP) and the Company's website. In addition, the remuneration and all other benefits provided to the personnel consisting of the Members of the Board of Directors, General Manager, Directors, and other executives are submitted for the information and approval of the General Assembly and disclosed to the public through the relevant footnotes of the annual consolidated financial statements.

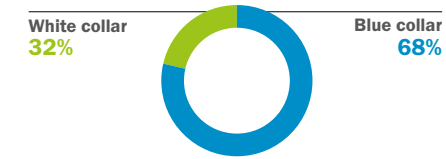
For the period January 1, 2022–December 31, 2022, the total amount of the financial rights and other payments provided to the personnel consisting of the Members of the Board of Directors, General Manager, Directors, and other executives is TRY 26,105,059.

In 2022, the Company did not cause any of the Board members or managers with administrative responsibility to receive a loan; did not lend them money or extend the term of their loan; did not improve the conditions of such loans or make loans available under the title of personal loan through third parties; and did not provide guarantees, such as surety, in favor of them.

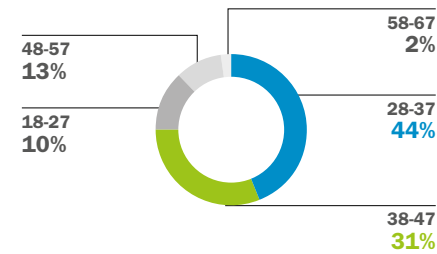
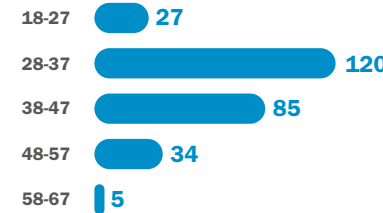
Gender distribution



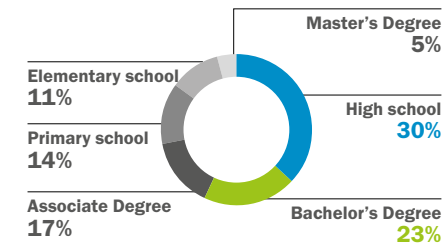
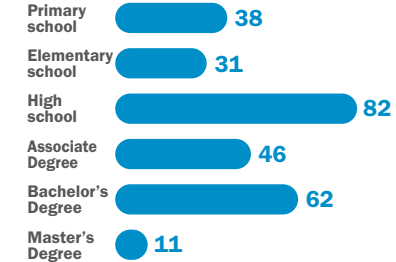
Blue collar/White collar



Age groups



Educational status



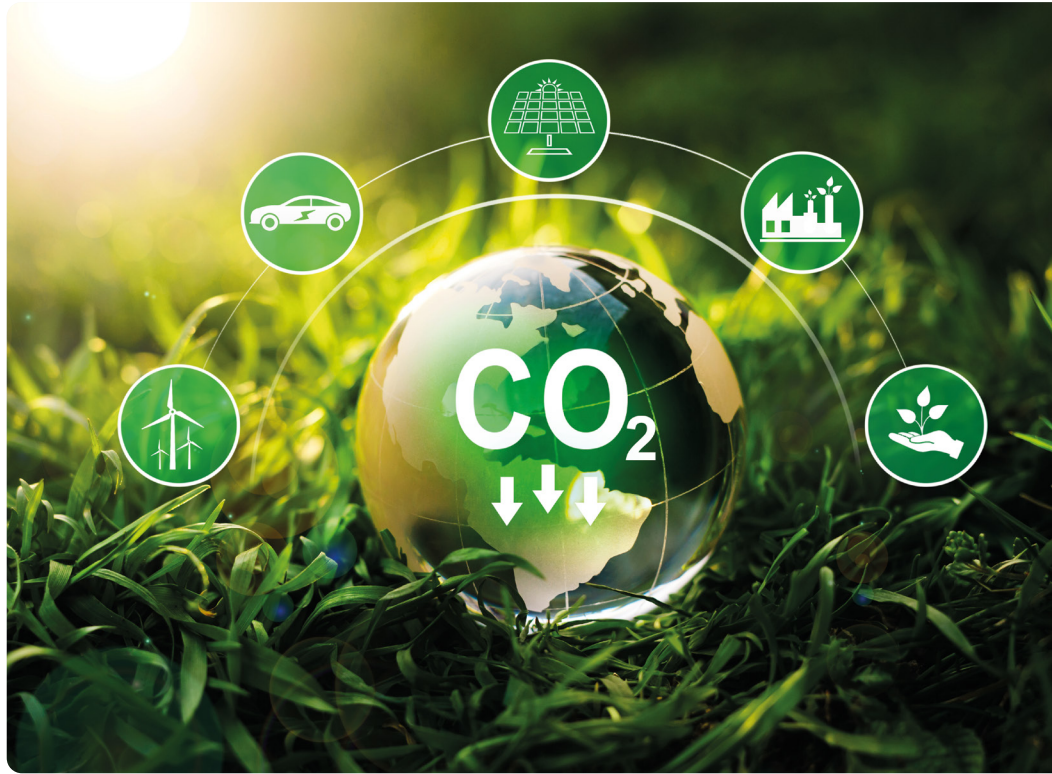
Gender Breakdown of Head Office Employees



271
Total Number of Employees

Consus Enerji's biomass and solar energy investments **contribute to emission reductions in excess of 80,000 metric tons of CO₂ equivalent annually** by using renewable and clean energy sources instead of fossil fuels.

The Environment, Occupational Health and Safety



THE ENVIRONMENT

Consus Enerji biomass and solar power plants aim to increase the environmental awareness of the people, institutions and organizations with which they directly and indirectly interact in distributed power and electricity trading segments; act ethically and responsibly towards all its stakeholders; and establish and maintain systems based on environmental protection and the efficient use of natural resources.

In line with this policy, the Company:

- Carries out its activities in compliance with environmental legislation and international standards.
- Undertakes to manage and minimize the environmental impacts arising from its business activities and continuously improve its environmental performance.
- Aims to reduce greenhouse gas emissions to minimize their impacts on climate change.
- Carries out studies to reduce air emissions.

- Aims to use resources in the most efficient way possible by reducing the consumption of all natural sources, including raw materials and water in its operations. The Company attaches importance to protecting water sources and preventing pollution and treats or directly discharges wastewater in accordance with legal obligations, especially regarding wastewater discharge.
- Carries out activities to reduce, reuse and recycle waste generated as a result of its operations at the source and to transport and dispose of them as stipulated by the legislation.
- Takes care to realize power generation, transmission and utilization in the most efficient manner at every stage of their operations and carries out activities to increase energy efficiency.
- In line with the importance attached to stakeholder relations management, adopts the principle of listening to all stakeholders and informing them about its environmental policy, approach and performance through reports and statements.

- Monitors and audits environmental performance within the framework of the environmental management system. It continuously monitors its operations, identifies fields for improvement and sets targets.
- To ensure stakeholder participation, continuously improves environmental performance by taking into account stakeholder feedback on the environmental policy and activities during annual meetings and through existing communication channels.

The transparent sharing of this policy with internal and external stakeholders is also part of the environmental policy.

Consus Enerji declares that it will set and continuously review its environmental targets, disseminate this policy among all its employees; accordingly comply with the legal requirements and legislation, as well as its commitments to its customers and other stakeholders; and work effectively for the prevention of pollution and continuous improvement.

All subsidiaries of Consus Enerji hold ISO 14001 Environmental Management System and Zero-Waste Certificates.

Consus Enerji works to continuously improve and raise environmental awareness, from management to employees and from its facilities to business processes, to protect the environment and fight climate change. In 2022, within the framework of full compliance with the legislation, regular environmental trainings were provided, regular site controls were carried out, and key performance indicators were continuously monitored and reported. Efforts were made to reduce natural source consumption by targeting efficiency in energy and production. Additionally, various environmental measurements (emissions, dust, etc.) are being carried out on a voluntary basis.

The inability to prevent air, water and soil pollution, which arises with the increase in industry and production activities, at its source plays a major role regarding climate change. Consus Enerji fully supports the fight against climate change by complying with legal regulations; preventing waste at its source; sourcing its air and gas emissions from renewable, clean and carbon-friendly wastes, which it prefers in its processes and raw material processes; and by designing its facilities to reuse the generated wastewater to minimize the amount of discharge.

Consus Enerji's biomass and solar energy investments contribute to emission reduction by using renewable and clean energy sources instead of fossil fuels. Renewable energy power plants contribute to an annual emission reduction equal to more than 80,000 metric tons of CO₂.

All of the energy generated in biomass power plants is provided by using biomass sources. By selecting products such as cotton stalks, corn stalks and forest wastes as raw materials, Consus Enerji supports farmers in cleaning fields and forests, prevents the use of fossil fuels, and contributes to low-emission clean energy production.

Consus Enerji also contributes to energy efficiency and saving and reduces emissions through production in its cogeneration and trigeneration plants.

Carbon and Renewable Energy Certificates

The Mavibayrak Enerji Biomass Power Plant, operating under Consus Enerji in Aydın/Söke, has an internationally recognized VCS (Verified Carbon Standard) certificate. As part of certification studies, approval is first obtained from a verification body authorized in Türkiye by Verra, the international organization issuing the certificate. The project's carbon reduction amount is later approved in line with Verra's own procedures. The certificates, which are calculated and obtained according to the methodology specified in

the certificate, are included in the carbon trading market so that organizations with high carbon emissions that must reduce them can erase their carbon footprint. The certificates produced by Mavibayrak Enerji Biomass Power Plant are also Corsia Eligible, which can be used by the aviation industry to reset their carbon footprint.

Mavibayrak Doğu Biomass Power Plant and Ra Solar Power Plant are registered with the GCC (Global Carbon Council) program. The projects related to these power plants are listed and the related carbon certificate processes are ongoing. Doğal Enerji Biomass Power Plant has an I-REC (Renewable Energy Certificate) certificate, and the relevant certificates are also made available to end consumers.

Consus Enerji keeps abreast of new carbon projects developing around the world and continues to generate green financial revenues while contributing to environmental sustainability goals by integrating its business lines into these projects.

The Company will continue to take decisive steps for the environment and its protection in 2023 and beyond. The activities planned to be realized in the coming period accordingly are as follows:

- Reducing internal and natural source consumption by targeting high production efficiency,
- Organizing more trainings and activities to raise the environmental awareness of employees and stakeholders,
- Ensuring full and complete compliance with environmental legislation,
- Complying with local and international standards in line with the sector and operations,
- Developing projects to support the steps outlined in the environmental policy.

Consus Enerji and its subsidiaries have a total of 23 certifications in ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, ISO 45001:2018 Occupational Health and Safety Management System, ISO 50001:2018 Energy Management System standards.

The Environment, Occupational Health and Safety

QUALITY MANAGEMENT

The main points of Consus Enerji's quality policy are as follows:

- Identifying and realizing strategic goals and objectives in line with stakeholder expectations and the vision of the organization;
- Fulfilling all relevant legal and international compliance obligations;
- Assessing the risks that prevent business processes from achieving their objectives and taking measures;
- Building trust-based relationships with business partners and the community;
- Increasing stakeholder satisfaction by ensuring process excellence;
- Establishing, maintaining and continuously improving the quality management system and other systems required by the Company.

In this context, Consus Enerji and its subsidiaries have a total of 23 certifications in ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, ISO 45001:2018 Occupational Health and Safety Management System, ISO 50001:2018 Energy Management System standards.

Consus Enerji and its subsidiaries are certified by TÜV THÜRINGEN which was accredited by the German accreditation body (DAkkS) for the certification of various systems and products.

Certificates Held by Consus Enerji and Its Subsidiaries

The certifications held by Consus Enerji and its subsidiaries are presented in the table below:

Company Title	ISO 9001	ISO 14001	ISO 45001	ISO 50001
Consus Enerji İşlet. ve Hiz. A.Ş.	x			
Mavibayrak Enerji Üretim A.Ş.	x	x	x	x
Doğal Enerji Hizmetleri San. ve Tic. A.Ş.	x	x	x	x
Mavibayrak Doğu Enerji Üretim A.Ş.	x	x	x	x
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.	x	x	x	
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş.	x	x	x	
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş.	x	x	x	
Tenera Enerji Tic. A.Ş.	x			

OCCUPATIONAL HEALTH AND SAFETY

Consus Enerji aims to increase occupational health and safety (OHS) awareness at all its workplaces; fulfills its OHS responsibilities towards its employees, official institutions, local and regional neighbors; and establishes and maintains systems based on occupational health and safety.

The basic steps determined in this direction are stated below:

- Sustaining human-oriented, safe and healthy working conditions to prevent injuries and health-related concerns for employees;
- Working in accordance with the legal and other conditions to which it is subject;
- Taking measures to eliminate hazards at the source, and taking collective protection and then personal protective measures for hazards that cannot be eliminated at the source;
- Providing periodic trainings to ensure working with subcontractors and suppliers who meet legal requirements and international standards, and that the subcontractors and suppliers comply with the OHS-related rules set;
- Preparing an effective emergency response plan to identify potential emergencies in its projects and to ensure the protection of people, the environment, and all assets;
- Raising OHS awareness and providing OHS trainings on a regular basis;
- Carrying out continuous research and development, performance measurement, and evaluation studies to further increase the health and safety awareness of all employees;
- Setting OHS targets by focusing on the principle of zero-accidents and occupational disease, continuously reviewing these targets, and disseminating this policy among all employees/contractors.



In 2022, all facilities of the Company were audited by an independent audit organization and ISO 45001 certificates were renewed. In 2022, the main activities carried out in the field of occupational health and safety are summarized below:

Basic occupational health and safety trainings and job-specific trainings were organized for all employees and all subcontractor personnel at the facilities.

Trainings were organized for the certification of employees for jobs requiring vocational qualification certificates at the facilities.

Considering the increasing number of fire incidents in our country, fire safety activities and controls have been increased at all facilities. The use of automatic fire extinguishing systems and the effectiveness of the use of mobile extinguishing vehicles for locations where regional extinguishing difficulties may occur have been increased, and fire intervention and emergency drills were conducted periodically throughout the year.

Necessary activities were carried out as part of the regulations for workplace physicians to periodically carry out health surveillance of employees and ensure a more careful health monitoring of employees.

A disciplinary procedure was added to the occupational safety procedures and focus was on the effective implementation of the practice. Thanks to the disciplinary procedure, the OHS performance of employees can be calculated based on certain criteria. In this context, award-worthy employees were identified during the year. These employees were rewarded and set an example for other employees. After inappropriate behaviors were reported to employees, an increase in their sensitivity was observed.

In the coming period, the Company plans to carry out the following activities to further improve its OHS performance:

- Ensuring the sustainability of implemented occupational health and safety procedures,
- Tracking visitors and subcontractors coming to the sites through the online system,
- Providing first aid trainings to all employees for first response in possible accidents,
- The instant and online transfer of reports to the system and the subsequent accelerating of the controls to be carried out by the center.

Consus Enerji provides assistance to those in need in the regions where it operates through municipalities and governorships. **In 2022, such efforts were carried out in Mardin and Söke.**

Corporate Social Responsibility

Consus Enerji and its subsidiaries are focused on integrating social, environmental, ethical and human rights issues into the Company's operations and core strategy in close cooperation with their communities and social stakeholders.

Supporting events that contribute positively to the promotion of Türkiye; benefitting the country and society at the local and national level; and improving the social, cultural and economic environment are among the social responsibility activities prioritized by the Company.

The Group also continued to support education, aid campaigns, cultural and social activities, as well as related projects and events through sponsorship activities in 2022.

With the participation of its employees, the Group provides assistance to those in need in the regions where it operates through municipalities and governorships. In 2022, such efforts were carried out in Mardin and Söke.

In addition to benefitting the environment, the Group supports society by creating different sources of income for the people in the regions where it operates in the biomass business line, increasing local employment.

Information on Sustainability Principles Compliance Framework

Pursuant to the decision of the Capital Markets Board dated June 23, 2022 and numbered 34/977 and the Corporate Governance Communiqué No. II-17.1, it was stated that the disclosures that are required to be made within the scope of the sustainability principles compliance framework by partnerships traded on the BIST Main Market, Stars Market and Submarket should be prepared in the format specified in the CMB's Policy Decision starting from the reports for the year 2022 to be made in 2023 on the Public Disclosure Platform (PDP), as announced by the Central Securities

Depository of the Turkish capital markets (MKK) on January 10, 2023. With the same announcement, it was determined that companies whose shares are traded on BIST for the first time will publish this notification starting from the reports containing the data of the year following the year of trading. Consus Enerji, whose shares were first traded on BIST in 2022, will submit its disclosures within the sustainability principles compliance framework in the future periods, covering the year-end data of 2023, in line with the templates specified in the aforementioned announcement.

Board of Directors

The Company is managed and represented by a Board of Directors consisting of at least 5 (five) members to be elected by the General Assembly within the framework of the Turkish Commercial Code (TTK), Capital Markets Legislation and the rules set forth in the Company's Articles of Association. The number and qualifications of the members and independent members of the Board of Directors are specified according to the regulations of the Capital Markets Board on Corporate Governance. The distribution of duties and commencement dates of the term of office of the members of the Board of Directors, whose terms of office were determined as three years by the General Assembly dated June 15, 2020 and who were approved at the General Assemblies held on June 15, 2020; June 3, 2021; and January 4, 2022, are provided in the table below. These duties of the Board Members will expire on June 15, 2023.

Full Name	Duty	Commencement Date	Term of Office (*)
Ayşegül Bensele	Chair of the Board of Directors	June 15, 2020	3 Years
Serdar Kırmaz	Vice Chair of the Board of Directors	June 15, 2020	3 Years
Fezullah Tahsin Bensele	Board Member	June 15, 2020	3 Years
Mehmet Ali Deniz	Board Member	January 4, 2022	Until June 15, 2023, the same as the Board Members elected on June 15, 2020
Atay Arpacioğulları	Board Member and CEO	June 15, 2020	3 Years
Ercan Nuri Ergül	Independent Board Member (**)	June 15, 2020	3 Years
Mustafa Karahan	Independent Board Member (**)	June 3, 2021	Until June 15, 2023, the same as the Board Members elected on June 15, 2020

(*) Consus Enerji, in its call for the Ordinary General Assembly for the year 2022 on March 30, 2023, announced that the relevant General Assembly would convene on May 4, 2023. In the agenda item in the related announcement, a separate agenda item exists to cover the election of Board Members.

(**) Ercan Nuri Ergül and Mustafa Karahan, who were appointed as Board members on June 15, 2020 and June 3, 2021, respectively, were elected as Independent Board Members by the first General Assembly that convened on July 27, 2022, after the public offering. During the operating period, no issue arose that eliminated the independence of the Independent Members.

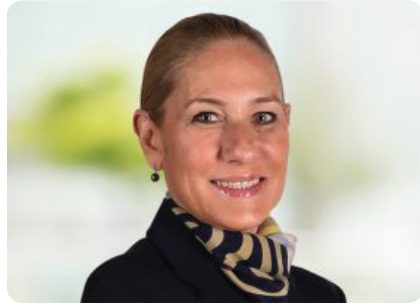
The Chair and the Board members have the powers and duties stipulated in the related articles of the Turkish Commercial Code and the Company's Articles of Association.

At the Ordinary General Assembly that convened on July 27, 2022, the Board members were authorized to carry out activities in accordance with Articles 395 and 396 of the Turkish Commercial Code. During 2022, none of the Board Members, within the framework of the permission granted by the General Assembly of Consus Enerji, have engaged in any competing activity through transactions made on behalf of the Company, himself/herself or someone else.

Number of Board Meetings Held During the Year and Attendance of Board Members to These Meetings

The Consus Enerji Board of Directors convened 30 times during the year, with a 100-percent attendance rate.

Board of Directors



Ayşegül Bensele **Chair of the Board of Directors**

Ayşegül Bensele, who is the Chair of the Board of Directors at Consus Enerji, continues her duty as a Member of the Board of Directors at Global Investment Holdings, the main shareholder of the Company. She is Chair, Vice Chair and Member of the Board of Directors in various domestic and international subsidiaries of Global Investment Holdings. She is also a member of Consus Enerji's Corporate Governance and Early Detection of Risk Committees.

Having graduated from Hacettepe University, Department of Business Administration, Bensele started her career as a Manager in the Treasury Department of a private bank. Bensele joined Global Menkul Değerler A.Ş. in 1993 as an Assistant Analyst in the Research Department. She was appointed Assistant Director of the Research Department in 1998 and then Director of the Research Department. She served as Chair of the Board of Directors and Deputy General Manager at Global Hayat Sigorta A.Ş. between 2003–2006, and as General Manager at Pera Gayrimenkul Yatırım Ortaklığı between 2010–2019. Bensele is the Chair of the Board of Directors at Consus Enerji's subsidiaries Doğal Enerji Hizm. San. ve Tic. A.Ş., Mavibayrak Enerji Üretimi A.Ş. and Solis Enerji Üretim ve Tic. A.Ş. She continues her duties as a Member of the Board of Directors at Tres Enerji Hizm. San. ve Tic. A.Ş.



Serdar Kırmaz **Vice Chair of the Board of Directors**

Serdar Kırmaz graduated from the Department of Business Administration at the Middle East Technical University in 1987. After working for a short time at Oyak Headquarters in Ankara, he joined Coopers & Lybrand (later PWC) in 1988 and held various positions. He left the same institution in 1997 with the title of Partner.

Kırmaz, who served various Turkish companies at his own consultancy firm between 1997–1999, worked as a Member of the Executive Board in charge of Financial Affairs at STFA Holding A.Ş. between 1999–2005, and as Finance Director at Global Investment Holdings, the main shareholder of Consus Enerji between 2005–2007. He worked at Doğan Group between 2007–2010 and returned to Global Investment Holdings in 2010.

Kırmaz is a Member of the Board of Directors of Global Investment Holdings and various subsidiaries, and continues to serve as the Vice Chair of the Board of Directors at Consus Enerji. Kırmaz is the Chair of the Board of Directors of Tenera Enerji Tic. A.Ş., Tres Enerji Hizm. San. ve Tic. A.Ş. and Mavibayrak Doğru Enerji Üretim A.Ş., which are subsidiaries of Consus Enerji. Moreover, he is holding various senior positions as Vice Chair of the Board of Directors at Doğal Enerji Hizm. San. ve Tic. A.Ş., Mavibayrak Enerji Üretim A.Ş., Ra Güneş Enerji Üretim San. ve Tic. A.Ş., Solis Enerji Üretim Tic. A.Ş. and Edusa Atık Bertaraf ve Geri Kazanım Depolama San. Tic. A.Ş.



Feyzullah Tahsin Bensele **Board Member**

F. Tahsin Bensele, a graduate of Boğaziçi University Industrial Engineering Department, studied Industrial Engineering at the University of Florida. Following his graduation, he worked as a lecturer at Florida Atlantic University between 1982–1991 and provided consultancy services to various companies in South Florida.

He joined the Global Group as the General Manager of Global Menkul Kıymetler Yatırım Ortaklığı A.Ş. at the end of 1991 and has held various senior positions before today.

He also served as the General Manager at Global Portföy Yönetimi A.Ş. and as the Vice Chair of the Board of Directors at Actus Portföy Yönetimi A.Ş. After the merger of İstanbul Portföy Yönetimi A.Ş. and Actus Portföy Yönetimi A.Ş., he continues to serve as the Chair of the Board of Directors of İstanbul Portföy Yönetimi A.Ş.

He is currently a Member of the Board of Directors at Global Menkul Değerler A.Ş., Chair of the Board of Directors at Global Liman İşletmeleri A.Ş. and Global Gemicilik ve Nakliyat Hizmetleri A.Ş., and a Member of the Board of Directors at the Yes Foundation Bahamas.

Bensele was appointed a Member of the Board of Directors of Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. from June 15, 2022. He continues his duties as a Board Member at Consus Enerji's subsidiaries Mavibayrak Enerji Üretim A.Ş. and Doğal Enerji Hizmetleri San. ve Tic. A.Ş., as the Chair of the Board of Directors at Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş. and Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş. and as the Vice Chair of the Board of Directors at Tres Enerji Hizm. San. ve Tic. A.Ş.



Mehmet Ali Deniz **Board Member**

Mehmet Ali Deniz was appointed a Board Member of Consus Enerji from January 4, 2022. He has been the Group Chief Strategy Officer of Global Investment Holdings, the main shareholder of Consus Enerji, since 2014 and is responsible for the Group's global mergers, acquisitions, financing, and capital markets transactions. Deniz has played a key role in Global Ports Holding's global growth activities.

Deniz also recently led the successful public offerings of Naturelgaz San. ve Tic. A.Ş. and Consus Enerji İşlet. ve Hizmet. A.Ş. in 2021 and 2022 on behalf of Global Investment Holdings. Deniz is currently a Board Member of Global Group companies Naturelgaz San. ve Tic. A.Ş., İstanbul Portföy A.Ş., GYH Danışmanlık ve Yönetim Hizmt. A.Ş. and Catania Cruise Terminal S.r.l., Chair of the Board of Directors of AD Port of Adria, and Managing Director of GPH Kalundborg ApS.

Deniz was the CEO of Soma Metalik Madenler A.Ş. between 2011–2014, where he managed the Group's domestic metal mines, and led the metal mine development efforts abroad and the coal-fired power station development projects in Türkiye. Deniz developed projects and made investments in the metal mines sector through RA Invest A.Ş., a company he founded, between 2009–2011. Between 2006–2009, Deniz was the Head of Business Development Department at Global Investment Holdings, where he and his team managed the Holding's acquisitions,

partnerships, company sales and project financing transactions in the energy, port infrastructure and real estate sectors. Deniz joined the Group in 1997 as an analyst in the Corporate Finance Department of Global Menkul Değerler, where he was involved in major public offerings, mergers and acquisitions in Türkiye, the Balkans and North Africa regions until 2006.

Deniz graduated from the Bilkent University Electrical and Electronics Engineering Department in 1993 and holds an MBA from the same university. He also completed a long-term global leadership program at Yale University and is a member of the Endeavor Association. He is also a Board Member at Solis Enerji Üretim ve Tic. A.Ş., a subsidiary of Consus Enerji.



Atay Arpacioğulları **Board Member and CEO**

Atay Arpacioğulları graduated from the Department of Architecture of the Middle East Technical University in 1997, worked in the construction industry until 2002, and then completed his MBA education at Babson College in 2002–2004.

Arpacioğulları, who joined Global Investment Holdings, the main shareholder of Consus Enerji, in 2005, served as the Head of the Business Development Group between 2010–2013 after serving in various positions within the Holding. Atay Arpacioğulları, who has been working as the CEO of Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. since 2013, was appointed as a Board Member of Consus Enerji in 2018. He serves as the CEO at Straton Maden Yat ve İşl. A.Ş., as a Board Member at Dağören Energy A.Ş. and Güney Maden İşletmeleri A.Ş., and as the Managing Director at Barsolar d.o.o. Bar. Arpacioğulları is also a Board Member at the subsidiaries of Consus Enerji: Doğal Enerji Hizm. San. ve Tic. A.Ş., Edusa Atık Bertaraf ve Geri Kazanım Depolama San. Tic. A.Ş., Mavibayrak Enerji Üretim A.Ş., Mavibayrak Doğru Enerji Üretim A.Ş., Ra Güneş Enerji Üretim San. ve Tic. A.Ş., Tenera Enerji Tic. A.Ş. and Tres Enerji Hizm. San. ve Tic. A.Ş.

Board of Directors



Ercan Nuri Ergül Independent Board Member

Ercan Nuri Ergül was appointed as a Board Member of Consus Enerji in 2020. He was elected as an Independent Board Member by the first General Assembly convened on July 27, 2022 after the public offering. Ergül is also a Member of the Company's Audit Committee.

Ergül has been a Member of the Board of Directors at Global Ports Holding Plc since 2017 and serves as a Member of the Board of Directors in various subsidiaries of Global Investment Holdings. Ergül is the partner and manager of a private equity fund with investments in Türkiye and the Balkans. Ergül, who previously worked as a manager in investment banking activities of Global Menkul Değerler, started his career at Citibank Türkiye's Corporate Banking Department. Ercan Nuri Ergül completed his bachelor's degree at the Faculty of Mechanical Engineering at the Middle East Technical University, and then received his Master of Business Administration degree in the USA. Ergül serves on the Board of Directors of four companies operating in the fleet leasing, packaging, and information technologies sectors. Ergül served as a member of the Board of Directors, Chair of the Corporate Governance Committee and a member of the Audit Committee at Global Investment Holdings between April 2017 and April 2018. Ergül continues his duties as a Board Member at Consus Enerji's subsidiaries Mavibayrak Enerji Üretimi A.Ş. and Tenera Enerji Tic. A.Ş. and as the Vice Chair of the Board of Directors at Mavibayrak Doğu Enerji Üretim A.Ş.



Mustafa Karahan Independent Board Member

Mustafa Karahan, who was appointed as a Member of the Board of Directors of Consus Enerji in 2021, was elected as an Independent Board Member at the first General Assembly meeting on July 27, 2022 after the public offering. He also serves as the Chair of the Company's Audit, Corporate Governance and Early Detection of Risk Committees.

Karahan graduated from Ankara Atatürk Anatolian High School in 1985. He received his bachelor's degree from Ankara University, Faculty of Political Sciences, Department of Economics in 1990. In the same year, he began working at Hitit Menkul Değerler.

Karahan worked in the Treasury and Finance Department of Türk Eximbank between 1992-1994. He received his MBA degree from NY Institute of Technology (Old Westbury) University between 1994-1998. During the same period, he interned at Merrill Lynch Private Clientele Group and worked for Broadway Inc. for two years.

Returning to Türkiye in 1998, Karahan started his career at Demirbank's Treasury Department and continued until 2004, at which time this bank was purchased by HSBC. During this time, he worked at the International Capital Markets, Treasury Sales and Derivative Products desks.

In 2004, he worked as a partner and manager at Central Asian Financial Advisory Services (CAFAS) in Kazakhstan. Additionally, he traded the risks and non-performing loans of Central Asian banks. Until 2008, when he lived in Kazakhstan, he worked as an investor, manager or consultant at different companies such as BASF Central Asia Construction Chemicals Inc, BetonAta (Çiments Francais/Italcementi Group), Galatafilm, through his partner BFV company. He started his duty at EFT Türkiye in 2008, again as a managing partner, and continued until 2012, when he sold his shares in the Company. During this time he traded electricity within EFT.

He served as the founder and the Chair of the Board of Directors for two terms at the Energy Trade Association (ETD), which was established with the initiative he started in 2009. Karahan heads the Wholesale Markets, Organized Markets and Demand Side Participation Working Groups at ETD. He is currently the Vice Chair of the Board of Directors of ETD, Financial Advisory Services Manager at Dragon Enerji Finansal Danışmanlık Hizmetleri, President of the Türkiye Energy Summit, and Board Member of Enerji Piyasaları İşletme A.Ş. (EPIAŞ), Montel Foreks and Energy Pool Türkiye. Karahan is also an Independent Board Member at Naturelgaz San. ve Tic. A.Ş. and a Board Member at Straton Maden Yatırımları ve İşlet. A.Ş., both subsidiaries of Global Investment Holdings.

Senior Management



Atay Arpacioğulları Board Member and CEO

CV details can be found in the Board of Directors section.



Muhammet Er CFO

Muhammet Er joined Consus Enerji as the Group Budget and Reporting Manager in 2017. He was appointed as Consus Enerji's CFO in 2021.

Er, who has experience in corporate banking, independent auditing, renewable energy and mining sectors, graduated from the Department of Economics at Boğaziçi University and started his career as an Independent Auditor at KPMG in 2008. Er, who worked as a Financial Controller at CVK-TISCO JV between 2011-2012, continued his career in energy and mining as Accounting and Finance Manager at Turchrome Mining, the Turkish investment of Capital Int'l Private Equity Fund, between 2012-2013. Between 2013-2017, he worked as a CFO at CVK Group.



Kaan Görenek Engineering and Investments Director

Kaan Görenek joined Consus Enerji as the Engineering and Investments Director in 2018.

Görenek started his career as a Project Engineer at a 38 MW natural gas cycle power plant at Nuh Yapı Ürünleri A.Ş. between 1997-1999. In the period covering the years 2001-2017, he worked as a Project Engineer between 2001-2003, an Engineer and Project Manager between 2003-2010, the Assistant General Manager for Investments between 2010-2014 and an Executive Board Member between 2012-2014 at Aksa Enerji Üretim A.Ş. As the Business Development Director responsible for the Holding's Overseas Projects between 2014-2017, he was involved in the realization of a 2.085-MW (465 MW) heavy fuel engine power plant, a (1.150 MW + 330 MW) natural gas cycle power plant, a (2x135 MW) lignite coal power plant, and (140 MW) wind-based renewable energy power plant projects in Türkiye, and a 660-MW heavy fuel engine power plant project in Africa. Kaan Görenek graduated from Kocaeli University, Faculty of Engineering, Department of Mechanical Engineering, and completed the Online Applied Finance Education Program at Boğaziçi University.

Committees Established Under the Board of Directors

With the Board of Directors' resolution dated July 28, 2022, the decision was made to establish a Corporate Governance Committee, Audit Committee and Early Detection of Risk Committee in accordance with the Capital Markets Board's Corporate Governance Communiqué numbered II-17.1. With the same decision, it was concluded that the duties of the Nomination and Remuneration Committees would be fulfilled by the Corporate Governance Committee.

Areas of responsibilities, working principles, and members of the committees were determined by the Board of Directors on July 28, 2022. The duties and working principles of these committees were disclosed to the public on the Public Disclosure Platform (PDP) and in the "Investor Relations" section of the Company's corporate website at www.consusenerji.com.tr.

Since the Board of Directors has two independent members due to its structure, Board members can serve on more than one committee. All members of the Audit Committee are Independent Board Members and the chairs of the Corporate Governance and Early Detection of Risk Committees are Independent Board Members. All kinds of resources and support required for the committees to fulfill their duties are provided by the Board of Directors. The Committees invite the relevant executives to their meetings and benefit from their opinions on issues related to their activities. Reports submitted by the Committees were evaluated by the Board of Directors and relevant actions were taken.

All committees convene as often as deemed necessary for the effectiveness of their work, as stated in their working principles. In 2022, among the committees established within the Board of Directors, the Corporate Governance Committee convened once, the Early Detection of Risk Committee convened once, and the Audit Committee convened twice. The committees closely examined and evaluated audits, corporate governance, risks and strategies; and recommendations on these issues were presented to the Board of Directors. Committee members are re-elected at the first meeting of the Board of Directors to be held after the Ordinary General Assembly held every year, and the duties of the former committee members continue until new ones are elected.

Audit Committee

The Audit Committee supervises the Company's accounting system, disclosure of its financial information to the public, independent auditing and operation, and the effectiveness of the internal control and internal audit system. Other responsibilities are detailed in the working principles.

Committee Members	Duty	Qualifications
Mustafa Karahan	Chair	Independent Board Member
Ercan Nuri Ergül	Member	Independent Board Member

Both members of the Audit Committee have at least five years of experience in auditing, accounting and/or finance.

Corporate Governance Committee

The Corporate Governance Committee oversees the implementation of the Capital Markets Board's Corporate Governance Principles at the Company and identifies any conflicts of interest that may arise as a result of not fully complying with these principles. In addition, it makes suggestions to the Board of Directors to improve corporate governance practices and carries out studies accordingly. Additionally, the Corporate Governance Committee, which is also responsible for overseeing the work of the Investor Relations Department, fulfills the duties of the Nomination and Remuneration Committees.

Committee Members	Duty	Qualifications
Mustafa Karahan	Chair	Independent Board Member
Ayşegül Bense	Member	Board Member
Serdar Kırmaz	Member	Board Member
Mehmet Ali Deniz	Member	Board Member
Ekin Biçen Öcal ^(*)	Member	Investor Relations Manager

^(*) The Investor Relations Department Manager was assigned as a member of the Corporate Governance Committee pursuant to Article 11 of the CMB's Communiqué on Corporate Governance (II-17.1.)

The Corporate Governance Committee convenes as often as required and reports to the Board of Directors its work, findings and recommendations on matters falling within its authority and responsibility.

Early Detection of Risk Committee

The Early Detection of Risk Committee works to deliver recommendations and advice to the Board of Directors on the early detection and assessment of strategic, operational, financial, legal and any other risks that may jeopardize the existence, development and continuity of the Company, calculating the severity and likelihood of these risks to occur, managing and reporting such risks in accordance with the Company's corporate risk-taking profile, applying the necessary measures to mitigate identified risks, taking these same considerations with regards to decision-making mechanisms, and establishing and integrating effective internal control systems in this direction.

Committee Members	Duty	Qualifications
Mustafa Karahan	Chair	Independent Board Member
Ayşegül Bense	Member	Board Member
Serdar Kırmaz	Member	Board Member
Mehmet Ali Deniz	Member	Board Member

Working Principles of Board Committees and the Board's Assessment of the Committees

All kinds of resources and support required for the committees to fulfill their duties were provided by the Board of Directors during 2022. The Committees invited the relevant executives to their meetings and benefited from their opinions on issues related to their activities. The reports prepared as a result of the committee meetings were submitted to the Board of Directors for its opinion and information. These reports were evaluated by the Board of Directors and relevant actions were taken.

At the meeting of the Company's Board of Directors dated February 23, 2023, an evaluation determined that the Corporate Governance Committee, Audit Committee and Early Detection of Risk Committee, which were established in response to a decision made by the Board of Directors on July 28, 2022 to help the Board fulfill its duties and responsibilities constructively in line with the Corporate Governance Principles of the Capital Markets Board, had fulfilled their duties and responsibilities based on their activities in 2022 in accordance with the Corporate Governance Principles and their own working principles.

Information on Risks, Internal Control System and Internal Audit Activities and the Opinion of the Governing Body on This Issue

Risks and Information on Risk Management Practices

Risk Management:

The Company pursues an effective risk management policy to prevent and mitigate all risks. Consus Enerji's risk management philosophy is based on the core principles of protecting asset value, ensuring operational safety and pursuing sustainability.

Consus Enerji's Board of Directors is responsible for determining and monitoring the overall risk management framework of the Company. In this context, the Early Detection of Risk Committee was established under the chairmanship of an Independent Board Member to achieve the early detection of risks with the potential to jeopardize the existence, development and continuity of the Company; to implement and monitor the necessary measures regarding the identified risks; and to manage the risks in a centralized structure.

In addition, the Committee:

- Makes recommendations to the Board of Directors in line with the studies carried out for the early detection of risks that may jeopardize the existence, development and continuity of the Company, taking the necessary measures against the risks identified and managing the risks;
- Monitors the integration and effectiveness of risk management and internal control systems into the corporate structure of the Company;
- Reports to the Board of Directors its efforts regarding the identification, analysis, measurement and monitoring of the risks faced by the Company and the measures taken and to be taken against these risks, and makes recommendations.

Consus Enerji's risk management activities are primarily carried out by the Early Detection of Risk Committee, while the Audit Committee monitors the works carried out by the independent auditors and Internal Audit and Control Department. Both committees are authorized to benefit from the opinions of experts when necessary and to receive consultancy services when needed.

The risks that Consus Enerji is exposed to during its operations are monitored under three main headings: financial risks, operational risks and compliance risks.

Financial Risks

Financial risks faced by the Group are managed by the Group management. The Company's financial risks and opportunities are effectively managed via policy revisions, when deemed necessary. Hedging instruments are evaluated in line with policies determined by senior management and efforts are made to limit the level of risk exposure.

The Group may be exposed to the following risks depending on its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations and arises primarily from customer receivables.

The Group is exposed to credit risk through its trade receivables from forward sales, contract assets, other receivables and deposits held at banks.

The Group periodically monitors the collectability of its trade receivables and sets aside provisions for the receivables that are deemed insolvent by the court, the potential losses that may arise from doubtful receivables based on previous years' collection rates, and, in particular, for receivables for which collection is deemed unlikely. The Group's biomass and solar power plants primarily make sales to EPIAŞ within the scope of YEKDEM, while the companies in the retail and distributed power operating segments make sales to a limited number of companies with high credit value. The Group has not experienced any collection difficulties in the past three years and does not expect any collection difficulties as it continues to work with these companies without issue.

Liquidity Risk

Liquidity risk is the risk that the Group will be unable to meet its future financial obligations. The Group's liquidity risk is managed by securing adequate financing facilities from various financial institutions to fund existing and future borrowing requirements under normal circumstances or crisis conditions to prevent inflicting damage on the Group or harming its reputation.

Market Risk

Market risk is the risk that the Group's revenue or the value of its holdings of financial assets will fluctuate as a result of changes in money markets, such as foreign exchange rates and interest rates. Market risk management aims to optimize returns while controlling exposure to market risk within acceptable limits. The Group is primarily exposed to foreign currency risk in Turkish lira, Euro and USD.

Since the Group's revenue in the biomass and solar energy business lines is indexed to USD for a period of 10 years, the project finance loans required for plant investments were utilized in USD with maturities ranging between 8–10 years. Accordingly, it is predicted that the Group will not be exposed to significant currency risk in these business lines after the YEKDEM period. During the YEKDEM period, these activities are largely hedged.

Operational Risks

Situations that may affect business continuity, such as disruptions and omissions in business activities; failure to act in accordance with the Group's policies and procedures; occupational health and safety negligence; work accidents; near misses; accidents with material damage; failure to open the fields for agricultural waste collection as a result of natural disasters, such as earthquakes, adverse weather conditions, fire, etc.; or disruptions that may adversely affect business activities, such as the emergence of losses that may arise from errors and disruptions in information technology systems are defined under this risk heading. Processes and systems are regularly reviewed and continuously improved through preventive activities carried out within Consus Enerji and continuous controls are carried out by internal and external experts and institutions.

For the prevention of operational risks, the following preventive activities are carried out:

- Diversification of biomass supply sources, ensuring supply continuity with long-term contracts, providing sufficient biomass stock for medium-term effects and carrying out studies to increase operational efficiency;
- Taking necessary safety precautions in operations, implementing comprehensive insurance policies that include loss of profit, and keeping critical spare parts in the inventory to minimize downtime;
- Monthly reporting on risks, improvements and actions as a result of controls carried out by environment, health and safety teams;
- Assurance of the relevant processes and activities with availability of in-house maintenance personnel and third-party maintenance contracts.

Compliance Risks

Compliance risk refers to the material, reputational or any kind of sanctions and similar losses that may be encountered in case of non-compliance with legislation, laws and other legal regulations, internal policies and procedures to which the Group is subject.

For the prevention of compliance risks and to support the effective management of its risks, Consus Enerji's management, legal and audit units keep up to date with the risks and legislation to support the management of Consus Enerji's Audit Department. The Company also receives support from the Legal, Audit and Compliance Departments of its parent company Global Investment Holdings when necessary.

Information on Risks, Internal Control System and Internal Audit Activities and the Opinion of the Governing Body on This Issue

Internal Audit Activities and Internal Control System

The Consus Enerji internal audit and control system has been structured to ensure that all financial and operational risks related to the activities are continuously kept under control and at a reasonable level. Thus, an Audit Committee was established under the Board of Directors.

The Audit Committee evaluates the systems and processes developed by the Company on financial reporting; financial, operational and activity risks; internal control; internal and independent external audits; and compliance with laws and regulations. It also makes recommendations to the Board. The Internal Audit and Control Department was established as a separate unit within the Company on August 1, 2022 to carry out internal audit and control activities. Internal Audit and Internal Control processes are carried out by the same unit within the framework of annual risk-based audit programs.

Internal Control

The Internal Control System consists of processes defined in workflows, job descriptions, authorization processes, policies and written procedures. The Board of Directors and the Audit Committee are periodically informed about the Internal Control System activities. Internal Audit and Control Unit periodically examines and audits the effectiveness of the Internal Control System.

The findings, opinions, and suggestions determined as a result of the internal control work carried out by the Audit unit are first shared and evaluated with the process owners who carry out the activities. Thus, it is ensured that appropriate and feasible solutions that will improve processes and activities are quickly implemented once a consensus is reached on the implementation of the necessary complementary and preventive measures.

Internal Audit

The purpose of internal audits is to protect tangible and intangible assets, to ensure that activities are carried out in accordance with internal and external legislations, to strengthen internal control processes to increase effectiveness and productivity in business processes, and to ensure corrective measures are taken in a timely manner.

The Company's Internal Audit and Control Department carries out its internal audit activities in accordance with International Internal Audit Standards (IIAS) and fulfills the duties assigned to it in line with the principle of independence. The internal audit plan is submitted to the Board of Directors following receipt of the Audit Committee consensus and is put into practice upon the approval of the Board of Directors. The Unit submits reports summarizing the audit results and ongoing findings to the Audit Committee and the Board of Directors.

Statement of Compliance with Corporate Governance Principles

Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. (Ticker: CONSE) was listed on Borsa Istanbul on April 20, 2022 and has been subject to Capital Markets Board (CMB) regulations since that date. The Company adopts the principles set forth in the CMB's Corporate Governance Communiqué "Communiqué" numbered II-17.1 and published in the Official Gazette dated January 1, 2014 and numbered 28871. In addition, Article 20 of the Company's Articles of Association titled "Compliance with Corporate Governance Principles" states that "The Corporate Governance Principles required by the Capital Markets Board shall be complied with. Transactions made and decisions of the Board of Directors taken without complying with the mandatory principles are invalid and deemed to be contrary to the Articles of Association."

The Company's activities in the field of Corporate Governance in 2022 were carried out within the framework of the Capital Markets Law, which includes the CMB's Corporate Governance Principles and the new regulations in question, and the communiqués prepared on the basis of this Law. In the 2022 accounting period, the Company, which was evaluated as a Group 3 Company in the determination and supervision of the compulsory corporate governance principles to be applied in accordance with the Communiqué, has been included in Group 2 as of 2023 according to the decision of the Board dated January 12, 2023 and numbered 2/51.

The Company complies with all the mandatory principles as well as the majority of the non-mandatory principles within the scope of the Communiqué. The Company aims to fully comply with the non-mandatory Corporate Governance Principles as well and continues its efforts to comply with the relevant voluntary principles that have not yet been implemented.

Although the Company has not yet achieved full compliance with the following non-compulsory Corporate Governance Principles, there are no conflicts of interest among stakeholders arising from non-compliance with these principles.

Regarding principle number 1.3.10, information on the total amount of donations and aids has been provided; however, no separate information is provided on the beneficiaries of donations and aids.

Regarding principle number 1.5.2, the Articles of Association do not extend the use of minority rights to those who own less than one twentieth of the outstanding shares. Additionally, in parallel with general practices, minority rights are vested within the framework of the general provisions of the regulations. No request has been received from the investors in this regard, and the Company follows the best practices and does not foresee any changes to the current structure in the near future.

Regarding principle number 2.1.4, most of the information on the Turkish section of the Company's corporate website is also available in English. In the coming period, efforts are underway to ensure the English version of the website features the same content as the Turkish version.

Regarding principle number 3.2.1, employee participation in management is not regulated by the Articles of Association or internal regulations and will be evaluated in the future.

Regarding principle number 3.2.2, such methods are being used in some issues related to employees.

Regarding principle number 3.4.1, although there is no systematic measurement system for customer satisfaction, a Complaint Data section has been established in the electricity trade segment, where customers directly submit their complaints and solutions are reported on a monthly basis.

Regarding principle number 4.2.5, there is no internal arrangement that includes job descriptions for the Chair of the Board of Directors and the Chief Executive Officer (General Manager), despite these roles being filled by separate individuals.

Regarding principle number 4.3.9, although diversity in terms of sectoral know-how, work experience and perspective within our Board of Directors is considered to contribute positively to the Company's activities and the effective functioning of the Board of Directors, there is currently no policy or target for the election of female members to the Board of Directors. As of 2022, our female Board member is the chair of the Board of Directors. Although developing a policy on the subject is not on the agenda at this stage, it may be considered in years to come as the number of suitable candidates increases.

Statement of Compliance with Corporate Governance Principles

Regarding principle number 4.4.7, Board members are not restricted from assuming other duties outside the Company since their work and sectoral experience contribute significantly to the Board of Directors. Considering the effective work of the Board of Directors, no change is foreseen in the short term to the current practice, as it is not viewed to impose any corporate governance challenges.

Regarding principle number 4.5.5, Board members may serve on more than one committee. This addresses, as per the Corporate Governance Communiqué, the requirement to elect the Chairs of the committees from among the independent Board members, while factoring the number of committees to be formed and the knowledge and experience of the members. Those members who assume duties in more than one committee ensure communication between committees working on related issues and increase opportunities for cooperation. Considering the efficient work of the Board members with the contribution of their knowledge and experience, the current committee structure facilitates effective work and will remain in place in the near future.

Regarding principle number 4.6.1, no special study has been conducted for performance evaluation at the Board of Directors level, and the issue will be evaluated in the upcoming periods.

Regarding principle number 4.6.5, payments made to the Board members and senior executives are disclosed to the public collectively at the Ordinary General Assembly, in the notes to the financial statements, and in the annual report in line with general practices. General market practices on this issue, which are considered important in terms of the confidentiality of personal information, are closely monitored and it is envisaged to act in parallel with the common practice.

Corporate Governance Compliance Report and Corporate Governance Information Form

I. CORPORATE GOVERNANCE COMPLIANCE REPORT (CRF)

	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.1. FACILITATING THE EXERCISE OF SHAREHOLDER RIGHTS						
1.1.2 - Up-to-date information and disclosures which may affect the exercise of shareholder rights are available to investors at the corporate website.	X					
1.2. RIGHT TO OBTAIN AND REVIEW INFORMATION						
1.2.1 - Management did not enter into any transaction that would complicate the conduct of special audit.	X					
1.3. GENERAL ASSEMBLY						
1.3.2 - The company ensures the clarity of the General Assembly agenda, and that an item on the agenda does not cover multiple topics.	X					
1.3.7- Insiders with privileged information have informed the board of directors about transactions conducted on their behalf within the scope of the Company's activities in order for these transactions to be presented at the General Shareholders' Meeting.					X	There was no such transaction notification.
1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.		X				A separate item was included in the agenda of the General Assembly Meeting to inform the shareholders about donations and aids. No separate information is provided about the beneficiaries of donations and aids. General information about the amounts of donations and aids is given at the General Assembly Meeting, and the total amount of donations and aids is shared. The implementation is planned to continue in this vein in the following General Assembly Meetings.
1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakeholders, without having the right to speak.	X					
1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
1.4.2 - The company does not have shares that carry privileged voting rights.	X					
1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.					X	The Company does not have a cross-ownership relationship that brings in a controlling relationship.

Corporate Governance Compliance Report and Corporate Governance Information Form

	Yes	Partial	No	Exempted	Not Applicable	Explanation
1.5. MINORITY RIGHTS						
1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			The Articles of Association do not extend the use of minority rights to those who own less than one twentieth of the outstanding shares. Additionally, in parallel with general practices, minority rights are provided within the framework of the general provisions of the regulations. Although Article 21, titled Minority Rights, in the Company's articles of association regulates minority rights, there is no extension to these rights. No request has been received from the investors in this regard and the Company follows the best practices and does not foresee any changes to the current structure in the near future.
1.6. DIVIDEND RIGHT						
1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
1.6.2 - The dividend policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.	X					
1.6.4 - The board reviewed whether the dividend policy balances the benefits of the shareholders and those of the Company.	X					
1.7. TRANSFER OF SHARES						
1.7.1 - There are no restrictions preventing shares from being transferred.	X					
2.1. CORPORATE WEBSITE						
2.1.1 - The company website includes all elements listed in Corporate Governance Principle 2.1.1.	X					
2.1.2 - The shareholding structure (names, privileges, number and ratio of shares, and beneficial owners of more than 5% of the issued share capital) is updated on the website at least every 6 months.	X					Although the shareholding structure is given in the Company Information title of the Investor Relations section in the corporate website, the changes in shareholding structure resulting from transactions in Borsa Istanbul within the scope of Article 12 of the Communiqué on Material Events Disclosure are followed and updated by MKK (Central Registry Agency). The Company's corporate website also provides a link to the shareholding structure on the PDP.
2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.		X				Most of the information in the Turkish section is also available in English. In the coming periods, efforts are underway to ensure the English version of the website features the same content as the Turkish version.

	Yes	Partial	No	Exempted	Not Applicable	Explanation
2.2. ANNUAL REPORT						
2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the Company's activities.	X					
2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					
3.1. CORPORATION'S POLICY ON STAKEHOLDERS						
3.1.1- The rights of the stakeholders are protected pursuant to the relevant regulations, contracts and within the framework of bona fides principles.	X					
3.1.3 - Policies or procedures addressing stakeholders' rights are published on the Company's website.	X					
3.1.4 - A whistleblowing programme is in place for reporting legal and ethical issues.	X					
3.1.5 - The company addresses conflicts of interest among stakeholders in a balanced manner.	X					
3.2. SUPPORTING THE PARTICIPATION OF THE STAKEHOLDERS IN THE CORPORATION'S MANAGEMENT						
3.2.1 - The Articles of Association, or the internal regulations (terms of reference/ manuals), regulate the participation of employees in management.			X			Will be evaluated in the future.
3.2.2 - Surveys/other research techniques, consultation, interviews, observation method etc. were conducted to obtain opinions from stakeholders on decisions that significantly affect them.		X				Such methods are being used in some subjects related to employees.
3.3. HUMAN RESOURCES POLICY						
3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.		X				Equal opportunities are offered in the Company's current employment practices and the Company's Code of Ethics includes the basic principles of equal opportunities under the headings "Regarding Employees" and "Conflicts of Interest." Succession planning for key managerial positions is partially available, and efforts to develop and document the relevant procedures will be evaluated in the coming periods. The procedures of the main shareholder Global Investment Holdings Group are taken into account in order to ensure the unity of implementation.
3.3.2 - Recruitment criteria are documented.	X					
3.3.3 - The company has a policy on human resources development, and organizes trainings for employees.	X					
3.3.4 - Meetings have been organized to inform employees on the financial status of the Company, remuneration, career planning, education and health.	X					
3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.					X	Employees are informed by their managers of any decisions that may affect them. There is no union structure in our company.

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	Yes	Partial	No	Exempted	Not Applicable	Explanation
3.3.6 - Job descriptions and performance criteria have been prepared for all employees, announced to them and taken into account to determine employee remuneration.	X					
3.3.7 - Measures (procedures, training, raising awareness, goals, monitoring, complaint mechanisms) have been taken to prevent discrimination and to protect employees against any physical, mental, and emotional mistreatment.	X					
3.3.8 - The company ensures freedom of association and supports the right for collective bargaining.					X	There is no collective bargaining agreement in our company. There is no prohibitive regulation on the aforementioned issues.
3.3.9 - A safe working environment for employees is maintained.	X					
3.4. RELATIONS WITH CUSTOMERS AND SUPPLIERS						
3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.		X				Although there is no systematic measurement system for customer satisfaction, a Complaint Data section has been created in the electricity trade segment, where customers directly submit their complaints and solutions are reported on a monthly basis, in order to ensure customer satisfaction.
3.4.2 - Customers are notified of any delays in handling their requests.	X					
3.4.3 - The company complied with the quality standards with respect to its products and services.	X					
3.4.4 - The company has in place adequate controls to protect the confidentiality of sensitive information and business secrets of its customers and suppliers.	X					
3.5. ETHICAL RULES AND SOCIAL RESPONSIBILITY						
3.5.1 - The board of the corporation has adopted a code of ethics, disclosed on the corporate website.	X					
3.5.2 - The company has been mindful of its social responsibility and has adopted measures to prevent corruption and bribery.	X					

	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.1. ROLE OF THE BOARD OF DIRECTORS						
4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the Company, and that effective risk management is in place.	X					
4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2. ACTIVITIES OF THE BOARD OF DIRECTORS						
4.2.1 - The board of directors documented its meetings and reported its activities to the shareholders.	X					
4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
4.2.3 - The board has ensured the Company has an internal control framework adequate for its activities, size and complexity.	X					
4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
4.2.5 - The roles of the Chair and Chief Executive Officer are separated and defined.		X				The roles of the Chair of the Board of Directors and the Chief Executive Officer (General Manager) are being filled by separate individuals. However, there is no internal arrangement that includes job descriptions for those roles.
4.2.7 - The board of directors ensures that the Investor Relations department and the corporate governance committee work effectively. The board works closely with them when communicating and settling disputes with shareholders.	X					
4.2.8 - The company has subscribed to a Directors and Officers liability insurance covering more than 25% of the capital.	X					In return for the damages to be caused to the Company by the faults of the members of the Board of Directors during their duties, the controlling shareholder of the Company, Global Investment Holdings has taken out a Directors & Officers Liability Insurance to cover our Company as well. The annual insurance limit exceeds 25% of the Company's capital.

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	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.3. STRUCTURE OF THE BOARD OF DIRECTORS						
4.3.9 - The board of directors has approved the policy on its own composition, setting a minimal target of 25% for female directors. The board annually evaluates its composition and nominates directors so as to be compliant with the policy.			X			Although diversity in terms of sectoral know-how, work experience and perspective within our Board of Directors is considered to contribute positively to the Company's activities and the effective functioning of the Board of Directors, there is currently no policy or target for the election of female members to the Board of Directors. As of 2022, our female board member is the Chair of the Board of Directors. The rate of female members in the Board of Directors is 14.3%. Although developing a policy on the subject is not on the agenda at this stage, it may be considered in years to come as the number of suitable candidates increases.
4.3.10 - At least one member of the audit committee has 5 years of experience in audit/accounting and finance.	X					
4.4. BOARD MEETING PROCEDURES						
4.4.1 - Each board member attend the majority of the board meetings in person.	X					
4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	Although there is the possibility to present an opinion in such a case, there has not been any notification made by the Board of Directors members who could not attend the meetings in the relevant period.
4.4.4 - Each member of the board has one vote.	X					
4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include the director's dissenting opinions if any.	X					
4.4.7 - There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			X			Board members are not restricted from assuming other duties outside the Company since their work and sectoral experience contribute significantly to the Board of Directors. Additionally, the CVs of the board members are presented to the information of the shareholders in the annual report. Considering the effective work of the Board of Directors, no change is foreseen in the short term to the current practice, as it is not viewed to impose any corporate governance challenges.

	Yes	Partial	No	Exempted	Not Applicable	Explanation
4.5. BOARD COMMITTEES						
4.5.5 - Board members serve in only one of the Board's committees.			X			Board members may serve on more than one committee. This addresses, as per the Corporate Governance Communiqué, the requirement to elect the Chairs of the committees from among the independent Board members, while factoring the number of committees to be formed and the knowledge and experience of the members. Those members who assume duties in more than one committee ensure communication between committees working on related issues and increase opportunities for cooperation. Considering the efficient work of the Board members with the contribution of their knowledge and experience, the current committee structure facilitates effective work and will remain in place in the near future.
4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	There is no consultancy service received in this direction.
4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
4.6. FINANCIAL RIGHTS						
4.6.1 - The board of directors has conducted a board performance evaluation to review whether it has discharged all its responsibilities effectively.			X			No special study has been conducted for performance evaluation at the level of the Board of Directors, and the issue will be evaluated in the upcoming periods.
4.6.4 - The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favor of them.	X					
4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			X			Payments made to the Board members and senior executives are disclosed to the public collectively at the Ordinary General Assembly, in the notes to the financial statements, and in the annual report, in line with general practices. General market practices on this issue, which are considered important in terms of the confidentiality of personal information, are closely monitored and it is envisaged to act in parallel with the common practice.

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II. CORPORATE GOVERNANCE INFORMATION FORM

1. SHAREHOLDERS	
1.1. Facilitating the Exercise of Shareholders Rights	
Number of investor conferences and meetings organized by the Company throughout the year	Prior to the Company's IPO in 2022, more than 10 communications (meetings, teleconferences, phone calls) were held on a one-on-one basis and via teleconferences for potential investors. Following the IPO process, multi-participant teleconferences were held to inform analysts and fund managers about our quarterly financials and operational developments, and approximately 50 questions received via e-mail from our individual investors were answered, and more than 200 investors were informed over the phone.
1.2. Right to Obtain and Examine Information	
Number of special auditor requests	-
The number of special audit requests that were accepted at the General Shareholders' Meeting	-
1.3. General Assembly	
Link to the PDP announcement that demonstrates the information requested by Principle 1.3.1. (a-d)	https://www.kap.org.tr/tr/Bildirim/1040543
Whether the documents related to the general assembly meeting are presented in Turkish and in English at the same time.	No.
The links to the PDP announcements associated with the transactions that are not approved by the majority of independent directors or by unanimous votes of present board members in the context of Principle 1.3.9	There is no such transaction in 2022.
The links to the PDP announcements associated with related party transactions in the context of Article 9 of the Communique on Corporate Governance (II-17.1)	There were no transactions in this scope within 2022.
The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communique on Corporate Governance (II-17.1)	There is no such transaction in 2022.
The name of the section on the corporate website that demonstrates the donation policy of the Company	Investor Relations / Corporate Governance / Policies and Code of Ethics / Donation and Aid Policy
The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved.	Notification regarding the general assembly meeting where the upper limit for donations and aids is approved: https://www.kap.org.tr/tr/Bildirim/1048194
The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 10
Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Although the General Assembly was held open to the public, including the stakeholders and the press, without the right to speak in accordance with the articles of association, there was no participation thereby other than the shareholders.
1.4. Voting Rights	
Whether the shares of the Company have differential voting rights	No
In case that there are voting privileges, indicate the owner and percentage of the voting majority of shares. -	-
The percentage of ownership of the largest shareholder	68%
1.5. Minority Rights	
Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	No
If yes, specify the relevant provision of the articles of association.	Although Article 21, titled Minority Rights, in the Company's articles of association regulates minority rights, there is no extension to these rights.

1.6. Dividend Right	
The name of the section on the corporate website that describes the dividend distribution policy	Investor Relations / Corporate Governance / Policies and Code of Ethics / Dividend Policy
Minutes of the relevant agenda item in case the board of directors proposed to the general assembly not to distribute dividends, the reason for such proposal and information as to use of the dividend.	Agenda Item 7: Information was given to the shareholders regarding the profit distribution for the financial year ending on December 31, 2021. The shareholders were informed that no dividend distribution could be made since there was no distributable profit remained after the profit for the period was offset against the previous year's losses when the Company's year-end both solo/statutory financials (prepared in accordance with Tax Procedure Law and Turkish Commercial Code) and the consolidated financial statements (prepared in compliance with Capital Market Board's Communique "Principles of Financial Reporting in Capital Markets") are considered.
PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends	https://www.kap.org.tr/tr/Bildirim/1048194

General Assembly Meetings

General Meeting Date	The number of information requests received by the Company regarding the clarification of the agenda of the General Shareholders' Meeting	Shareholder participation rate to the General Shareholders' Meeting	Percentage of shares directly present at the GSM	Percentage of shares represented by proxy	Specify the name of the page of the corporate website that contains the General Shareholders' Meeting minutes, and also indicates for each resolution the voting levels for or against	Specify the name of the page of the corporate website that contains all questions asked in the general assembly meeting and all responses to them	The number of the relevant item or paragraph of General Shareholders' Meeting minutes in relation to related party transactions	The number of declarations by insiders received by the board of directors	The link to the related PDP general shareholder meeting notification
July 27, 2022	0	72.64%	0.000001%	72.63%	It is in the Minutes section of the 2021 Ordinary General Assembly in the Investor Relations / Corporate Governance / General Assembly Meetings section	It is in the Minutes section of the 2021 Ordinary General Assembly in the Investor Relations / Corporate Governance / General Assembly Meetings section	Article 14	0	https://www.kap.org.tr/tr/Bildirim/1048194

2. DISCLOSURE AND TRANSPARENCY

2.1. Corporate Website	
Specify the name of the sections of the website providing the information requested by the Principle 2.1.1.	Included in the Company Details, Corporate Governance, Reports, Information on Public Offering, Material Event Disclosures, Frequently Asked Questions sections in the Investor Relations section.
If applicable, specify the name of the sections of the website providing the list of shareholders (ultimate beneficiaries) who directly or indirectly own more than 5% of the shares.	Investor Relations/Company Details/ Shareholding Structure
List of languages for which the website is available	Turkish and English

Corporate Governance Compliance Report and Corporate Governance Information Form

2.2. Annual Report	
The page numbers and/or name of the sections in the Annual Report that demonstrate the information requested by principle 2.2.2.	
a) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the duties of the members of the board of directors and executives conducted out of the Company and declarations on independence of board members	Information on the Governing Body, Senior Executives, and Personnel section
b) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on committees formed within the board structure	Committees Established Under the Board of Directors and The Board's Assessment of the Committees
c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Number of Board Meetings Held During the Year and Attendance of Board Members to These Meetings
ç) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legislation which may significantly affect the activities of the corporation	Information on Some of the Legislative Amendments that May Significantly Affect the Company's Activities
d) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on significant lawsuits filed against the corporation and the possible results thereof	Information Regarding the Lawsuits Against the Company, Which Could Affect Its Financial Situation and Activities, and Their Possible Consequences
e) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the conflicts of interest of the corporation among the institutions that it purchases services on matters such as investment consulting and rating and the measures taken by the corporation in order to avoid from these conflicts of interest	Information on the Conflicts of Interest Between the Company and Its Service Providers Such As Investment Consultancy and Rating Companies, and the Measures Taken by the Company to Prevent Such Conflicts of Interest
f) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the cross ownership subsidiaries that the direct contribution to the capital exceeds 5%	There is no such situation regarding the Company's capital.
g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and professional training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Information on Corporate Social Responsibility Activities Related to Employees' Social Rights, Vocational Training and Other Activities of the Company that May Bear Social and Environmental Consequences
3. STAKEHOLDERS	
3.1. Corporation's Policy on Stakeholders	
The name of the section on the corporate website that demonstrates the employee remedy or severance policy	Investor Relations / Corporate Governance / Policies and Code of Ethics / Compensation Policy for Employees
The number of definitive convictions the Company was subject to in relation to breach of employee rights	0
The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Internal Audit and Control Unit
The contact detail of the Company alert mechanism.	etik@consusenerji.com.tr
3.2. Supporting the Participation of the Stakeholders in the Corporation's Management	
Name of the section on the corporate website that demonstrates the internal regulation addressing the participation of employees on management bodies	Internal regulations are not publicly available or accessible.
Corporate bodies where employees are actually represented	None.

3.3. Human Resources Policy	
The role of the board on developing and ensuring that the Company has a succession plan for the key management positions	The performance of key managers is regularly evaluated at regular intervals, and the development of a succession plan for these managerial positions will be discussed in the coming periods.
The name of the section on the corporate website that demonstrates the human resource policy covering equal opportunities and hiring principles. Also provide a summary of relevant parts of the human resource policy.	The section under HR (Human Resources) main heading on the corporate website includes the subsections of HR Policy and Our Key Principles, Our Values, Our HR Practices and Recruitment while the section titled "Employee-related matters" in the Code of Ethics document and the section titled "Recruitment Process" in Anti-Bribery and Corruption Policy, which can be accessed from the Investor Relations / Corporate Governance / Policies and Code of Ethics section of the website cover the relevant issues. Additionally, the personnel regulation prepared to inform the Group employees of the main shareholder Global Investment Holdings and its subsidiaries, about the issues evaluated under the Human Resources management and to determine the rules they are subject to, is available on the intranet site used within the Company.
Whether the Company provides an employee stock ownership programme	There is not an employee stock ownership programme.
The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreatments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	The section under HR (Human Resources) main heading on the corporate website includes the subsections of HR Policy and Our Key Principles, Our Values, Our HR Practices and Recruitment while the section titled "Employee-related matters" in the Code of Ethics document and, the section titled "Recruitment Process" in Anti-Bribery and Corruption Policy, which can be accessed from the Investor Relations / Corporate Governance / Policies and Code of Ethics section of the website, cover the relevant issues. Additionally, the personnel regulation prepared to inform the Group employees of the main shareholder Global Investment Holdings and its subsidiaries, about the issues evaluated under the Human Resources management and to determine the rules they are subject to, is available on the intranet site used within the Company.
The number of definitive convictions the Company is subject to in relation to health and safety measures	0

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3.5. Ethical Rules and Social Responsibility

The name of the section on the corporate website that demonstrates the code of ethics	Investor Relations / Corporate Governance / Policies and Code of Ethics
The name of the section on the company website that demonstrates the corporate social responsibility report. If such a report does not exist, provide the information about any measures taken on environmental, social and corporate governance issues.	Studies for the preparation and publication of a separate sustainability report are ongoing. The Company's corporate website contains information on Sustainability Approach, Quality Management, Environmental Management, Climate Change, Carbon and Renewable Energy Certificates and Emission Reduction and Energy Efficiency under the heading of Sustainability. Codes of Ethics and other compliance policies covering Sustainability, Environment, Quality, Anti-Bribery and Anti-Corruption and Energy Policies, which were approved by the Board of Directors on December 29, 2022 and entered into force, are available in the Investor Relations / Corporate Governance / Policies and Code of Ethics section of the Company's corporate website. The Company's Occupational Health and Safety (OHS) Policy is also available in the same section. The Company and its subsidiaries hold a total of 23 certificates in accordance with ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, ISO 45001:2018 Occupational Health and Safety Management System, ISO 50001:2018 Energy Management System Standards. With the decision of the Board of Directors dated 29 December 2022, the Sustainability Committee was established.
Any measures combating any kind of corruption including embezzlement and bribery.	The principles on these topics are covered in the Code of Ethics and Behavior, and the Anti-Bribery and Anti-Corruption Policy has been implemented as a requirement of the importance given to this issue, and a company whistle-blower line has been established to report those who violate the rules specified in the Policy or suspicious situations that may damage the Company's reputation.

4. BOARD OF DIRECTORS-I

4.2. Activity of the Board of Directors

Date of the last board evaluation conducted	None
Whether the board evaluation was externally facilitated	No
Whether all board members released from their duties at the GSM	Yes
Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	No delegation of authority has been made among the members of the board of directors.
Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	1
Specify the name of the section or page number of the annual report that provides the summary of the review of the effectiveness of internal controls	Information on Risks, Internal Control System and Internal Audit Activities and the Opinion of the Governing Body on this Issue
Name of Chair	Ayşegül Bensele
Name of CEO	Atay Arpacioğulları
If the CEO and Chair functions are combined: provide the link to the relevant PDP announcement providing the rationale for such combined roles	-
Link to the PDP notification stating that any damage that may be caused by the members of the board of directors during the discharge of their duties is insured for an amount exceeding 25% of the Company's capital	-
The name of the section on the corporate website that demonstrates current diversity policy targeting women directors	There is no such policy.
The number and ratio of female directors within the Board of Directors	1 director, the rate is 14.3%

Composition of Board of Directors

Name, Surname of Board Member	Whether Executive Director or Not	Whether Independent Director or Not	The First Election Date to Board	Link to PDP Notification That Includes the Independence Declaration	Whether the Independent Director Considered by the Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy the Independence or Not	Whether the Director Has at Least 5 Years' Experience on Audit, Accounting and/or Finance or Not
Ayşegül Bensele	Executive	No	August 10, 2017	-	Irrelevant	Irrelevant	Yes
Serdar Kırmaz	Executive	No	August 22, 2014	-	Irrelevant	Irrelevant	Yes
Feyzullah Tahsin Bensele	Non-Executive	No	August 10, 2017	-	Irrelevant	Irrelevant	Yes
Mehmet Ali Deniz	Non-Executive	No	January 4, 2022	-	Irrelevant	Irrelevant	Yes
Atay Arpacioğulları	Executive	No	December 4, 2018	-	Irrelevant	Irrelevant	Yes
Ercan Nuri Ergül	Non-Executive	Independent Member	August 10, 2017	-	Not Evaluated	No	Yes
Mustafa Karahan	Non-Executive	Independent Member	June 3, 2021	-	Not Evaluated	No	Yes

4. BOARD OF DIRECTORS-II

4.4. Meeting Procedures of the Board of Directors

Number of physical board meetings in the reporting period (meetings in person)	30
Director average attendance rate at board meetings	100%
Whether the board uses an electronic portal to support its work or not	No
Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	The relevant information and documents are submitted to the members of the Board of Directors for review with sufficient notice time before the meeting.
The name of the section on the corporate website that demonstrates information about the board charter	The relevant information is stated in Article 9 of the Company's Articles of Association in the Investor Relations/Corporate Governance Section of the corporate website.
Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	None.

4.5. Board Committees

Page numbers or section names of the annual report where information about the board committees are presented	Related information can be found in the "Committees Established Under the Board of Directors" section.
Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/Bildirim/1048990

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Composition of Board Committees- I				
Names of the Board Committees	Name of Committees Defined as "Other" in the First Column	Name-Surname of Committee Members	Whether Committee Chair or Not	Whether Board Member or Not
Audit Committee	-	Mustafa Karahan Ercan Nuri Ergül	Chair Member	Board Member Board Member
Corporate Governance Committee	-	Mustafa Karahan Ayşegül Bensele Serdar Kırmaz Mehmet Ali Deniz Ekin Biçen Öcal	Chair Member Member Member Member	Board Member Board Member Board Member Board Member Not Board Member
Early Detection of Risk Committee	-	Mustafa Karahan Ayşegül Bensele Serdar Kırmaz Mehmet Ali Deniz	Chair Member Member Member	Board Member Board Member Board Member Board Member

4. BOARD OF DIRECTORS-III

4.5. Board Committees-II

Specify where the activities of the audit committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/ Corporate Governance/ Committees of the Board of Directors / Audit Committee/ Duties and Working Principles of the Audit Committee on the corporate website
Specify where the activities of the corporate governance committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/ Corporate Governance/ Committees of the Board of Directors / Corporate Governance Committee/ Duties and Working Principles of the Corporate Governance Committee on the corporate website
Specify where the activities of the nomination committee are presented in your annual report or website (Page number or section name in the annual report/website)	In the Corporate Governance Committee Duties and Working Principles presented on the corporate website under Investor Relations/ Corporate Governance/ Committees of the Board of Directors / Corporate Governance Committee, it is explained that the Corporate Governance Committee also fulfills the duties of the Nomination Committee as per the Corporate Governance Communiqué. In the relevant principles, the Committee's duties and responsibilities pertaining to those related to the Nomination Committee are also stated.
Specify where the activities of the early detection of risk committee are presented in your annual report or website (Page number or section name in the annual report/website)	Investor Relations/ Corporate Governance/ Committees of the Board of Directors / Early Detection of Risk Committee/ Duties and Working Principles of the Early Detection of Risk Committee on the corporate website
Specify where the activities of the remuneration committee are presented in your annual report or website (Page number or section name in the annual report/website)	In the Corporate Governance Committee Duties and Working Principles presented under the Investor Relations/ Corporate Governance/ Committees of the Board of Director/ Corporate Governance Committee on the corporate website, it is explained that the Corporate Governance Committee also fulfills the duties of the Remuneration Committee in accordance with the Corporate Governance Communiqué. In the relevant principles, the Committee's duties and responsibilities pertaining to those related to the Remuneration Committee are also specified.

4.6. Financial Rights

Specify where the operational and financial targets and their achievement are presented in your annual report (Page number or section name in the annual report)	It is included in the Financial Overview section of the Annual Report.
Specify the section of the website where remuneration policy for executive and non-executive directors is presented.	Investor Relations/ Corporate Governance/ Policies and Code of Ethics/ Remuneration Policy
Specify where the individual remuneration for board members and senior executives are presented in your annual report (Page number or section name in the annual report)	The information can be found in the Financial Benefits Provided to the Board Members and Top Management section.

Composition of Board Committees-II

Names of the Board Committees	Name of the Committees Defined as "Other" in the First Column	The Percentage of Non-executive Directors	The Percentage of Independent Directors in the Committee	The Number of Meetings Held in Person	The Number of Reports on its Activities Submitted to the Board
Audit Committee	-	100%	100%	2	2
Corporate Governance Committee	-	40%	20%	1	1
Early Detection of Risk Committee	-	50%	20%	1	1

Statements of Independence

In the Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. “the Company,”

I hereby declare that:

Within the last 10 years, I did not serve as a member of the Board of Directors for more than six years in total;

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

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

I have the professional training, knowledge and experience to duly fulfill the missions I shall assume due to serving as an independent member of the Board of Directors;

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

I am deemed to be a legal resident of Türkiye, as per the Income Tax Law;

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

I am not an independent Board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations publicly traded, in total.

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

27.07.2022

Ercan Nuri Ergül

In the Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. “the Company,”

I hereby declare that;

Within the last 10 years, I did not serve as a member of the Board of Directors for more than six years in total;

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

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

I have the professional training, knowledge and experience to duly fulfill the missions I shall assume due to serving as an independent member of the Board of Directors;

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

I am deemed to be a legal resident of Türkiye, as per the Income Tax Law;

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

I am not an independent Board member in more than three of the corporations controlled by the Company or its controlling shareholders and in more than five corporations publicly traded, in total.

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

27.07.2022

Mustafa Karahan

Dividend Policy

Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. acts in accordance with and within the framework of the provisions of the Turkish Commercial Code, Capital Markets legislation, tax legislation and other relevant legislation and the regulations set forth in the Company's Articles of Association.

In dividend distribution, a balanced and consistent policy is followed between the interests of the shareholders and the Company in accordance with the Corporate Governance Principles.

Upon the proposal of the Board of Directors and the resolution of the General Assembly to be taken, dividends may be distributed in cash and/or by issuing bonus shares and/or by using these two methods together in certain proportions. There is a target to distribute at least 30 percent of the distributable net profit for the period calculated in accordance with the Articles of Association, Turkish Commercial Code, Capital Markets Law, Communiqué on Dividends and tax regulations, taking into account market expectations, the Company's long-term strategies, investment and financing policies, profitability and cash position, as long as the relevant legal regulations and financial means allow.

The resolution for dividend distribution taken by the General Assembly cannot be withdrawn. The dividends shall be distributed equally to all current shares regardless of their issue and acquisition dates. The Board of Directors may distribute advance dividends provided that it is authorized by the General Assembly and complies with the provisions of the Capital Markets Law and the communiqués issued by the Capital Markets Board.

The Dividend Policy is submitted to the approval of the shareholders during the first General Assembly. Any changes made in this policy is submitted for the approval of the shareholders at the following General Assembly to be held and shared with the public at the Company's website.

Regarding the accounting period of 2021, at the 2021 Ordinary General Assembly meeting held on July 27, 2022, the shareholders were informed that no dividend distribution could be made since no distributable profit remained after the profit for the period in the Company's year-end financial statements for the fiscal year 2021 was offset against the previous year's losses.

Ratings

CORPORATE GOVERNANCE PRINCIPLES COMPLIANCE RATING

Consus Enerji has signed a Corporate Governance Rating Agreement with Kobirate Uluslararası Kredi Derecelendirme ve Kurumsal Yönetim Hizmetleri A.Ş. for a period of 1 (one) year starting from December 29, 2022 for the purpose of Rating of Compliance with Corporate Governance Principles.

CREDIT RATING

Credit rating agency JCR Avrasya Derecelendirme A.Ş. has assigned Consus Enerji's Long-Term National Rating as A (tr); Short-Term National Rating as J1 (tr); Long-Term International Foreign and Local Currency Ratings as BB; Long-Term National Issuer Credit Rating as A (tr); Short-Term National Issuer Credit Rating as J1 (tr) with the Rating Notification Form dated January 31, 2023.

Long-Term National Issuer Credit Rating	A (tr) / (Stable Outlook)
Short-Term National Issuer Credit Rating	J1 (tr) / (Stable Outlook)
Long-Term International Foreign Currency Issuer Credit Rating	BB / (Negative Outlook)
Long-Term International Local Currency Issuer Credit Rating	BB / (Negative Outlook)
Long-Term National Issuer Credit Rating	A (tr)
Short-Term National Issuer Credit Rating	J1 (tr)

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Information Regarding the Subsidiaries and Affiliates and Share Ratios

Subsidiaries	December 31, 2022	December 31, 2021
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş.	100%	100%
Mavibayrak Enerji Üretim A.Ş.	100%	100%
Mavibayrak Doğu Enerji Üretim A.Ş.	100%	100%
Doğal Enerji Hizmetleri San. ve Tic. A.Ş.	100%	100%
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş.	100%	100%
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.	100%	100%
Tenera Enerji Tic. A.Ş.	100%	100%
Solis Enerji Üretim ve Ticaret A.Ş. (*)	100%	--
Barsolar d.o.o Bar(**)	--	51%

(*) Solis Enerji Üretim ve Tic. A.Ş. was established on June 16, 2022 in Istanbul by Consus Enerji. It was established to install power plants to generate energy from the sun; to invest in established solar power plants; to develop, operate and lease power plants; and to engage in the sale of electricity generated from power plants, but has not arranged any activity yet.

(**) Barsolar d.o.o. Bar was a subsidiary where Consus Enerji had a 51-percent share in capital and it was established on September 5, 2016, in Montenegro to generate energy from solar power plants. However, at the current stage, a decision was made to terminate the investment due to the difficulties in completing the related authorization and permission documents, especially energy permits, within the validity period. Consus Enerji transferred its shares in Barsolar d.o.o. Bar to Global Investment Holdings as of August 29, 2022.

Information on the Governing Body, Senior Executives and Personnel

Information about the Company's Board members and their respective statements of independence and Senior Management is provided in the Corporate Governance section of this report, while detailed information about the personnel is provided in the Sustainability section.

Other Developments Announced for the Period of January 1, 2022–December 31, 2022

The 30-day period announced in the public offering prospectus for the price stabilization transactions planned to be realized through Garanti Yatırım Menkul Değerler A.Ş. expired on May 19, 2022. The details of the transactions realized were announced on PDP with a material event disclosure made by the said intermediary institution on May 20, 2022.

On December 8, 2022, the Board of Directors of the Company, pursuant to the authorization granted by Article 18 of its Articles of Association, decided to issue debt instruments with a nominal value of up to TRY 500 million (five hundred million Turkish liras), with a maximum maturity of up to two years, in Turkish liras in the domestic market, in single or multiple tranches, in a way that will allow them to be sold to qualified investors without public offering, to authorize the General Management to determine all terms and principles related to the issuance, to apply to the Capital Markets Board for the registration of the bonds to be issued in accordance with the Capital Markets Law and the Capital Markets Board's Communiqué on Debt Instruments No. VII-128.8 based on this law and other legislation provisions and to Borsa İstanbul Anonim Şirketi and all other institutions and organizations for quotation application, and to complete the legal procedures after obtaining the permissions. Pursuant to the relevant decision, the necessary permission applications were made to the Capital Markets Board and Borsa İstanbul Anonim Şirketi on December 8, 2022. At the current stage, the issuance application was approved by the Capital Markets Board's decision dated January 12, 2023 and numbered 2/30, and the relevant issuance certificate, the annex to the issuance certificate and the application form were published on PDP and the Company's website.

Key Developments Occurring from the Period-End to the Issuance of the Report

With the decision of the Consus Enerji Board of Directors dated March 30, 2023, a decision was made to hold the Ordinary General Assembly Meeting of the Company for the year 2022 on Thursday, May 4, 2023 at 14:00 at the Company's headquarters, Esentepe Mah. Büyükdere Cad. No.: 193/2 Şişli/İstanbul, and the General Assembly announcement text, including the agenda and power of attorney sample for the General Assembly to be held on the specified date and the Information Document regarding the agenda items, were announced on PDP.

At the Board of Directors Meeting dated March 30, 2023, a decision was made to inform the shareholders at the Ordinary General Assembly Meeting of 2022 that no dividend distribution would be made for the operating period of 2022. The relevant notification was published on PDP on the same date.

Information on Some of the Legislative Amendments That May Significantly Affect the Company's Activities

The Company closely monitors all legislative changes that may affect its activities. During the operating period, the following legislative amendments, which were considered to have a possible impact on the business lines in which the Company operates, were made, and updates and amendments to CMB legislation and tax legislation were disclosed in the notes to the consolidated financial statements.

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On January 19, 2022, with the increase in natural gas consumption caused by seasonal conditions and the interruption in foreign natural gas supplies, BOTAŞ (Petroleum Pipeline Corporation) announced to consumers in the industrial facilities and power plants group that 40 percent of the consumption would be curtailed until a possible second notification was issued. As of February 2022, these restrictions began to be lifted according to the consumption groups and distribution regions in question, and the relevant restrictions were completely lifted on April 1, 2022.

With the “Communiqué Amending the Communiqué on the Implementation of Energy Performance Contracts in the Public Sector” published on March 18, 2022, regulations were made regarding the implementation of efficiency improvement projects. These regulations are expected to create significant investment opportunities in the distributed power segment in which the Group operates.

According to the regulations dated May 9, 2022 and numbered 31479 regarding the Regulation on Unlicensed Electricity, renewable generation facilities can be installed in consumption facilities up to their contract power. In the event of a surplus generation as a result of monthly offsetting to be made in consumption facilities, the excess power generation can be sold over its own consumer tariff group. However, with the update made in the Regulation on Unlicensed Electricity dated August 11, 2022 and numbered 31920, the amount of surplus energy that can be subject to sale is limited to the amount of consumption realized in consumption facilities in the previous year.

According to the regulation published in the Official Gazette dated September 19, 2022 and numbered 32018 with the title “Regulation Amending the Regulation on Storage Activities in the Electricity Market” and updated on October 27, 2022, it became possible to establish new licensed or unlicensed power generation facilities with storage and to add storage facilities to existing power plants. With this regulation, it is also possible to increase the capacity based on wind or solar power up to the power of the storage facility to be established.

Research and Development (R&D) Activities:

The Company has not carried out any research and development activities in the related period.

Investment Incentives:

Company Title	VAT Exemption ¹	Customs Tax Withholding Support ²	Income Tax Withholding ³	SSI Incentive ⁴	Corporate Tax Deduction ⁵	Utilization Period
Mavibayrak Enerji Üretim A.Ş.	Benefited.	Benefited.	Unavailable.	Unavailable.	Unavailable.	None.
Mavibayrak Doğu Enerji Üretim A.Ş.	Benefited.	Benefited.	Will benefit when the incentive is closed.	Will benefit when the incentive is closed.	Unavailable.	Will be notified when the period is closed.
Doğal Enerji Hizmet San. Tic. A.Ş.	Benefited.	Benefited.	Will benefit.	Will be clear when the incentive is closed.	Unavailable.	Will be notified when the period is closed.
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş.	Benefited.	Benefited.	Will benefit.	Will be clear when the incentive is closed.	Unavailable.	10 years after the incentive is closed.
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.	Not benefited.	Not benefited.	Will benefit.	Will benefit.	Will benefit.	10 years after the incentive is closed. Investment is ongoing.

¹ VAT exemption for the purchase of equipment included in the investment incentive certificate

² Exemption from customs duty and withholding tax on imports of equipment included in the investment incentive certificate

³ Support for income tax withholding accrued on personnel wages

⁴ Support for the SSI employer premium, which is included in personnel wage costs

⁵ Corporate Tax deduction applied following the completion of the investment within the incentive

The incentives that the Group benefits from within the scope of its sales are stated below:

All of the projects related to Biomass and Solar Energy Companies in the Group’s portfolio are within the scope of the Law on the Utilization of Renewable Energy Sources for the Purpose of Power Generation. The projects within this scope have received Renewable Energy Sources Certificate and are subject to YEKDEM. These projects are entitled to benefit from the government’s purchase guarantee of at least 133 USD cents/kWh for 10 years from the date of commissioning.

Companies subject to YEKDEM, which are incentivized in terms of income by providing a purchase guarantee with a fixed foreign currency indexed price, are not eligible for Corporate Tax discount incentives.

Edusa Atık, which undertakes the biomass fuel supply operations of the Group, has an investment incentive certificate for machinery and equipment investments within the scope of biomass fuel operations.

Donations:

At the Ordinary General Assembly held on July 27, 2022, an upper limit of TRY 2 million was set for donations. The total amount of donations and aids made by the Group in 2022 amounted to TRY 749,835. This consists of scholarships for education and donations and aids for educational and social purposes in the regions where the Group operates.

Information Regarding the Lawsuits Against the Company, Which Could Affect Its Financial Situation and Activities, and Their Possible Consequences:

None.

Information on the Conflict of Interests Between the Company and Its Service Providers Such as Investment Consultancy and Rating Companies, and the Measures Taken by the Company to Prevent Such Conflict of Interests:

During the operating period, the Company did not have any conflicts of interest or disputes with the companies from which it receives investment consultancy, rating and other services. In accordance with the Company’s Code of Ethics, the principle of avoiding conflicts of interest is strictly adhered to both in the agreements concluded and in the Company’s internal working arrangements.

Explanations with Respect to Administrative or Legal Sanctions Imposed on the Company, Members of the Board or Top Management in Connection with Acts or Procedures in Violation of the Codes:

None.

Disclosures on Special and Public Audits Conducted in the Reporting Period:

There has been no private or public audit during the relevant period.

Information on the Company’s Acquisition of Its Own Shares:

None.

Information on Corporate Social Responsibility Activities Related to Employees’ Social Rights, Vocational Training and Other Activities of the Company That May Bear Social and Environmental Consequences:

In line with the Group’s core strategy, Consus Enerji and its subsidiaries have always placed great importance on working closely with their communities and social stakeholders. The Company also continued to support education, aid campaigns, cultural and social activities, and related projects and events through sponsorship activities in 2022. The Company provides its employees with the opportunity to benefit from the Group Health Insurance within the scope of social benefits.

As part of this insurance, the spouses, dependents, and children of the employees are provided with the opportunity to benefit from this right. Additionally, life insurance is offered and a Company-Contributed Private Pension System to support long-term quality of life. Social benefits, such as transportation, food, marriage and child allowances, are also provided. In addition to legal trainings, outsourced vocational trainings are provided to all our employees to contribute to the development of their knowledge and skills.

General Assembly Meetings Held in 2022

Extraordinary General Assembly Meeting:

In the Extraordinary General Assembly held at the Company Headquarters on January 4, 2022, in the period before the public offering, a decision was made to amend articles no. 2 titled “Title of the Company,” no. 3 titled “Purpose and Subject,” no. 4 titled “Headquarters of the Company,” no. 6 titled “Capital and Shares,” no. 7 titled “Board of Directors and Its Term,” no. 8 titled “Management and Representation of the Company,” no. 9 titled “Meetings of the Board of Directors,” no. 10 titled “General Assembly,” no. 11 titled “Announcements,” no. 12 titled “Accounting Period,” no. 13 titled “Determination and Distribution of Profit,” no. 14 titled “Reserves,” no. 15 titled “Legal Provisions,” no. 16 titled “Provisional Articles” in the Articles of Association of the Company, and to add articles no. 17 titled “Disclosures and Independent Audit,” no. 18 titled “Issuance of Capital Market Instruments,” no. 19 titled “Acceptance of Company’s Own Shares as Acquisition or Pledge,” no. 20 titled “Compliance with Corporate Governance Principles,” no. 21 titled

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“Minority Rights,” no. 22 titled “Termination and Liquidation of the Company,” and no. 23 titled “Legal Provisions” to the Articles of Association of the Company in accordance with the permissions obtained from the Capital Markets Board and the Ministry of Commerce, Directorate General of Domestic Trade. At the ordinary general assembly meetings held on June 15, 2020 and June 3, 2021, it was decided that the established duties of the current Board Members elected would be maintained and that Mehmet Ali Deniz would be elected as a Board Member (until June 15, 2023) for the same term of office as the aforementioned Board members. The decisions of the relevant Extraordinary General Assembly Meeting were registered by the Istanbul Trade Registry Office on January 11, 2022 and published in the Turkish Trade Registry Gazette dated January 14, 2022 and numbered 10495.

Ordinary General Assembly Meeting

The Ordinary General Assembly Meeting, where the activities and accounts of the Company for the year 2021 were discussed, was held on July 27, 2022 at the Company Headquarters. A total of 280,000,003 shares of the Company were represented at the Ordinary General Assembly Meeting, of which 280 million shares were represented by proxies and three shares were represented in person. In summary, the following decisions were taken, and the Ordinary General Assembly Meeting Minutes, including all decisions, and List of Attendees were shared on the Public Disclosure Platform (PDP).

The main decisions taken by the relevant General Assembly are as follows:

- The 2021 Balance Sheet and Income Statement were approved.
- All Board Members who served in 2021 were released.
- Shareholders were informed that no dividend distribution could be made.
- A decision was made to select PKF Aday Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to conduct the independent external audit of the Company for the fiscal year 2022 in accordance with Article 399 of the Turkish Commercial Code and Capital Markets Board regulations.
- The Donation and Aid Policy, Disclosure Policy and Dividend Policy adopted by the Board of Directors were approved by the General Assembly. In addition, the Remuneration Policy for Board Members and Senior Managers and the Compensation Policy for Employees were submitted for the benefit of shareholders. These policies are also available in the Investor Relations section of the Company's corporate website.
- In 2022, the upper limit for donations and aids to be made was set at TRY 2 million.

The decisions of the relevant Ordinary General Assembly Meeting were registered by the Istanbul Trade Registry Office on August 9, 2022 and published in the Turkish Trade Registry Gazette numbered 10635 with the same date.

Amendments to Articles of Association in 2022

Within the scope of increasing the issued capital of the Company from TRY 333 million to TRY 385.5 million through public offering, and following the completion of the public offering of Consus Enerji, an application was made to the Capital Markets Board on April 26, 2022 for the approval of the amendment of Article 6 of the Articles of Association of the Company in accordance with the new capital amount, and the Capital Markets Board granted approval for the amendment of the Articles of Association on June 3, 2022. The relevant article amendment to the Articles of Association was registered by the Istanbul Trade Registry Office on June 17, 2022. The current Articles of Association of Consus Enerji are available at <https://consusenerji.com.tr/en/home/> under the Articles of Association heading in the Investor Relations section.

Conclusion Section of the Subsidiary Report:

Consus Enerji is a subsidiary of Global Investment Holdings. and we have commercial relations with this holding company. However, regarding the holding company, there are no transactions taken for the benefit of the holding company or any of its subsidiaries and no measures are taken or avoided for the benefit of the holding company or any of its subsidiaries, under the direction of the holding company.

As per article 199 and the following articles of the Turkish Commercial Code no. 6102, Consus Enerji Board of Directors provided the following statement regarding the Company's relations with the holding company and any subsidiaries of the holding company in its subsidiary report:

“Our Company evaluated all measures that were taken or avoided for the interests of the holding company or its subsidiaries in 2022 in connection with the legal actions performed upon instructions of the holding company and all actions that our Company conducted with the holding company or its subsidiaries between January 1, 2022 and December 31, 2022, in light of the circumstances and conditions known by our Company at the time that such actions occurred. We hereby certify that our Company did not incur any loss or obtain any interests that need to be settled in connection with the actions conducted during the accounting period of 2022, and that there is no interest or loss incurred by the holding company that must be settled accordingly.”

Agenda for the Ordinary General Assembly Meeting for the Operating Period 2022

AGENDA FOR THE ORDINARY GENERAL ASSEMBLY MEETING OF CONSUS ENERJİ İŞLETMECİLİĞİ ve HİZMETLERİ A.Ş. FOR THE ORDINARY GENERAL ASSEMBLY MEETING DATED MAY 4, 2023 TO DISCUSS THE OPERATING ACCOUNTS FOR THE YEAR 2022

- 1) The opening and formation of the Board of Presidency;
- 2) Authorizing the Board of Presidency to sign the minutes of the meeting;
- 3) Reading and discussion of the Board of Directors' Annual Report for 2022 prepared by the Board of Directors of our Company;
- 4) Reading and discussion of the summary statement of the Independent Audit Report for the fiscal year 2022;
- 5) Reading, discussion and approval of the Balance Sheet, Profit and Loss Statement for the fiscal year 2022;
- 6) Discussing the release of the members of the Board from their activities for the year 2022;
- 7) Election of the Members of the Board of Directors and determination of their terms of office;
- 8) Determining the remuneration/attendance fee to be paid to the Board members;
- 9) Informing the shareholders that no dividend distribution will be made, since no distributable profit remains after offsetting the profit for the period in the year-end financial statements of the Company for the fiscal year 2022 against the accumulated losses;
- 10) Approval of the appointment of the Independent Audit firm as selected by the Board of Directors to conduct the independent external audit for the fiscal year 2023, within the framework of the regulations of Article 399 of the Turkish Commercial Code and regulations of the Capital Markets Board;
- 11) Informing the shareholders on the donations and aids made in 2022 and determining an upper limit for the donations to be made in 2023;
- 12) Within the scope of Article 12(4) of the Corporate Governance Communiqué No. II-17.1 of the Capital Markets Board, informing the shareholders about the collaterals, pledges, mortgages granted and the revenue or benefits obtained by the Company in 2022 for the purpose of securing the debt of third parties;
- 13) Informing the shareholders about the transactions made in 2022 with related parties and persons listed in Article 1.3.6 of the Capital Markets Board's Corporate Governance Principles;
- 14) Approval of the payments made by our Company to the Board members and senior executives in the fiscal year 2022;
- 15) Authorization of the Board Members in accordance with the provisions of Articles 395 and 396 of the Turkish Commercial Code;
- 16) Wishes and Closing.

The invitation for the General Assembly meeting, including the agenda and a sample proxy statement of the Ordinary General Assembly Meeting for the Year 2022, dated May 4, 2023, together with the Information Memorandum regarding the agenda items were disclosed at <https://www.kap.org.tr/tr/Bildirim/1129882> and on the Company's corporate website under the Investor Relations section.

Financial Overview

Analysis and Assessment of the Governing Body

Consus Enerji's revenues increased by 51 percent year-on-year to TRY 559,873,121 in 2022. The Group's Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) increased by 26 percent to TRY 165,739,353. Net profit after financial items and tax was realized as TRY 46,979,795 with an increase of 42 percent compared to the same period of the previous year.

In 2022, the Group's biomass and solar power plants operating in the renewable energy segment generated a total net electricity of 169,940 MWh and 20,835 MWh, respectively. In the distributed power segment, the Group's cogeneration and trigeneration plants, which are managed on behalf of customers mostly operating in the industrial sector, provided power-generation services amounting to 319,548 MW in total, with a total of 75,161 hours of work in the same period.

Revenue growth in the Group's Biomass business line continued. In 2022, Consus Enerji increased its revenues in this business line by 77 percent year-on-year to TRY 387,478,254 and increased its EBITDA by 43 percent to TRY 113,863,250.

In the solar energy business, Consus Enerji increased its revenues by 80 percent year-on-year to TRY 46,407,218 and increased its EBITDA in this business line by 97 percent to TRY 42,841,973.

Since the Group operates in all of its Biomass and Solar Energy business lines under the Renewable Energy Sources Support Mechanism (YEKDEM), it is entitled to benefit from a fixed USD 133/MW purchase guarantee on the electricity supplied to the system for a period of 10 years from the date of commissioning of the relevant facilities in these business lines. For the period ending December 31, 2022, the Group's revenues within the scope of YEKDEM constitute approximately 77 percent of its total revenues (December 31, 2021: 66 percent). The sales increase in USD denominated revenues and EBITDA in biomass and solar business lines is primarily attributable to the increase in foreign exchange rates over the same period.

In the Distributed Power field, despite the amount of service sales in 2022 decreasing by 35 percent compared to 2021 in response to the natural gas restrictions imposed on industrial companies across the country in the first quarter of 2022, the decrease in revenues remained at 5 percent thanks to the increase in electricity prices and total sales revenue was realized at TRY 102,637,299. EBITDA from activities in this business line decreased by 42 percent year-on-year to TRY 31,885,563 due to the limited increase in spot electricity prices caused by regulation updates. This was in comparison to the forced decrease in energy service sales volume and the increase in natural gas prices.

Provided that the difference between electricity prices and natural gas costs approaches the average values realized in the past few years, the profitability of this business line will increase to the levels of previous years. In 2022, the Group's electricity trading business recorded a 19-percent year-on-year increase in sales revenues to TRY 23,350,350 and a 648-percent increase in EBITDA to TRY 4,814,532.

Whether Prior Period Targets Were Achieved or Not, Whether General Assembly Decisions Were Fulfilled and If the Targets Were Not Achieved or the Decisions Were Not Fulfilled, Information and Assessments Regarding the Reasons:

The decisions taken at the Ordinary General Assembly Meeting for 2021 held on July 27, 2022 were implemented. The Board of Directors periodically evaluates whether the Company has achieved the targets set and reviews the Company's operating results and performance by examining the detailed reports prepared.

Determination of Whether the Company's Capital Is Unrequited or Not, or Indebted or Not, and the Assessments of the Governing Body:

The capital adequacy status of the Company was evaluated under Article 376 of the Turkish Commercial Code No. 6102 and the relevant legislation, and it was determined that the capital was not unrequited and at an adequate level.

Measures Considered to Be Taken to Improve the Company's Financial Structure, If Any:

As of the current situation, it has been assessed that there is no need to take any measures to improve the Company's financial structure.

Statement of Responsibility for Financial Reports

STATEMENT OF RESPONSIBILITY

PREPARED IN ACCORDANCE WITH ARTICLE 9 OF THE CAPITAL MARKETS BOARD'S COMMUNIQUÉ NO: II-14.1 ON PRINCIPLES OF FINANCIAL REPORTING IN CAPITAL MARKETS

OF THE BOARD OF DIRECTORS' RESOLUTION ON THE APPROVAL OF FINANCIAL STATEMENTS AND ANNUAL REPORT AND CORPORATE GOVERNANCE COMPLIANCE REPORT AND CORPORATE GOVERNANCE INFORMATION FORM, THE BOARD OF DIRECTORS' RESOLUTION

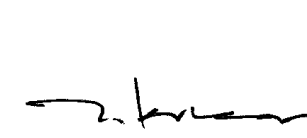
DATE: March 8, 2023

NUMBER: 102

We present, for your information, the accompanying January 1, 2022–December 31, 2022 accounting period consolidated statement of financial position, profit and loss statement, statement of comprehensive income, cash flow statement, statement of changes in equity, the relevant accompanying notes, and Annual Report, prepared by our Company, audited by the independent auditor PKF Aday Bağımsız Denetim A.Ş., conforming to the Turkish Financial Reporting Standards (TFRS) and CMB's specified formats as per the CMB Communique on Financial Reporting in Capital Markets ("Communique") no. II-14.1, as well as the Corporate Governance Information Form and Corporate Governance Compliance Report that conform to CMB-specified formats with its decision dated January 10, 2019 and numbered 2/49 as per CMB Corporate Governance Communiqué No. II-17.1. We hereby declare, in accordance with CMB regulations, that these statements and reports:

- Have been reviewed by us within the framework of the relevant legislation;
- Contain no inaccurate statements insofar as material issues are concerned nor any omissions that might result in their being misleading as of the date on which such statements are made, within the framework of information available to us by virtue of our duties and responsibilities at the Company;
- Based on the information we possess within the scope of our duties and responsibilities in the Company, honestly reflect the true picture of the Company's assets, liabilities, financial position, and profits and losses, including those of entities whose financial reports conforming to the Communique are subject to consolidation and that the annual report honestly reflects the conduct and performance of business as well as the financial position of and the material risks and uncertainties confronting the Company, along with any entities subject to consolidation with it;
- Based on the information we possess within the scope of our duties and responsibilities in the Company, we also declare that we have examined the Corporate Governance Compliance Report and Corporate Governance Information Form prepared using the Corporate Governance Compliance Report (CRF) and Corporate Governance Information Form (CGIF) templates via the PDP platform, that they do not contain any deficiencies and honestly reflect the truth, and that we are responsible for the disclosure made.

Sincerely,



Mustafa Karahan
Chair of the Audit Committee



Ercan Nuri Ergül
Audit Committee Member



Muhammet Er
CFO

Independent Auditor's Report on the Annual Report of the Board of Directors

(Convenience translation of a report originally issued in Turkish)

To the Board of Directors of Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi

1) Opinion

We have audited the annual report of Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi ("the Company") and its subsidiaries ("the Group") for the period of 1 January – 31 December 2022.

In our opinion, the consolidated financial information provided in the annual report of the Board of Directors and the discussions made by the Board of Directors on the situation of the Group are presented fairly and consistent, in all material respects, with the audited full set consolidated financial statements and the information we obtained during the audit.

2) Basis for Opinion

We conducted our audit in accordance with standards on auditing as issued by the Capital Markets Board of Turkey and Independent Auditing Standards (InAS) which are part of the Turkish Auditing Standards as issued by the Public Oversight Accounting and Auditing Standards Authority of Turkey (POA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Report section of our report. We are independent of the Group in accordance with the Code of Ethics for Independent Auditors (Code of Ethics) as issued by the POA, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3) Our Audit Opinion on the Full Set Consolidated Financial Statements

We have expressed an unqualified opinion in our auditor's report dated March 8, 2023 on the full set consolidated financial statements of the Group for the period of 1 January – 31 December 2022.

4) The Responsibility of the Board of Directors on the Annual Report

In accordance with Articles 514 and 516 of the Turkish Commercial Code 6102 ("TCC"), the management of the Group is responsible for the following items:

- Preparation of the annual report within the first three months following the balance sheet date and submission of the annual report to the general assembly.
- Preparation and fair presentation of the annual report; reflecting the operations of the Group for the year, along with its financial position in a correct, complete, straightforward, true and honest manner. In this report, the financial position is assessed according to the consolidated financial statements. The development of the Group and the potential risks to be encountered are also noted in the report. The evaluation of the board of directors is also included in this report.
- The annual report also includes the matters below:
 - Subsequent events occurred after the end of the fiscal year which have significance,
 - The research and development activities of the Group,
 - Financial benefits such as salaries, bonuses, premiums and allowances, travel, accommodation and representation expenses, benefits in cash and in kind, insurance and similar guarantees paid to members of the Board of Directors and senior management.

When preparing the annual report, the board of directors takes into account the secondary legislative arrangements published by the Ministry of Customs and Trade and related institutions.

5) Independent Auditor's Responsibilities for the Audit of the Annual Report

Our aim is to express an opinion, based on the independent audit we have performed on the annual report in accordance with provisions of the Turkish Commercial Code on whether the consolidated financial information provided in this annual report and the discussions of the Board of Directors are presented fairly and consistent with the Group's audited consolidated financial statements and to prepare a report including our opinion.

The independent audit we have performed is conducted in accordance with IAS and the standards on auditing as issued by the Capital Markets Board of Turkey. These standards require compliance with ethical provisions and the independent audit to be planned and performed to obtain reasonable assurance on whether the consolidated financial information provided in the annual report and the discussions of the Board of Directors are free from material misstatement and consistent with the consolidated financial statements.

The name of the engagement partner who supervised and concluded this audit is Abdülkadir ŞAHİN.

Other Responsibilities Arising From Regulatory Requirements

In accordance with the third paragraph of Article 402 of the TCC, within the framework of IAS 570 "Going Concern", no issue has been found indicating that the business will not be able to continue its activities in the foreseeable future.

İstanbul, March 8, 2023

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



Abdülkadir ŞAHİN
Partner

**Consus Enerji İşletmeciliği ve Hizmetleri
Anonim Şirketi and Its Subsidiaries**

**Consolidated Financial Statements for
the Year Ended 31 December 2022**

(Convenience Translation Into English of Consolidated Financial
Statements Originally Issued in Turkish)

This report includes 93 pages of consolidated financial
statements and explanatory notes to the
consolidated financial statements.



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

INDEPENDENT AUDITOR'S REPORT

To the General Assembly of
Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi

A) Audit of the Consolidated Financial Statements

1) Opinion

We have audited the accompanying consolidated financial statements of Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi (the "Parent Company") and its subsidiaries (referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 December 2022 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 2022, 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 and Auditing Standards Authority (the "POA"). 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) 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.

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PKF Aday Bağımsız Denetim A.Ş., PKF International Limited ağına üyesi olup hukuken bağımsız bir tüzel kişiliğe sahiptir ve bu ağı diğer üyelerinin faaliyetleri nedeniyle herhangi bir sorumluluk ya da yükümlülük kabul etmemektedir.

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

Revenue Recognition	How to perform of matter in audit
<p>A total of TRY 559,873,121 of revenue was recognized in the Group's consolidated financial statements for the accounting period ending on December 31, 2022.</p> <p>The Group's revenue consists of the sale of electricity produced from biomass and solar energy sources to the state within the scope of the Renewable Energy Resources Support Mechanism ("YEKDEM"), the installation and operation of cogeneration and distributed energy facilities, and retail electricity sales to corporate and individual subscribers.</p> <p>While revenue represents the most significant amount in the Group's consolidated profit and loss statement, it also has a major impact on key performance indicators in evaluating the Group's consolidated performance. For these reasons, revenue recognition was determined to be a key audit matter.</p>	<p>Within the scope of the audit procedures we implemented regarding the recognition of revenue, we evaluated whether the accounting policies determined by the Company Management regarding the recording of revenue comply with TFRS and relevant legislation.</p> <p>We also examined the design and implementation of internal controls implemented by management in the Company's revenue process regarding the recognition of revenue in accordance with the relevant accounting standard.</p> <p>The compliance of the Group's accounting policy for revenue recognition with TFRS 15 has been evaluated. The sales contracts made by the Group with customers were examined and the timing of revenue recognition for different delivery conditions was evaluated.</p> <p>Analytical procedures have been carried out to determine whether the revenue included in the consolidated financial statements is at the expected levels, taking into account the amount of electricity sold and electricity sales unit prices.</p> <p>Detailed tests were carried out to determine whether the transactions that took place before and after the reporting period and were recognized as revenue were recorded in the financial statements in the correct period in accordance with the cut-off assertion.</p>

4) 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.

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5) 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.

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.

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

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

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

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B) Other Responsibilities Arising From Regulatory Requirements

- 1) 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 Group bookkeeping activities concerning the period from 1 January to 31 December 2022 period are not in compliance with the TCC and provisions of the Group articles of association related to financial reporting.
- 2) 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 Abdülkadir Şahin.

İstanbul, March 8, 2023

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



Abdülkadir ŞAHİN
Partner

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Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Consolidated Statement of Financial Position as of 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

		Audited	Audited
	Notes	31 December 2022	31 December 2021
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	55.837.397	48.011.596
Trade Receivables		61.960.414	42.065.146
- Trade Receivables from Related Parties		11.049.703	3.732.554
- Trade Receivables from Third Parties	7	50.910.711	38.332.592
Other Receivables		2.255.011	4.581.324
- Other Receivables from Related Parties	6	227.801	2.749.087
- Other Receivables from Third Parties	8	2.027.210	1.832.237
Contract Assets		23.998.239	10.226.587
- Contract Assets from Sale of Goods and Service Contracts	16	23.998.239	10.226.587
Inventories	10	160.442.023	72.073.756
Prepaid Expenses	11	43.438.289	16.977.254
Other Current Assets	12	31.957.467	13.251.024
Total Current Assets		379.888.840	207.186.687
Non-Current Assets			
Other Receivables		--	609.577
- Other Receivables from Third Parties	8	--	609.577
Property, plant, and equipment	13	1.449.873.843	1.029.938.391
Intangible Assets	14	28.129.216	19.895.129
Prepaid Expenses	11	2.765.254	1.775.691
Deferred Tax Asset	31	30.080.182	19.660.891
Derivative Financial Instruments	19	1.498.566	--
Total Non-Current Assets		1.512.347.061	1.071.879.679
Total Assets		1.892.235.901	1.279.066.366

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

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Consolidated Statement of Financial Position as of 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

		Audited	Audited
	Notes	31 December 2022	31 December 2021
Liabilities			
Short-Term Liabilities			
Short-Term Borrowings	9	200.239.712	168.786.376
Short Term Lease Liabilities	9	72.497.615	59.667.950
Short-Term Portions of Long-Term Liabilities	9	164.396.500	104.728.513
Other Financial Liabilities	9	19.500.000	10.603.600
Trade payables		70.525.108	39.054.263
- Trade Payables to Third Parties	7	70.525.108	39.054.263
Payables Related to Employee Benefits	15	5.715.008	1.314.353
Other payables		9.735.476	15.661.698
- Other Payables to Related Parties	6	303.702	7.080.788
- Other Payables to Third Parties	8	9.431.774	8.580.910
Deferred Income	16	47.431	4.614.202
Short Term Provisions		2.728.652	1.978.891
- Short-Term Provisions for Employee Benefits	17	2.577.652	1.640.558
- Other Short-Term Provisions	17	151.000	338.333
Total Current Liabilities		545.385.502	406.409.846
Non-Current Assets:			
Long Term Borrowings	9	304.850.586	284.918.723
Long-Term Lease Liabilities	9	48.269.184	46.532.636
Other Payables		1.549.654	7.883.079
- Other Payables to Third Parties	8	1.549.654	7.883.079
Derivative Instruments	19	12.370.315	16.665.141
Contract Liabilities		3.804.394	2.372.811
- Contract Liabilities from Sale of Goods and Service Contracts	16	3.804.394	2.372.811
Long-Term Provisions		6.932.187	2.324.451
-Long-Term Provisions for Employee Benefits	18	6.932.18	2.324.451
Deferred Tax Liabilities	31	111.098.423	56.068.586
Total Non-Current Liabilities		488.874.743	416.765.427
Total Liabilities		1.034.260.245	823.175.273
Equity			
Paid-in capital	21	385.500.000	333.000.000
Share Premium		(500.000)	(500.000)
Share Issue Premiums	21	149.422.453	--
Effect of Business Combinations Under Common Control		12.169.172	12.169.172
Other Accumulated Comprehensive Income / (Loss) that will not be Reclassified in Profit or Loss	21	(1.659.299)	(33.224)
Other Accumulated Comprehensive Income / (Loss) that will be Reclassified in Profit or Loss	21	323.871.380	172.847.162
Prior Years' Profits or Losses	21	(57.807.845)	(94.604.661)
Profit for the Year		46.979.795	33.012.644
Total Equity		857.975.656	455.891.093
Total Liabilities		1.892.235.901	1.279.066.366

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

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

		Audited	Audited
	<i>Notes</i>	1 January - 31 December 2022	1 January - 31 December 2021
Revenue	23	559.873.121	371.893.186
Cost of Sales (-)	24	(407.222.447)	(247.005.505)
Gross profit		152.650.674	124.887.681
General Administrative Expenses (-)	25	(39.718.034)	(21.552.361)
Other Income from Operating Activities	27	10.674.319	5.077.605
Other Expenses from Operating Activities (-)	27	(20.364.570)	(23.646.876)
Operating Profit		103.242.389	84.766.049
Income/(Expenses) from Investment Activities	28	2.792.064	9.987.263
Operating Profit Before Financial Income		106.034.453	94.753.312
Financial Income	29	49.604.081	33.051.618
Financial Expenses (-)	29	(91.244.730)	(68.300.694)
Profit Before Tax from Continuing Operations		64.393.804	59.504.236
Tax Expense before Continuing Operations		(17.414.009)	(26.491.592)
- <i>Deferred Tax Expense</i>	30	<i>(17.414.009)</i>	<i>(26.491.592)</i>
Profit for the Year		46.979.795	33.012.644
Profit for the Period Attributable to:		46.979.795	33.012.644
-Non-Controlling Interests		--	--
-Equity holders of the parent		46.979.795	33.012.644
- Earnings per shares attributable to equity holders of the parent	21	0,13	0,16
Earnings per diluted shares attributable to:		0,13	0,16
- Earnings per diluted shares attributable to equity holders of the parent	21	0,13	0,16

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

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

		Audited	Audited
	<i>Notes</i>	1 January - 31 December 2022	1 January - 31 December 2021
<i>(continued)</i>			
Other Comprehensive Income			
Items that will not to be Reclassified to Profit or Loss		(1.626.075)	(212.926)
- Gain (Loss) on Remeasurement of Defined Benefit Plans		(2.032.594)	(266.158)
- Gain (Loss) on Remeasurement of Defined Benefit Plans, Tax Impact	31	406.519	53.232
Items that may be Reclassified to Profit or Loss		151.024.218	146.955.523
- Foreign Currency Differences		181.080.225	176.294.534
- (Losses) on Hedges of Net Investments		(30.056.007)	(29.339.011)
Other Comprehensive Income		149.398.143	146.742.597
Total Comprehensive Income		196.377.938	179.755.241
Total Comprehensive Income Attributable to:		196.377.938	179.755.241
- Non-Controlling Interest		--	--
- Equity Holders of the Parent		196.377.938	179.755.241

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

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

(Note 2/)	Effect of Business Combinations Under Common Control		Other Accumulated Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		Other Accumulated Comprehensive Income or Expenses that will be Reclassified to Profit or Loss		Share Premium	Share Issue Premiums	Prior Years' Profits or Losses	Net Profit/ (Loss)	Attributable to Equity Holders of the Parent	Non-Controlling Interests	Total Equity
	Share Capital	Defined Benefit Plans Remeasurement Gains / (Losses)	Net Investment Hedge Earnings / (Losses)	Foreign Currency Translation Difference	Profit or Loss	Other Accumulated Comprehensive Income or Expenses that will be Reclassified to Profit or Loss							
Balance as at January 1, 2021	280.000.000	17.475.975	179.702	(42.104.127)	67.995.766	(117.098.040)	1.561.484	208.010.760	1.034.227	209.044.987			
Transfers													
Net Profit for the Period													
Other Comprehensive Income / (Expense)													
Capital Increase (Note: 20)	66.120.969		(212.926)	(29.339.011)	176.294.534								
Capital Reduction (Note: 20)	(13.120.969)												
Disposal of Subsidiary (Note 2.5 (b))													
Effect of Business Combinations Under Common Control (Note: 2.5 a)		(5.306.803)											
Own Shares Acquired in the Year													
Decrease due to Other Changes													
Total Increase/(Decrease) in Equity	53.000.000	(5.306.803)	(212.926)	(29.339.011)	176.294.534	(22.493.379)	31.451.160	247.880.333	(1.034.227)	1.001.458	2.970.438	(1.034.227)	246.846.106
Balance as at December 31, 2021	333.000.000	12.169.172	(33.224)	(71.443.138)	244.290.300	(94.604.661)	33.012.644	455.891.093	1.034.227	455.891.093			
Balance as at January 1, 2022	333.000.000	12.169.172	(33.224)	(71.443.138)	244.290.300	(94.604.661)	33.012.644	455.891.093	1.034.227	455.891.093			
Transfers													
Net Profit for the Period													
Capital Increase	52.500.000												
Share Based Payment Transactions (*)													
Other Comprehensive Income / (Expense)													
Total Increase/(Decrease) in Equity	52.500.000												
Balance as at December 31, 2022	385.500.000	12.169.172	(1.626.075)	(101.499.145)	425.370.525	(57.807.845)	46.979.795	857.975.656	46.979.795	857.975.656			

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

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Consolidated Statements of Cash Flows for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

Notes	Audited	
	1 January - 31 December 2022	1 January - 31 December 2021
A. Cash Flows from Operating Activities	50.690.550	130.994.524
Net Profit for the Period	46.979.795	33.012.644
<i>Adjustments Related to Reconciliation of Net Profit for the Period</i>	144.866.502	134.952.650
Adjustments Related to Depreciation and Amortization	13, 14, 26	61.413.360
Adjustments Related to Deferred Tax Expense	30	17.414.009
Adjustments Related to Provision for Unused Vacation, Net	17	913.373
Adjustments Related to Provision for Severance Payment Expenses	18	3.054.371
Adjustments Related to Litigation Provisions		(187.333)
Adjustments Related to Interest Expenses	29	81.704.812
Adjustments Related to Interest Income	29	(10.469.229)
Adjustments for Fair Value Loss of Derivative Instruments		(6.400.482)
Adjustments Related to Gain/Loss on Disposal of Subsidiary	28	(514.454)
Adjustments Related to Gain/Loss on Disposal of Property, Plant and Equipment	28	(2.277.610)
Adjustments Related to Unrealized Exchange Differences		215.685
Changes in Working Capital	(140.523.873)	(36.550.928)
Adjustments Related to the Increase/Decrease in Trade Receivables from Related Parties		(7.317.149)
Adjustments Related to the Increase/Decrease in Trade Receivables from Third Parties		(12.578.119)
Adjustments Related to the Increase/Decrease in Other Receivables from Third Parties		414.604
Adjustments Related to Assets Arising from Contract Assets		(13.771.652)
Adjustments Related to Increase/Decrease in Trade Payables to Third Parties		31.470.845
Adjustments Related to Increase/Decrease in Other Payables to Third Parties		(5.482.561)
Adjustments Related to Increase/Decrease in Deferred Income		(4.566.771)
Adjustments Related to Obligations Arising from Contract Liabilities		1.431.583
Adjustments Related to Increase/Decrease in Inventories		(88.368.267)
Adjustments Related to Increase/Decrease in Prepaid Expenses		(27.450.598)
Adjustments Related to the Increase in Liabilities for Employee Benefits		4.400.655
Adjustments Related to Increase/Decrease in Other Current Assets		(18.706.443)
Cash Flows from Operations	(631.874)	(419.842)
Payments Related with Provisions for Employee Benefits	18	(631.874)
B. Cash Flows from Investing Activities	(87.037.787)	(23.660.552)
Cash Inflows from Sale of Property, Plant, Equipment	13	2.865.807
Cash Inflows from Sale of Intangible Assets	13	--
Cash Outflows from Purchases of Property, Plant, Equipment	13	(87.550.930)
Cash Outflows Purchases of Intangible Assets	14	(2.352.664)
C. Cash Flows from Financing Activities	44.173.038	(63.564.471)
Increase/Decrease in Other Receivables from Related Parties		2.521.286
Increase/Decrease in Other Payables to Related Parties		(14.289.179)
Cash inflows arising from credit utilization	9	240.655.916
Cash outflows due to loan repayments	9	(314.438.503)
Cash Inflows/(Outflows) from Other Financial Liabilities		8.896.400
Cash Outflows Related to Acquisition of Own Shares		--
Net Cash Inflows from Issuance of Shares and Other Equity Instruments		205.706.624
Cash Inflow for Repayment of Obligations Under Leases	9	55.183.930
Cash Outflow for Repayment of Obligations Under Leases	9	(68.755.190)
Loan Payment and Interest Payment from Leases	29	(81.777.475)
Interest Received	29	10.469.229
Other Cash Inflows and Outflows		--
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	7.825.801	43.769.501
D. Cash and Cash Equivalents at the Beginning of the Period	4	48.011.596
Period End Cash and Cash Equivalents (A+B+C+D)	4	55.837.397
		48.011.596

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

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

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Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

1 Group's Organization and Nature of Operations

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi ("Consus" or the "Company") was established in Türkiye on August 22, 2014 by being registered in the Turkish Trade Registry Gazette dated August 28, 2014 and numbered 8641. The Company was established with the aim of producing electricity and all other sources of energy, such as natural gas, thermal, solar, wind, hydro, geothermal and all kinds of other energy sources, distribution of all of them, establishment, commissioning, renting, selling, distributing, and making knowledgeable energy investments in all the production and distribution facilities associated with them.

As of December 31, 2022, and December 31, 2021, the main shareholder of the Company is Global Yatırım Holding Anonim Şirketi (Note 21).

The Company's registered office address is Esentepe Mahallesi, Büyükdere Caddesi Apt. Blok No:193 İç Kapı No:2 Şişli, İstanbul.

The Company's shares have been traded on Borsa İstanbul since April 20, 2022.

The Company operates as a subsidiary of Global Yatırım Holding Anonim Şirketi.

These consolidated financial statements include the Company and its subsidiaries (hereinafter collectively referred to as the "Group").

As of December 31, 2022, the number of employees of the Group is 271 (December 31, 2021: 263).

As of December 31, 2022, subsidiaries included in the scope of consolidation of the Group and the countries in which they are located, and their fields of activity are as follows:

Company name	Affiliate Type	Country	Principal Activity
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş.	Subsidiary	Türkiye	Energy Service
Mavibayrak Enerji Üretim A.Ş.	Subsidiary	Türkiye	Energy Production
Mavibayrak Doğu Enerji Üretim A.Ş.	Subsidiary	Türkiye	Energy Production
Doğal Enerji Hizmetleri San. ve Tic. A.Ş.	Subsidiary	Türkiye	Energy Production
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş.	Subsidiary	Türkiye	Energy Production
Solis Enerji Üretim ve Ticaret A.Ş.	Subsidiary	Türkiye	Energy Production
Tenera Enerji Tic. A.Ş.	Subsidiary	Türkiye	Electricity Trading
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.	Subsidiary	Türkiye	Biomass Fuel Collection

As of December 31, 2021, subsidiaries included in the scope of consolidation of the Group, and their countries and fields of activity are as follows:

Company name	Affiliate Type	Country	Principal Activity
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş.	Subsidiary	Türkiye	Energy Service
Mavibayrak Enerji Üretim A.Ş.	Subsidiary	Türkiye	Energy Production
Mavibayrak Doğu Enerji Üretim A.Ş.	Subsidiary	Türkiye	Energy Production
Doğal Enerji Hizmetleri San. ve Tic. A.Ş.	Subsidiary	Türkiye	Energy Production
Barsolar DOO	Subsidiary	Montenegro	Energy Production
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş.	Subsidiary	Türkiye	Energy Production
Tenera Enerji Tic. A.Ş.	Subsidiary	Türkiye	Electricity Trading
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.	Subsidiary	Türkiye	Biomass Fuel Collection

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

1 Organization and Operations of the Group (continued)

As of December 31, 2022 the operating licenses of the Group's subsidiaries included in the scope of consolidation within the scope of energy legislation are as follows:

License Holder	License Number	License Type	Starting date	End Date	Facility Location
Mavibayrak Doğu Enerji Üretim A.Ş.	EU/8103-10/04076	Production License	04.10.2018	04.10.2067	Bayraklı Mahallesi Bayraklı Sokak No: 24. Derik/Mardin
Doğal Enerji Hizmetleri Sanayi ve Ticaret A.Ş.	EU/7269-9/03744	Production License	07.09.2017	07.09.2066	Şenocak Mahallesi Şenocak Sokak No: 154, Haliliye/Şanlıurfa
Mavibayrak Enerji Üretim A.Ş.	EU/6307-9/03508	Production License	01.06.2016	01.06.2065	Söke OSB Mahallesi, 12. Sokak, No: 1, Söke/Aydın
Ra Güneş Enerjisi Üretim Sanayi ve Ticaret Anonim Şirketi	EU/8461-40/04198	Production License	07.03.2019	07.03.2068	Eryeri Mah., Eryeri Küme Evleri, No: 269 Artuklu/Mardin
Tenera Enerji Ticaret A.Ş.	ETS/5812-2/03360	Supply License	08.10.2015	08.10.2035	There are no facilities.

Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş. ("Tres Enerji") was established on November 27, 2012 in Istanbul. Tres Enerji provides combined heat and power systems within the build-operate business model by undertaking all investment costs and serves its customers by performing the operation and maintenance. The related facilities are those with natural gas engines that provide energy generation from natural gas input. The heat energy generated during the electricity production of these facilities is utilized, thus the customer's heat and cooling needs are also met. This leads to high levels of energy efficiency.

Mavibayrak Enerji Üretim A.Ş. ("Mavibayrak Enerji") was established on June 12, 2007 in Söke, Aydın with the title of Mavibayrak Tehlikeli Atık AŞ. The title was changed to Mavibayrak Enerji Üretim A.Ş. on October 13, 2014. Mavibayrak Enerji has a power plant with a capacity of 12 MW that generates electricity from biomass residues. It produces electricity by burning natural residues such as cotton stalk, corn stalk and forest residues.

Mavibayrak Doğu Enerji Üretim A.Ş. ("Mavibayrak Doğu") was established on April 9, 2015 in Derik - Mardin. Mavibayrak Doğu has a power plant with a capacity of 12 MW that generates electricity from biomass residues. It produces electricity by burning natural residues such as corn stalk, cotton stalk and forest residues.

Doğal Enerji Hizmetleri San. ve Tic. A.Ş. ("Doğal Enerji") was established on January 2, 2008 in Urfa. Doğal Enerji has a power plant with a capacity of 5,2 MW that generates electricity from biomass residues. It produces electricity by burning natural residues such as corn stalk, cotton stalk and forest residues.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

1 Organization and Operations of the Company (continued)

Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş. ("Ra Güneş") was established in Mardin on May 17, 2012 by Global Enerji Hizmetleri ve İşletmeciliği A.Ş. Ra Güneş produces electricity with a solar power plant with a capacity of 10,8 MWp in Mardin.

Solis Enerji Üretim ve Ticaret A.Ş. ("Solis") was established in Istanbul on June 16, 2022 by Consus Enerji İşletmeciliği ve Hizmetleri A.Ş. to install power plants to generate energy from the sun, to invest in installed solar plants, to develop, operate and lease power plants; and to engage in the sale of electricity generated from power plants, but has not started any activity as of the balance sheet date.

Tenera Enerji Tic. A.Ş. ("Tenera") was established in Istanbul on March 21, 2007 by Global Yatırım Holding A.Ş. It is a retail electricity trading company. It sells the electricity purchased from the market and/or group companies to its customers with profit margins.

Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş. ("Edusa Atık") was established on December 4, 2015 in Istanbul with the title of Edusa 3 Enerji San. Ve Tic. A.Ş. The title was changed to Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş. on May 24, 2017. Edusa Atık was established to meet the biomass fuel needs of biomass power plants within the Group. After cutting work on the forest plantations, it carries out activities such as collecting the leftover tree roots and residues on the field and harvesting corn and cotton from the fields. As of July 18, 2018, it was transferred to Global Biyokütle Yatırımları A.Ş. Following the transfer of Global Biyokütle's all shares to Consus as of June 30, 2021; the shares of Edusa Atık, a former wholly-owned subsidiary of Global Biyokütle, have also been transferred to Consus.

Laws/regulations affecting the Group's main activity

Regarding their activities, the Company's subsidiaries, which are engaged in the purchase and sale of electricity generation in their regions, are subject to the Electricity Market Law dated March 14, 2013 and numbered 6446, which entered into force with the Official Gazette No. 28603 on March 30, 2013, and also to the regulations and communiqués published by the Energy Market Regulatory Authority ("EMRA").

All the Biomass and Solar Energy companies in the Group portfolio operate within the scope of the Law No. 5346 published in the Official Gazette dated May 10, 2005. Operating under the Renewable Energy Resources Support Mechanism ("YEKDEM"), these projects are entitled to benefit from the state's fixed minimum production guarantee of 133 USD/MW for 10 years from the date of commissioning.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied

2.1 Basis of Presentation

(a) Statement of compliance with Turkish Financial Reporting Standards ("TFRS")

The accompanying consolidated financial statements are prepared in accordance with Turkish Financial Reporting Standards ("TFRS") published by Public Oversight Accounting and Auditing Standards Authority ("POA") as set out in the Communiqué numbered II-14.1 "Communiqué on Principles of Financial Reporting in Capital Markets" published in the Official Gazette numbered 28676 on June 13, 2013. TFRSs consist of standards and interpretations which are published as Turkish Accounting Standards ("TAS"), Turkish Financial Reporting Standards, interpretations of TAS and interpretations of TFRS.

The consolidated financial statements are presented in accordance with the "Announcement Regarding TFRS Taxonomy" published by POA on October 4, 2022 and with the formats in Sample Financial Statements and User Guide of the Capital Markets Board. In the announcement made by the POA on January 20, 2022, it was stated that businesses applying TFRS would not need to make any adjustments within the scope of TAS 29, "Financial Reporting in Hyperinflationary Economies" in their financial statements for the year 2021, since the cumulative change in the general purchasing power of the last three years according to the Consumer Price Index ("CPI") was calculated as 74.41 percent. In this context, while preparing the consolidated financial statements as of December 31, 2022, no inflation adjustment has been made in accordance with TAS 29.

Approval of consolidated financial statements:

The consolidated financial statements were approved by the Company's Board of Directors to be published on March 8, 2023. The General Assembly of the Company has the right to amend these consolidated financial statements while the relevant regulatory authorities have the right to make demands for their amendment.

(b) Basis of measurement

Consolidated financial statements are prepared at historical costs except for the derivative instruments and financial investments measured at fair value. The fair value measurement principles are explained in Note 2.5.

(c) Functional and presentation currency

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates. The results and financial position of each entity are expressed in Turkish Lira ("TRY"), which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

The currency that primarily influences the sales prices, investment and borrowing costs of the Company's subsidiaries Doğal Enerji, Mavibayrak Enerji, Ra Güneş and Mavibayrak Doğu is the USD, which has a significant impact on the operations of these companies. Therefore, these companies have determined USD to be used as their functional currency in accordance with TAS 21 – "The Effects of Changes in Foreign Exchange Rates". The Turkish Lira is the currency that primarily affects the selling prices, and investment and borrowing costs of Tres Enerji, Tenera and Solis' services which are subsidiaries of the Company. Additionally, and the Turkish Lira has a significant impact on the operations of these companies. Therefore, these companies have determined Turkish Lira to be used as their functional currency.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied *(continued)*

2.1 Basis of Presentation *(continued)*

(c) Functional and presentation currency *(continued)*

In accordance with TAS 21 "The Effects of Changes in Foreign Exchange Rates", the assets and liabilities of entities whose functional currency for the purpose of preparing the consolidated financial statements is the USD and the EUR, the foreign exchange rates prevailing at the balance sheet date and the exchange rates prevailing at the dates of the transactions for income and expenses are used to translate the related currencies into TRY. The closing and transaction date exchange differences arising from the use of foreign exchange rates are recognized in the statement of comprehensive income and in the foreign currency translation reserve item within equity.

(d) Comparative Information

The consolidated financial statements of the Group are prepared comparatively with the previous period to enable the determination of the trends in financial position and performance. Comparative figures are reclassified, and significant differences are disclosed, where necessary, to conform to the changes in the presentation of the current period consolidated financial statements.

(e) Netting/Offsetting

When the Group has a legal right to net off financial assets and liabilities and intends to settle those financial assets and liabilities by netting or to have the asset recognized and settled simultaneously, the Group will offset the financial assets and liabilities and report them with their net amounts in the balance sheet.

(f) Consolidation Principles

As of December 31, 2022, and December 31, 2021, the consolidated financial statements include the accounts of the Company's subsidiaries.

(I) Business Combinations

Business combinations are accounted for using the acquisition method at the acquisition date, which is the date the control is transferred to the Group. Control refers to the Group's power to govern the financial and operation policies of an entity to derive benefits from its activities. Potential enforceable voting rights are considered by the Group when assessing control.

The Group measures goodwill at the acquisition date as follows:

- the fair value of the purchase price; plus

- Carrying value of non-controlling interests in the business acquired in business combinations; plus

- if the business combination is accomplished on more than one occasion the acquisition-date fair value of the equity interest in the acquiree previously held by the acquirer: minus

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.1 Basis of Presentation (continued)

f) Consolidation Principles (continued)

1) Business Combinations (continued)

- Net recognized value (usually fair value) of identifiable assets acquired and liabilities assumed,

If a negative result is reached in the valuation, the bargain purchase will be recognized directly in profit or loss.

The purchase price does not include amounts related to the establishment of existing accounts. These amounts are generally recognized in profit or loss.

Transaction costs other than those associated with the issuance of debt or equity securities that the Group incurs in connection with a business combination are expensed as incurred.

For the accounting periods ending on December 31, 2022 and December 31, 2021, there are no business combinations other than business combinations subject to common control.

ii) Subsidiaries

Subsidiaries are businesses controlled by the Group. The Group controls an investee when it is exposed to or has rights to variable returns and could affect those returns through its power over the investee. The financial statements of the subsidiaries are included in the consolidated financial statements starting from the date the control begins and are no longer consolidated from the date that control ceases.

As of December 31, 2022, and December 31, 2021, the details of the Company's subsidiaries are as follows:

Subsidiaries	31 December 2022	31 December 2021
Tres Enerji Hizmetleri Sanayi ve Ticaret A.Ş.	100%	100%
Mavibayrak Enerji Üretim A.Ş.	100%	100%
Mavibayrak Doğu Enerji Üretim A.Ş.	100%	100%
Doğal Enerji Hizmetleri San. Ve Tic. A.Ş.	100%	100%
Barsolar DOO (*)	--	51%
Ra Güneş Enerjisi Üretim San. ve Tic. A.Ş.	100%	100%
Solis Enerji Üretim ve Ticaret A.Ş.	100%	--
Tenera Enerji Tic. A.Ş.	100%	100%
Edusa Atık Bertaraf Geri Kazanım ve Depolama San. ve Tic. A.Ş.	100%	100%

(*) Related subsidiary was sold to Global Yatırım Holding A.Ş. on August 29, 2022.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.1 Basis of Presentation (continued)

f) Consolidation Principles (continued)

ii) Subsidiaries (continued)

Consolidated financial statements include the financial statements of businesses controlled by the Group and its subsidiaries. Control is provided by the Group's fulfillment of the following conditions:

- Having power over the invested company/asset,
- Being open to or entitled to variable returns from the investee company/asset,
- its ability to use its power to have an impact on returns.

In case of any changes regarding at least one of the criteria listed above stipulated by the occurrence of a situation or event; the Group reassess whether or not its control over its investment continues.

In cases where the Group does not have majority voting rights on the investee company/asset, it has a control power over the investee company/asset if it has sufficient voting rights to direct/manage the activities of the relevant investment. The Group considers all relevant events and circumstances in assessing whether many of the votes in the relevant investment is sufficient to gain control including the following:

- Comparison of the voting rights held by the Group with the voting rights of other shareholders;
- Potential voting rights held by the Group and other shareholders;
- Rights arising from other contractual agreements;
- Other events and conditions that may indicate whether the Group has the current power to manage the relevant activities (including voting at the general assembly meetings in previous periods) in cases where a decision is required.

Incomes and expenses from the subsidiaries acquired or disposed of during the year, are included in the consolidated statement of profit or loss and other comprehensive income from the date of acquisition to the date of disposal.

Each item of profit or loss and other comprehensive income belongs to the parent shareholders and non-controlling interests. Even if the non-controlling interests result in a reverse balance, the total comprehensive income of the subsidiaries is transferred to the parent shareholders and non-controlling interests.

Regarding accounting policies; when necessary, the financial statements of the subsidiaries were adjusted to remain in conformity with the Group's accounting policies.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.1 Basis of Presentation (continued)

f) Consolidation Principles (continued)

ii) Subsidiaries (continued)

Changes in the Group's current subsidiary's share capital

Changes in the Group's shareholding in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The book values of the Group's interest and non-controlling interests are adjusted to reflect changes in subsidiary interests. The difference between the adjustment for non-controlling interests and the fair value of the consideration received or paid is accounted for directly in equity as the Group's share.

If the Group loses control of a subsidiary, the post-sale profit/loss is the difference between i) the sum of the sales price received and the fair value of the remaining interest and ii) the previous book values of the subsidiary's assets (including goodwill) and liabilities and non-controlling interests is calculated as the amounts previously accounted for in other comprehensive income related to the subsidiary and collected in equity are recorded according to the accounting method to be used on the assumption that the Group has sold the relevant assets (for example, in accordance with the relevant TFRS standards transfer to profit/loss or directly transfer to Prior Years' Profits or Losses).

Impact of business combinations under common control

According to TFRS 3 Business Combinations, it is defined as "a business combination in which all the merging undertakings or businesses are controlled by the same person or persons before and after the business combination and this control is not temporary." There is no provision in TFRS 3 regarding the accounting of these mergers. In the Principal Decision published by the POA on "2018-1 Accounting for Business Combinations Under Common Control" which stands as a basis in the accounting of business combinations under common control, it is stated that i) business combinations under common control should be accounted for by the aggregation method. ii), therefore, goodwill is not included in the financial statements and iii) when applying the aggregation method, the financial statements should be adjusted as if the merger had occurred as of the beginning of the reporting period in which the joint control occurred, and it should be presented comparatively from the beginning of the reporting period in which the joint control occurred. If the merger takes place in ways other than a share exchange (for example the merger occurs by making a cash payment or without paying any price): If the book value of the net assets of the acquiree at the date of the merger exceeds the transferred amount, the difference is considered. The value of the "Premiums Related to Shares" item is increased by the difference. (b) In case the transferred amount exceeds the book value of the net assets of the acquiree at the acquisition date, the difference is reflected in the "Effect of Mergers Including Joint Controlled Enterprises or Businesses" as a factor reducing equity.

The details of the Group's transactions accounted for as "Business Combinations under Joint Control" for the years ended December 31, 2022 and December 31, 2021 are presented below:

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.1 Basis of Presentation (continued)

f) Consolidation Principles (continued)

ii) Subsidiaries (continued)

Dağören was established on September 6, 2007 in Istanbul with the partnership of two natural persons. As of August 5, 2008, one of the partners transferred his shares to the other partner and Global Enerji İşletmeciliği ve Hizmetleri A.Ş. Dağören was established to engage in hydroelectric power plant investments but remained as an inactive company. Its shares were transferred from its parent company Global Enerji İşletmeciliği ve Hizmetleri A.Ş. to Consus for a consideration of TRY 4.420.560 on October 24, 2014. Therefore, this transaction was considered as a business combination under common control. In accordance with the provisions of the POA's Principal Decision on the Implementation of Turkish Financial Reporting Standards No. 2018/1 and the relevant accounting principles for the mergers of businesses under common control; the transaction had been included in the consolidated financial statements since 1 January 2018, the initial date of the period from which the Company started to present its financials retrospectively and comparatively with previous periods. The transaction was presented under "Effect of Mergers Including Joint Control" item. However, all the shares owned by Consus in Dağören, which corresponded to 70 percent of Dağören's share-capital, were taken over by Global Yatırım Holding A.Ş. on May 27, 2021. Since the transfer took place in 2021, the amounts previously booked in the "Effect of Mergers Including Enterprises Under Common Control" item were transferred directly to previous years' profits or losses item in accordance with the same Principal Decision.

Sümerpark was established on August 7, 2007 in Istanbul by Global Yatırım Holding A.Ş. for the purpose of establishing, commissioning, taking over, leasing and renting out all kinds of facilities to generate electricity. On August 6, 2020, it was transferred from the parent company Global Yatırım Holding A.Ş. to Consus for a price of TRY 2.850.000. Therefore, this transaction was considered as a business combination under common control. In accordance with the provisions of the POA's Principal Decision on the Implementation of Turkish Financial Reporting Standards No. 2018/1 and the relevant accounting principles for the mergers of businesses under common control, the transaction had been included in the consolidated financial statements since 1 January 2019, the initial date of the period from which the Company started to present its financials retrospectively and comparatively with previous periods. The transaction was presented under "Effect of Mergers Under Common Control". Sümerpark was transferred to Global Yatırım Holding A.Ş. on June 18, 2021. Since the transfer took place in 2021, the amounts previously booked in the "Effect of Mergers Including Enterprises Under Common Control" item were transferred directly to previous years' profits or losses item in accordance with the same Principal Decision.

Adjustments in consolidation

In the preparation of the consolidated financial statements, all balances and transactions and any unrealized income arising from intra-group transactions have been eliminated. Unrealized losses arising from intra-group transactions with no evidence of impairment have also been eliminated via the same method used to clear unrealized profits. The registered values of the shares owned by the Company and the dividends arising from them have been eliminated from the related equity and profit or loss statement accounts.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.1 Basis of Presentation (continued)

f) Consolidation Principles (continued)

ii) Subsidiaries (continued)

The normal consolidation procedures, such as the elimination of intra-group balances and transactions are applied in consolidating the operating results and financial position of subsidiaries whose functional currencies are other than TRY. However, the intragroup monetary assets or liabilities (excluding monetary items that form part of the net investment in subsidiaries whose functional currency is other than TRY), regardless of whether they are short-term or long-term, cannot be eliminated against the relevant intra-group debt (or asset item), without reflecting the results of foreign currency fluctuations in the consolidated financial statements. This is because a monetary item carries an obligation to convert one currency to another and exposes the Group to gains or losses from foreign currency fluctuations. Therefore, such exchange differences are recognized in profit or loss in the Group's consolidated financial statements.

2.2 Changes in Significant Accounting Policies

Accounting policies are consistently applied throughout all periods presented in the financial statements. Significant changes in accounting policies are applied retrospectively and prior period financial statements are restated.

While preparing the consolidated financial statements as of December 31, 2022 there has been no changes in accounting policies.

2.3 Changes and Errors in Accounting Estimates

If changes in accounting estimates are related to only one period, they are recognized in the period when the changes are applied; if changes in estimates are related to future periods, they are recognized both in the period where the change is applied and in future periods prospectively. Significant accounting errors identified are applied retrospectively and prior period consolidated financial statements are restated.

2.4 Going Concern Assumption

The Group prepares its consolidated financial statements with the assumption that the business will continue its operations in a foreseeable future. As of December 31, 2022, the Group has an accumulated loss of TRY 57.807.845 arising from the activities of the establishment period. However, thanks both to the exchange rate effect that increased its sales and the revisions made that increased its operational profitability, the Group achieved a net profit of TRY 46.979.795 for the twelve-month period ending on December 31, 2022 (December 31, 2021: TRY 33.012.644).

As of December 31, 2022, the Group's short-term liabilities exceeded its current assets by TRY 165.496.662 (December 31, 2021: TRY 199.223.159). TRY 178.511.821 of the Group's short-term liabilities consist of revolving/spot loans that will be closed and reused during the year. The Group's financial liabilities are disclosed in Note 9.

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.4 Going Concern Assumption (continued)

The fact that the average collection period of the Group's trade receivables from electricity sales is less than one month from the invoice date and that the Group's ability to collect these receivables is high, creates an advantage in terms of timely payment of short-term liabilities. Therefore, no significant financing need is anticipated to fund the Group's working capital. While the Group can manage negative working capital in the short term, it is anticipated that the net working capital will turn positive with both the increase in income resulting from investments and the cash to be generated from the operating profitability enhancing as a result of the improvement investments that positively affects the operational efficiency.

The Group's investments in biomass electricity generation and solar power plants have been financed with long-term investment loans with maturity dates extending up to the years 2025-2029.

Furthermore, the Group's sales are mainly calculated in foreign currency within the scope of YEKDEM and collected in TRY; which provides a natural hedge against the foreign exchange rate risk, especially given that investments in biomass and solar energy production and sales activities are funded through foreign currency borrowing.

Biomass power plants started production in 2018 (Söke-12MW and Urfa-5.2MW) and in 2019 (Mardin-12MW) and lastly the solar power plant in Mardin with an installed capacity of 10.8MW started production at the beginning of 2020. For the period ended December 31, 2022 the Group's sales within the scope of YEKDEM constitute approximately 77 percent of its total sales (December 31, 2021: 66 percent). Additionally, the Group's sales under YEKDEM will continue until the end of 2027 and 2029 differing for each facility, due to the government's purchase guarantee.

Within the framework of the amendments made in the electricity market regulations allowing for the establishment of multi-source electricity generation facilities, the Group initiated the investments of solar energy facilities as a secondary source with a total capacity of 3.6 MW within the biomass facilities to meet the plants' self-consumption in 2022. The permit processes were completed, and license amendments were made on July 3, 2022, and July 31, 2022, and construction works have commenced. Following the relevant license amendments and considering the new regulation of the Energy Market Regulatory Authority (EMRA) on raising the upper limit for the secondary source installed in multi-source facilities, a new license amendment application has been made for one of the biomass facilities with the purpose of increasing installed capacity of the auxiliary source. Construction works have been completed at a rate of 80 percent at both facilities. Due to the delays in the permit processes, the related investments which have previously been planned to be commissioned in the last quarter of 2022, are expected to be completed and commissioned by the first quarter of 2023. The Group plans to expand its renewables portfolio by purchasing facilities from outside the group established at home and abroad or by constructing new facilities through project development activities.

The Group evaluates the high investment and growth potential in the energy efficiency sector in which it operates and continues its business development activities in this direction. The Group is planning for growth in the sector due to various factors, including increased capacity demands from its existing customers in line with their growing business volumes, requests for facility installation and operation from new private sector clients, and the expansion of service procurement by public institutions and organizations aimed at increasing energy efficiency, as outlined in the Decision on the Procedures and Principles Regarding Public Energy Performance Contracts and in the related Communiqué on the Implementation of Energy Performance Contracts. These developments indicate a growing market for the Group's services aimed at enhancing efficiency and savings for both public and private sector clients.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied *(continued)*

2.4 Business Continuity *(continued)*

Growth is planned in the sector through widespread purchases. The Group aims to increase its profitability year by year utilizing the mentioned growth opportunities. Again, in the same business line, the enactment of the regulation allows electricity consumers, with the purpose of meeting their self-consumption needs; to generate unlicensed electricity, either within the field of their own industrial establishments or in any reasonable regions of Türkiye in case their fields are insufficient. As a result, industrial enterprises that currently have significant electricity consumption are placing emphasis on the preparations for investment using the BOT (build-operate-transfer) and BTO (build-transfer-operate) models for the installation and operation of solar power plants, as well as for the transfer of ownership at the end of the contract period.

The Group management has made an assessment on the sustainability of its operations and has evaluated that it has sufficient resources to continue its activities in the near future considering the income profit and liquidity generation capacity of the Group. Additionally, the main shareholder of the Company has declared that necessary support will be provided to the Group in case there is a need for cash. The Group management believes that there is no uncertainty that may cast doubt on the sustainability of operations and has prepared its consolidated financial statements with the assumption that the business will continue to operate in a foreseeable future.

2.5 Summary of Significant Accounting Policies

a) Revenue

General model for revenue recognition

In accordance with TFRS 15, a five-stage approach is followed in the recognition of revenue for all contracts with customers.

Stage 1: Contract definition

A contract is considered within the scope of TFRS 15, only if, it is legally enforceable, collectable, rights and payment terms for goods and services are identifiable, the contract has commercial substance and if the contract is approved by the parties and the parties undertake to fulfill their obligations.

The Group treats contracts as a single contract when there is only one obligation under a contract, when contracts are negotiated as a single trade package or when a contract is linked to goods or services (or a portion of goods or services) by another contract.

Stage 2: Defining performance obligations

The Group defines a "performance obligation" as a unit of account for the recognition of revenue. The Group evaluates the goods or services promised in a contract with the customer and determines each commitment to the customer to transfer one of the following as a performance obligation:

- (a) a distinct good or service (or a bundle of goods or services), or
- (b) A different series of goods or services that are substantially similar and have the same transfer to the customer.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied *(continued)*

2.5 Summary of Significant Accounting Policies *(continued)*

a) Revenue *(continued)*

The Group defines a good or service in a contract as a different good or service, if it can identify it separately from other commitments in the contract and enables the customer to benefit from the good or service in question either alone or in combination with other resources available for use. A contract may include a commitment to provide a range of different goods or services. At contract inception, an entity determines whether the series of goods or services is a single performance obligation.

Stage 3: Determination of the transaction price

To determine the transaction price, the Group evaluates how much it expects to receive after fulfilling its contractual obligation. In making the assessment, it considers elements of variable amounts and whether the contract includes a significant financing component.

Significant financing component

The Group reviews the amount that reflects the cash selling price of the promised good or service with the amount promised to be paid for the effect of a significant financing component. As a practical application, the Group does not adjust the transaction price for the effects of a significant financing component, if at contract inception, the period between customer payment and transfer of goods or services is expected to be one year or less. Where the Group's obligations during the period and the advances received and the payment schedule are broadly compatible, the Group considers that the period between the fulfillment of the obligation and the payment should never exceed 12 months.

Variable price

The Group determines whether there are items in the customer contract that may result in price concessions, incentives, performance bonuses, early completion bonuses, price adjustment clauses, penalties, discounts, or similar variable charges.

Stage 4: Distribution of transaction price to performance obligations

Where different goods or services are delivered under a single contract, the contract value is allocated based on the relative stand-alone selling prices of the individual goods or services (different performance obligations). If no directly observable stand-alone selling prices are available, the total price in the contracts is allocated based on the expected cost plus a profit margin.

Stage 5: Revenue recognition

The Group recognizes revenue over time when any of the following conditions are met:

- If the customer simultaneously enjoys and consumes the benefits provided by the business;
- As the entity creates or develops the asset, the customer simultaneously takes control of the asset created or developed; or
- If the obligation fulfilled by the Group does not create an asset with an alternative use for the Group, itself and if the Group has an enforceable right to payment for the obligation completed up to that date.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied *(continued)*

2.5 Summary of Significant Accounting Policies *(continued)*

a) Revenue *(continued)*

For each performance obligation fulfilled over time, the Group selects a single measure of progress that represents transferring control of the goods or services to the customer. The Group uses a method that reliably measures the work performed. The Group uses the costs made to measure progress towards completion of the project using the input method and uses the units transferred to measure progress towards completion of the project using the output method.

If a performance obligation is not satisfied over time, then the Group recognizes revenue when it transfers control of the goods or service to the customer.

In cases where the cost that must be incurred by the Group to fulfill its obligations under the contract exceeds the economic benefit expected to be obtained under the contract, a provision is made in accordance with TAS 37 "Provisions, Contingent Liabilities and Contingent Assets."

Contract changes

If the Group commits to providing additional goods or service, it accepts the contract modification as a separate contract. In case of the termination of an existing contract and the creation of a new contract where the goods or services offered are different, the relevant changes are accounted for. If the modification to the contract does not create separate goods or services, the entity accounts for it by combining the additional goods or services with the original contract as if they were part of the original contract.

The details of the significant accounting policies for the Group's various goods and services and revenue recognition methods are given below.

Energy sales

Due to the fact that electricity cannot be stored as a stock, the sale of electricity generated by the Group from biomass, solar, and distributed energy facilities, as well as the related costs, occur simultaneously, and thus, sales and costs are incurred at the time of consumption. The Group follows the income accruals in the consolidated financial statements as contract assets for electricity sales for which the invoices of the sales of the period have not yet been issued as of the balance sheet date. Additionally, the Group has reviewed the customer contracts regarding distributed energy facilities and presents the estimated amount of heavy maintenance liability included in a contract as a long-term contract obligation in its consolidated financial statements by separating the estimated amount from the performance obligation arising from other energy sales in the related contract.

Service and Trade Sales

Service and trade sales are recorded on the amounts invoiced on an accrual basis in case the service is realized.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied *(continued)*

2.5 Summary of Significant Accounting Policies *(continued)*

a) Revenue *(continued)*

Government Grants

All government grants, including non-monetary government incentives recognized at fair value, are recognized in the consolidated financial statements when there is reasonable assurance that the Group will comply with the conditions required for obtaining those grants and that the Group will be able to obtain them. In case of obtaining waivers from the government; when there is reasonable assurance that the conditions for such waivers will be met by the entity, these waivers are recognized as government grants. Government grants and subsidies used are presented in Note 31.

b) Financial income/expenses

Financial expenses consist of foreign exchange losses on financial assets and liabilities (other than trade receivables and payables) interest expenses on bank loans and lease liabilities, bank fees and commissions, interest expenses arising from other payables to related parties, and valuation expenses consisting of foreign exchange differences and derivative transactions.

Financial income consists of foreign exchange gains on financial assets and liabilities (other than trade receivables and payables) deposit interest expenses and valuation difference income from derivative transactions.

c) Other income and expenses from main activities

Other income from main operations other than financial borrowings and other payables to related parties, and foreign exchange income from trade receivables and payables, insurance and compensation income, scrap sales income, reflection income from general management service rendered to related parties, compensation income due from contracts constitute income from other activities.

Other operating expenses consist of foreign exchange losses arising from trade receivables and payables other than financial borrowings and other payables to related parties, lost inventory expenses and expenses related to other activities.

d) Inventories

Inventories are valued at the lower of cost or net realizable value. The Group's inventories mainly consist of agricultural residues which are biomass fuel used by biomass power plants for electricity generation. Additionally, these inventories are not sold outside the Group. Costs, including some of the fixed and variable general production costs incurred due to the production of these inventories are valued according to the weighted average method which is appropriate for the class to which the inventories belong.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

e) Tangible Fixed Assets

(i) Recognition and measurement

Tangible fixed assets are recorded at historical cost. Accordingly, property, plant and equipment are accounted for at cost less accumulated depreciation and impairment, if any. The cost is directly related to the acquisition of the related asset and represents expenditure.

The cost of assets constructed by the Group includes the following items:

- Material and direct labor costs,

-Costs that are directly attributable to bringing the asset to a working condition for its intended use by the Group,

- If the Group has an obligation to dispose of the asset or to restore the site where it is located, the Group may be required to dismantle or restore parts of the asset, dismantle, or restore the site where the parts are located; costs related to its replacement and restoration of the site where it was placed,

- Capitalized borrowing costs,

The purchased software is activated as part of the equipment when it is an integral element for the use of the relevant equipment.

When parts of property plant and equipment have different useful lives, they are accounted for as separate parts (significant parts) of the property plant and equipment.

Gains or losses on the disposal of a tangible asset are recognized in profit or loss.

An item of property, plant and equipment is derecognized when it is not expected to generate future economic benefits through sale or from its sale or use. The profit or loss resulting from the derecognition of the related asset (calculated as the difference between the book value of the asset and the income from the sale) is shown in the profit or loss and other comprehensive income statement under "Income from investment activities" or "Expenses from investment activities" for the year it is derecognized.

(ii) Subsequent costs

Subsequent expenditures and expenses arising from replacing any part of tangible assets and maintenance and repair costs can only be capitalized in cases where it is possible to transfer future economic benefits to the Group because of these expenditures. All other expenses are recognized in profit or loss when incurred.

(iii) Depreciation

Items of property plant and equipment are depreciated on the day they are available for use or for assets constructed by the Group on the day these assets are completed and ready for use. Depreciation is calculated using the straight-line method over the estimated useful lives of the items after deducting the estimated residual values from the costs of the items of property plant and equipment. Depreciation is generally recognized in profit or loss unless it is included in the book value of another asset.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

e) Tangible Fixed Assets (continued)

Leased assets are depreciated over the shorter of the lease term or the useful life of the asset, unless the Group obtains ownership of the leased asset with reasonable certainty at the end of the lease. Land is not subject to depreciation.

The estimated useful lives of material plant and equipment items in the current and comparative periods are as follows:

Buildings	3-50 years
Plant Machinery and Devices (*)	3-50 years
Vehicles	4-6 years
Fixtures	2-20 years
Specific Costs	3-5 years

(*) The useful life of biomass electricity facilities is determined as 40 years, the useful life of solar energy facilities as 50 years and the useful life of distributed energy facilities as 12 years. The useful life of the facilities owned and operated under a build-operate-transfer agreement is determined as the year remaining to the transfer date.

Leasehold improvements are depreciated on a straight-line basis over the shorter of the lease terms or their useful lives. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, as necessary.

f) Intangible Assets

(i) Recognition and measurement

Other intangible assets purchased by the Group that have a specified useful life are measured at cost less accumulated amortization and accumulated impairment losses, if any. Other intangible assets consist of licenses, easement rights (joint rights) and computer software.

(ii) Subsequent costs

Subsequent costs are capitalized only if they increase the future economic benefits of the intangible assets with which they are associated. All other expenses are recognized in profit or loss when incurred.

(iii) Amortization

Intangible assets are recognized in profit or loss using straight-line amortization over their useful lives from the date they are ready for use.

The estimated useful lives of material intangible assets in the current and comparative periods are as follows:

Rights	2-49
Other	3-5

Amortization methods, useful lives and residual values are reviewed at each reporting period and redetermined when necessary.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied *(continued)*

2.5 Summary of Significant Accounting Policies *(continued)*

g) Leasing transactions

At the inception of the contract, the Group determines whether the contract is a lease or a rental contract and whether it involves a lease transaction. When the contract transfers the right to control the use of the identified asset for a specified period at a specified cost, this contract is a lease, or contains a lease transaction. The Group uses the definition of a lease in TFRS 16 to identify whether a contract provides the right to control the use of an identified asset.

(i) As lessee

At the commencement date of the lease or at the date of modification of the contract containing a lease component, the Group allocates the relative stand-alone price of the lease component to each lease component based on the relative stand-alone price of the lease component and the total stand-alone price of the non-lease components.

At the commencement date, the Group recognizes the related right-of-use assets as property, plant and equipment and lease liability in the consolidated financial statements. The initial measurement of the right-of-use asset cost liability consists of all lease payments made on or before the commencement date, less any lease incentives received, and all initial direct costs and estimated future costs of dismantling and moving the asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term, or if the cost of the right-of-use asset indicates that the lessee will exercise a purchase option, the right-of-use asset is depreciated from the commencement date until the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated over the shorter of the useful life of the underlying asset or the lease term, whichever is shorter, starting from the commencement date. Additionally, the value of the right-of-use asset is periodically reduced, net of any impairment losses, and adjusted in line with the remeasurement of the lease liability.

At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. Lease payments are discounted using the interest rate implicit in the lease if that rate can be readily determined. If this rate is not readily determinable, the Group's alternative borrowing rate is used.

The Group determines the alternative borrowing interest rate by considering the interest rates it will pay for borrowings from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of leased asset.

The Group follows the lease obligations from the lease agreements where the Group will take over the ownership of the underlying asset at the end of the lease term as payables from finance lease agreements and the lease obligations from the lease agreements where the Group will not take over the ownership of the underlying asset at the end of the lease term as payables from operating lease agreements.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied *(continued)*

2.5 Summary of Significant Accounting Policies *(continued)*

g) Leasing transactions *(continue)*

(i) As lessee(continued)

Lease payments included in the measurement of the lease liability consist of the following:

- Fixed payments (including fixed payments in substance);
- Variable lease payments based on an index or rate, initially measured using an index or rate at the commencement date;
- Amounts expected to be paid by the lessee under residual value commitments;
- The exercise price of a purchase option if it is reasonably certain that the option will be exercised, and penalty payments related to the termination of the lease if the lease term indicates that the Group will exercise an option to terminate the lease;

The lease liability is measured by discounting the lease payments using a discount rate. The Group evaluates renewal, termination and purchase options if there is a change in these payments as a result of a change in an index or rate used to determine future lease payments and a change in the amounts expected to be paid under the residual value commitment.

Any remeasurement of the lease liability is recognized in the consolidated financial statements as an adjustment to the right-of-use asset based on the new amount of the liability. However, if the carrying amount of the right-of-use asset has decreased to zero and there is a further decrease in the measurement of the lease liability, the remaining remeasurement amount is recognized in profit or loss.

Short term leases and low-value leases

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of low-value assets, including machinery and information technology equipment, with a lease term of 12 months or less. The Group recognizes the lease payments associated with these leases as an expense in the consolidated financial statements on a straight-line basis over the lease term.

Sales and leaseback transactions

The Group management applied sale and leaseback transactions for some of its facilities in 2022 and 2021. In the consolidated financial statements as of December 31, 2022 and December 31, 2021, the Group presents the assets acquired through sale and leaseback transactions in property, plant, machinery and equipment. The Group measures the right-of-use asset arising from the leaseback in the consolidated financial statements at the rate of the previous carrying amount of the right-of-use asset held. In these sale and leaseback transactions, since the amount received from the sale and the present value of the finance lease arising from the leaseback are equal, there is no change in the carrying amount of the asset sold and leased back and accordingly, there is no gain or loss associated with the rights transferred to the buyer-lessor.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

h) Related Parties

A party is deemed to be related to the Group if one of the following criteria is met:

(a) Directly or indirectly through one or more intermediaries:

- (i) Controls, is controlled by, or is under common control with, the entity (including parents, subsidiaries and fellow subsidiaries);
- (ii) Having a shareholding that would enable it to exercise significant influence over the Company; or
- (iii) Having 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 joint venturer;

(d) The party is a member of the key management personnel of the Company or its parent;

(e) The Party is an immediate family member of any individual referred to in (a) or (d);

(f) The party is an entity that is controlled, jointly 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 must have post-employment benefit plans for employees of the entity or an entity that is a related party.

A related party transaction is a transfer of resources, services or obligations between related parties, whether or not for consideration. In the ordinary course of business, the Company may enter into certain business relationships with related parties.

i) Financial Instruments

(i) Recognition and initial measurement

The Group recognizes trade receivables and financial liabilities on the date that they are originated. The Group recognizes all other financial assets and liabilities on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

Financial assets (other than trade receivables that do not have a significant financing component) and financial liabilities other than those at fair value through profit or loss are measured at initial recognition at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Trade receivables that do not have a significant financing component are measured at transaction cost on initial recognition.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(ii) Classification and subsequent measurement

Financial instruments

Under TFRS 9, on initial recognition, a financial asset is classified as either measured at amortized cost or measured at FVTPL.

Financial assets are not reclassified after initial recognition unless the Group changes its business model for managing financial assets. In this 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 both of the following conditions are met and it is not classified as at FVTPL:

- The financial asset is held within a business model whose objective is to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets above that are not measured at amortized cost or at FVOCI are measured at FVTPL. These include all derivative financial assets.

On initial recognition of financial assets, a financial asset may be irrevocably designated as measured at fair value through profit or loss, provided that the designation eliminates or significantly reduces an accounting mismatch that would arise from measuring financial assets and recognizing gains or losses on them differently.

Financial assets - Evaluation of the business model:

The Group assesses the purpose for holding a financial asset at a portfolio level to ensure that the business model best reflects the way in which assets are managed and the information provided to management. The information considered includes;

- Policies and objectives set for the portfolio and the application of those policies in practice, including whether management's strategy focuses on realizing cash flows through the receipt of contractual interest income, maintaining the benefit of a given interest rate, aligning the maturity of financial assets with the maturity of the debt that funds those assets, or the sale of assets;

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(ii) Classification and subsequent measurement (continued)

- The objective of the business model may be to manage daily liquidity needs, to maintain a given interest yield, or to align the maturity of financial assets with the maturity of the debt that funds those assets;
- The business model and how the performance of financial assets held within the business model are reported to Group management;
- Risks affecting the performance of the business model (the financial assets held within the business model) and, in particular, how these risks are managed;
- How additional payments to business managers are determined (for example, whether additional payments are based on the fair value of assets under management or on contractual cash flows collected); and
- The frequency, value, timing and reason for sales made in previous periods and future sales expectations,

Financial assets held for trading or managed on a fair value basis and whose performance is assessed on that basis are classified as at FVTPL.

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 continuous recognition of assets in its consolidated financial statements.

Financial assets – Evaluate whether there are contractual cash flows that include only principal and interest payments on the principal balance:

Principal is defined as the fair value of the financial asset on initial recognition in the consolidated financial statements. Interest comprises the time value of money, the credit risk associated with the principal amount outstanding at a particular point in time, other principal lending risks and costs (e.g. liquidity risk and administrative costs) and a profit margin.

In assessing whether the contractual cash flows are "solely payments of principal and interest", the Group considers the contractual terms of the instrument. Included in the assessment is whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows in a way that would prevent it from meeting this definition. In making these assessments, the Group considers the following:

- Contingent events that could change the timing or amount of cash flows;
- Conditions that may change the contractual coupon rate (including variable rate features);
- Early payment and extension options; and
- Conditions that may restrict the Group's claim to cash flows on a particular asset (for example irrevocable features);

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(ii) Classification and subsequent measurement (continued)

The prepayment feature is consistent with the principal and interest payments only criterion if the prepayment amounts which include reasonable consideration where the contract is terminated before maturity, substantially reflect the unpaid amount of principal and interest on the principal balance.

In addition, for a financial asset acquired at a premium or discount to its contractual nominal amount, a contractual term that permits or requires prepayments that substantially reflect the contractual nominal amount and accrued (but unpaid) interest (prepayments may include reasonable consideration because the contract is terminated before maturity) is accounted for in accordance with the "principal and interest only" criterion if the fair value of the prepayment feature is immaterial at initial recognition.

Trade receivables and other receivables pass the "principal and interest only" test as the principal is the present value of the expected cash flows. These receivables are managed in line with the collection-based business model.

Financial assets – Subsequent measurement and gains or losses:

Financial assets measured at fair value through profit/loss	These assets are measured at their fair value in subsequent measurements. Net gains and losses related to them including any interest or dividend income are recognized in profit or loss.
Financial assets measured at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is reduced by the amount of any impairment losses. Interest income, foreign currency gains and losses and impairment losses are recognized in profit or loss. Gains or losses arising on derecognition are recognized in profit or loss.

Financial liabilities – Classification, next measurement and gains and losses

The Group classifies financial liabilities at amortized cost and at FVTPL. A financial liability is classified as FVTPL if it meets the definition of held for trading. A financial liability is classified as held for trading if it is a derivative financial liability or is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including interest income, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method, less any impairment losses. Interest expense and foreign exchange differences are recognized in profit or loss. Any gain or loss arising on derecognition of these liabilities is recognized in profit or loss.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(ii) Classification and subsequent measurement (continued)

i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are initially recognized at fair value and remeasured at each reporting date at fair value at the balance sheet date. Changes in fair value are recognized in profit or loss. The net gain or loss recognized in profit or loss includes any interest paid on the financial liability. For derivatives, see "(v) Derivative financial instruments".

ii) Other financial liabilities

Other financial liabilities (trade and other payables and borrowings) are initially measured at amortized cost using the effective interest rate method, less any impairment losses. Interest expense and foreign exchange differences are recognized in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument or, where appropriate, a shorter period to the net present value of the financial liability.

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 substantially all the risks and rewards of ownership of the financial asset, or it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, unless it continues to control the financial asset.

If the Group continues to retain substantially all the risks and rewards of ownership of a financial asset, the Group continues to recognize the financial asset in the statement of financial position.

Financial liabilities

The Group derecognizes a financial liability when, and only when, the liability is discharged or cancelled. The Group also derecognizes a financial liability when there is a significant change in the terms or cash flows of an existing financial liability. Instead, it requires the recognition of a new financial liability at fair value based on the modified terms.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(iii) Derecognition (continued)

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

(iv) Offsetting of financial assets and liabilities

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

(v) Derivative instruments

Derivative instruments are initially recognized at fair value. After the derivative instruments are initially recognized changes in their fair values are recognized in profit or loss.

Gains or losses resulting from an increase or decrease in the fair value of derivative instruments that do not meet the requirements for hedge accounting are recognized directly in profit or loss. As of the balance sheet date the Group does not apply hedge accounting since hedge accounting is optional.

Net investment hedge

The effective portion of the change in the fair value of the derivative or the foreign currency gain on the non-derivative financial liability when the functional currency is designed as a derivative or non-derivative financial liability hedging instrument in net investment hedges in entities with a functional currency other than the Company's functional currency and losses are accounted for as other comprehensive income and shown in "Net investment hedge gains/losses" under equity. The amount recognized in other comprehensive income is reclassified to profit or loss as a reclassification adjustment on disposal of the business.

(vi) Impairment of assets

a. Non-derivative financial assets and contract assets

Financial instruments and contract assets

The Group recognizes a loss allowance for expected credit losses of the following items within the scope of TFRS 9:

- Financial assets measured at amortized cost;

The Group measures the loss allowance at an amount equal to lifetime expected credit losses except for the following items which are measured from 12-month expected credit losses:

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(vi) Impairment of assets (continued)

- Bank balances whose credit risk (i.e. the risk of default over the expected life of the financial instrument) has not increased significantly since initial recognition in the consolidated financial statements;

The Group has chosen to apply lifetime expected credit losses in calculating the impairment of trade receivables, other receivables, and contract assets.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and estimating expected credit losses reasonable and supportable information available without undue cost or effort is considered. These include qualitative and quantitative information and analysis based on the Group's past experiences and informed credit assessments and forward-looking information. The Group acknowledges that there is a significant increase in the credit risk of financial assets that are past due 60 days.

The Group acknowledges that financial assets are in default in the following cases:

- If the Borrower is not likely to fully fulfill its obligations arising from the sale to the Group before the Group resorts to actions such as cashing the guarantees (if guarantees are available); or the financial asset has exceeded its maturity by more than 120 days.

The Group considers bank balances to have low credit risk if their risk rating is equivalent to the international definition of "investment grade."

Lifetime expected credit losses are the result of possible default events during the expected life of a financial instrument.

12-month expected credit losses is the portion that represents expected credit losses arising from possible defaults within 12 months of the reporting date.

The maximum period for which expected credit losses will be measured is the maximum contractual period for which the Group is exposed to credit risk.

Measurement of expected credit losses

Expected credit losses are a probability-weighted measure of credit losses. Credit losses are measured as the present value of all cash deficits. Expected credit losses are discounted using the financial asset's effective interest rate. The group calculates expected credit losses separately for receivables. Expected credit losses are calculated based on past years' experience of credit losses.

The experience of realized credit losses is modified to reflect the difference between the economic conditions at the time historical information was collected and the economic conditions that the Group believes will occur during the expected life of the receivables. When estimating the future collection performance of receivables general economic conditions are considered in the calculation of expected credit losses and forward-looking information is included.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(vi) Impairment of assets (continued)

a) Non-derivative financial assets and contract assets (cont'd)

Credit-impaired financial assets

In each reporting period, the Group evaluates whether financial assets measured at amortized cost are credit impaired. A financial asset is credit-impaired when one or more events occur that adversely affect the estimated future cash flows of a financial asset.

Observable data for the following events are evidence that the financial asset is credit-impaired:

- The issuer or debtor is in significant financial distress;
- The occurrence of a breach of contract such as default or maturity exceeding 120 days;
- For economic or contractual reasons, the creditor grants the debtor a privilege that he or she does not normally consider due to the debtor's financial distress;
- It is probable that the debtor will go into bankruptcy or other financial restructuring; or
- The disappearance of the active market for this financial asset due to financial difficulties.

Presentation of impairment in consolidated financial statements

Loss provisions of financial assets measured at amortized cost are deducted from the gross values of these assets. Impairment losses on trade and other receivables including contract assets are presented as a separate item in the statement of profit or loss.

Dropout

The gross amount of the financial asset is deducted unless there is a reasonable expectation of recovering a greater cash flow from the financial asset. This generally occurs when the Group determines that the debtor does not have sufficient cash flow generating income sources or assets to repay the write-down amounts. However, financial assets written off may still be subject to the Group's enforcement activities for the recovery of overdue receivables. Financial assets are derecognized if there is no expectation of recovery (such as when the borrower has not made any repayment plans with the Group). For trade receivables contract assets and other receivables that have been derecognized The Group continues to carry out enforcement activities to recover the receivables. Recovery amounts are recognized in profit or loss.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Financial Instruments (continued)

(vi) Impairment of assets (continued)

Credit-impaired financial assets (cont'd)

b) Non-financial assets - Impairment

In each reporting period the Group assesses whether there is any indication of impairment for each asset other than inventories and deferred tax assets. If such an indicator exists, the recoverable amount of that asset is estimated. An impairment loss is recognized when the cash-generating unit (CGU) of an asset exceeds its carrying amount and its recoverable amount.

The recoverable amount of the asset or cash-generating unit is the higher of the net selling price and value in use. Value in use is assessed by discounting future cash flows to their 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 divided into the smallest units that generate cash inflows ("cash-generating unit") from continued use independently of other assets and asset groups.

If the carrying value of the asset or any cash generating unit of that asset is higher than the amount to be recovered through use or sale an impairment occurs. Impairment losses are recognized in profit or loss. The impairment resulting from the cash-generating units is first deducted from the book values of the goodwill allocated to the units and then the book values of the other assets in the units.

For other assets impairments recognized in previous periods are assessed at each reporting period if there is a decrease in impairment or is an indication that the impairment is not valid. Impairment is reversed if there is a change in the estimates used in determining the recoverable amount. The impairment is canceled 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 it does not exist.

j) Provisions, Contingent Assets and Liabilities

For any provision amount to be recognized in the consolidated financial statements the Group must have a present legal or constructive obligation because of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle this obligation and the amount of the obligation can be reliably estimated. If the mentioned criteria are not met the Group explains the said issues in the notes to the related consolidated financial statements. Provisions are determined by discounting estimated future cash flows to their present value using the time value of money and a pre-tax discount rate that reflects the risks specific to the liability. Contingent assets are not recognized unless realized and are only disclosed in the notes.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

i) Provisions, Contingent Assets and Liabilities (continued)

Economically disadvantageous contracts

If the Group's expected benefits from a contract are less than the unavoidable costs incurred in fulfilling its obligation under the contract a provision is made for such economically disadvantageous contracts. If economic benefits are possible contingent assets are disclosed in the notes to the consolidated financial statements. If the likelihood of generating economic benefits is greater than otherwise these assets and their impact on profit or loss are recognized in the consolidated financial statements for the relevant period. Before making a provision, the Group recognizes losses arising from the impairment of contractual assets.

j) Tax

Tax expenses consist of current tax and deferred tax. Current tax and deferred tax are recognized in profit or loss except when recorded in business combinations or directly in equity or other comprehensive income.

Term tax

Current tax is the expected tax liability or receivable on the taxable profit or loss in the current year which is calculated by considering the tax rates that are in effect or are almost certain to enter into force as of the end of the reporting period and it also includes the adjustments related to the tax liabilities of the previous years. The offsetting of current tax assets and liabilities can only be made when certain conditions are met.

Deferred tax

Deferred tax is calculated over the temporary differences between the book values of assets and liabilities in the consolidated financial statements and the values used in the tax base. Deferred tax is not recognized for temporary differences in the following cases:

- Temporary differences in the initial recognition of assets or liabilities resulting from a transaction that is not a business combination and does not affect either accounting profit or taxable profit or loss,
- Temporary differences related to investments in subsidiaries, associates and jointly controlled entities that are not likely to reverse in the foreseeable future and for which the Group has control over the reversal time.

Deferred tax is measured at the tax rate that was in effect at the end of the reporting period at the time the temporary differences were reversed or nearly certain to become effective.

Since the taxable profit or tax loss (and therefore the tax base of non-monetary assets and liabilities) of subsidiaries whose functional currency is USD is determined in TRY changes in exchange rates cause temporary differences that result in the recognition of a deferred tax liability or asset. The resulting deferred tax is recorded as expense or income in the profit and loss account.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

j) Tax (continued)

Deferred tax (continued)

While deferred tax liability is calculated for all taxable temporary differences deferred tax assets consisting of deductible temporary differences are calculated if it is highly probable to benefit from these differences by generating taxable profit in the future.

For unused tax losses, tax advantages and deductible temporary differences in the future deferred tax assets are recognized if it is probable that taxable income will be generated in the future. Deferred tax assets are reviewed at each reporting period and deferred tax assets are reduced for portions where the relevant tax benefit is not likely to be exercised.

Taxable profit is determined according to the business plans of each subsidiary in the Group. The Group measures deferred tax liabilities and deferred tax assets in a manner consistent with the tax consequences of its expectations at the end of the reporting period regarding how its assets will recover or pay their liabilities.

Transfer pricing regulations

The provisions regarding transfer pricing in Türkiye are specified under the title of "disguised profit distribution through transfer pricing" in Article 13 of the Corporate Tax Law. The general communiqué on disguised profit distribution by transfer dated November 18, 2007 contains provisions regarding implementation. Profits assumed to be distributed through transfer pricing implicitly are not tax deductible in the calculation of corporate tax.

Tax risk

While determining the period tax expense and deferred tax expense amounts the Group considers uncertain tax positions and whether there is any additional tax and interest liability to be paid. This assessment may contain many professional judgments about future events and is based on estimates and assumptions. If new information emerges that will change the Group's professional opinion about the adequacy of the current tax liability this change in the tax liability will affect the tax expense for the period in which this situation is determined.

k) Employee Benefits

Severance pay:

In accordance with the current labor law in Türkiye, the Company and its subsidiaries in Türkiye are obliged to pay certain amounts to their employees who have completed 1 year of employment due to retirement, military service, or death. The provision for employment termination benefits represents the present value of the estimated future probable obligation of the Group in the event of the retirement of its employees on a 30-day basis. The severance pay provision has been calculated as if all employees will be subject to such a payment and is reflected in the consolidated financial statements on an accrual basis. The provision for severance pay has been calculated according to the severance pay ceiling announced by the Government. As of December 31, 2022, the severance pay ceiling amounted to TRY 19.983 (December 31, 2021: TRY 8.285). All actuarial gains and losses are recognized in other comprehensive income.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

k) Employee Benefits (continued)

As of December 31, 2022, and December 31, 2021, the assumptions used by the Group in the calculation of severance pay are as follows:

	31 December 2022	31 December 2021
Inflation rate	18,40%	17,50%
Interest rate	22,30%	22,50%
Discount rate	3,29%	4,26%

Provision for unused vacation rights:

A liability is recorded for the leave wages earned by the employees because of their past service. In case of termination of employment of its employees the Group is obliged to pay an amount equal to the number of days earned but not used multiplied by the total of the daily gross wage at the date of termination of the employment contract and other contractual benefits. In this context the Group records it as a short-term employee benefit obligation as a leave provision. The provision for leave is a short-term employee benefit obligation that is measured without discounting and is expensed in profit or loss as the related service is performed.

l) Capital and Dividends

Ordinary shares are classified as equity. Additional costs directly attributable to the issuance of ordinary shares are recognized as a decrease in equity after deducting the tax effect. Dividend payables as an element of profit distribution are reflected in the consolidated financial statements in the period when the profit distribution decision is taken at the General Assembly.

m) Foreign Currency

(i) Foreign currency transactions

Foreign currency transactions are translated into the functional currencies of the related Group companies at the exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rates at the reporting date. Non-monetary assets and liabilities measured at historical cost in foreign currencies are translated to the exchange rate at the date of the transaction. Currency differences arising from the translation are recorded in profit or loss.

Financial statements of companies whose functional currency is not TRY have been prepared in their functional currencies and these financial statements have been translated into TRY for the purpose of presenting consolidated financial statements in accordance with TAS 21. All currencies are treated as foreign currencies except for the currency selected for measurement of items in the consolidated financial statements.

Losses or gains arising from foreign currency transactions are reflected in the profit or loss in the foreign currency exchange difference account.

In accordance with TAS 21 the balance sheet items of some foreign and domestic subsidiaries whose functional currency is different from TRY are presented in TRY with the US Dollar/TRY rate and EUR/TRY rate on the relevant balance sheet date; income and expenses and cash flows

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

m) Foreign Currency (continued)

Rate (historical exchange rate) of the date on which they occur. The profit/loss arising from this translation is included in the "Foreign Currency Translation Differences" account under shareholders' equity.

The foreign exchange buying rates of the Central Bank of the Republic of Türkiye used as of December 31, 2022 and December 31, 2021 are as follows:

	31 December 2022	31 December 2021
USD / TRY	18,6983	13,3290
EUR / TRY	19,9349	15,0867

(ii) Foreign operations

Monetary assets and liabilities of foreign operations (operations in a functional currency other than the Company's functional currency) are translated into TRY at the exchange rate at the reporting date. Income and expenses of foreign operations are translated into TRY at the exchange rate on the date of the transaction.

Currency translation differences arising from retranslation are recorded in foreign currency translation differences under equity. If foreign operations are partially or completely sold the relevant amount in foreign currency translation differences are transferred to profit or loss.

n) Cash Flow Statement Reporting

In the cash flow statement, cash flows for the period are classified and reported on the basis of principle investment and financing activities. Cash flows from operating activities represent the cash flows from the Group's main operations. The Group presents cash flows from operating activities using the indirect method where the effects of accruals related to cash inflows and outflows of other non-cash transactions past or future transactions or deferred assets and liabilities are adjusted from gross profit or loss.

Cash flows from investing activities represent the cash flows that the Group uses and receives from its investing activities (fixed and financial investments). Cash flows related to financing activities show the resources used by the Group in financing activities and the repayments of these resources. Cash and cash equivalents are cash demand deposits and other highly liquid short-term investments with maturities of three or less than three months from the date of purchase immediately convertible into cash and without the risk of significant changes in value.

o) Earnings/(loss) per share

Earnings/(loss) per share stated in the profit or loss statement are calculated by dividing net profit by the weighted average number of shares outstanding during the reporting period. Companies in Türkiye can increase their capital by distributing shares (bonus shares) to their existing shareholders from their retained earnings and equity inflation adjustment differences in proportion to their share in the capital. Likewise, companies in Türkiye can use their previous years' losses to reduce their capital. Such bonus share distributions/decreases are treated as issued shares in earnings/(loss) per share calculations. Accordingly, the weighted average number of shares used in these calculations is calculated by considering the retrospective effects of the distributions/decreases of the said shares.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.5 Summary of Significant Accounting Policies (continued)

p) Reporting of Financial Information by Segments

Operating segments are evaluated in parallel with the internal reporting and strategic segments presented to the bodies or person authorized to make decisions regarding the Group's operations. For making decisions about resources to be allocated to operating segments and assessing the performance of operating segments, the Group's key management personnel are identified as the bodies and individuals authorized to make strategic decisions about the Group's activities. Segment reporting is based on the nature of the business (Note 3).

r) Subsequent Events

Subsequent Events cover all events between the reporting date and the date the statement of financial position is authorized for issue even if they arise after any announcement regarding profit or other selected financial information has been made public.

If an event, which requires an adjustment, occurs after the reporting period, the Group adjusts the amounts recognized in the consolidated financial statements to align with this new situation. Non-adjusting Subsequent Events, if material, are disclosed in the notes to the consolidated financial statements.

2.6 Changes published but not yet effective and not early implemented as of December 2022

published but not enacted and premature to be implemented uninitiated changes

The accounting policies used in the preparation of the financial statements for the accounting period ended as of December 31, 2022 are prepared in conformity with the policies pertaining to those of the previous year, except for the new and amended TFRS standards and TFRYK interpretations valid as of January 1, 2022 summarized below. The effects of these standards and interpretations on the financial position and performance of the Company are explained in the relevant paragraphs.

a) Amendments and interpretations effective as of 2022.

Amendment on TFRS 3 – References to the Conceptual Framework

This amendment updates a reference to the Conceptual Framework for Financial Reporting in TFRS 3 without materially changing the provisions of the standard.

These amendments are valid for annual accounting periods beginning on or after January 1, 2022. Early implementation is permitted by applying it in conjunction with other reference updates to the Conceptual Framework so far.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.6 Changes published but not yet effective and not early implemented as of December 2022 (continued)

TAS 16 (Amendments) Property Plant and Equipment – Intended Earnings Before Use

These amendments do not allow the sales from the sale of the items produced to be deducted from the cost of the related asset while the related property plant and equipment are brought to the required location and condition so that it can operate under the conditions intended by the management and requires such sales and related costs to be recognized in profit or loss.

These changes are applied for annual accounting periods beginning on or after January 1, 2022 early application is permitted.

Amendments to TAS 37 - Economically Disadvantaged Contracts - Contract Fulfillment Costs

With the amendment made in TAS 37 the contract is economically whether there is a disadvantageous contract determination contract for the purpose in its place the costs of bringing both the contract in its place taken to bring variable both costs and contract in its place by bringing from other directly related costs distributed from the amounts formed provision been taken under.

This amendment is applicable for annual accounting periods beginning on or after January 1, 2022. Early application is permitted.

Annual Improvements to TFRSs 2018 – 2020

Amendment to the First Implementation of TFRS 1 Turkish Financial Reporting Standards

With the amendment to TFRS 1 the parent in paragraph D16 (a) of the standard later Subsidiaries starting to implement TFRSs partnership its assets and liabilities recognized for measurement your exemption to the scope cumulative cycle including the differences by those who started to apply TFRSs for the first-time application costs reduced.

Amendment to TFRS 9 Financial Instruments

This amendment is a financial liability balance female in the evaluation of the Clarity on the fees considered has been brought in Debtor others in the name of debtor or including fees paid or received by the creditor including debtor and creditor fees paid or received between including it does.

TAS 41 Agricultural Change in Activities

With this amendment there is no taxation in determining fair value in paragraph 22 of TAS 41 welding cash of the streams to calculate including not to be requiring provision has been removed. The amendment includes the relevant provisions of the standard with the provisions of TFRS 13 made it compatible.

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.6 Changes published but not yet effective and not early implemented as of December 2022 (continued)

Amendments to TFRS 1, TFRS 9 and TAS 41 are applied for annual periods beginning on or after January 1, 2022. Early application is permitted.

Continuing Concessions on Rent Payments Related to COVID-19 After 30 June 2021

The Public Oversight Accounting and Auditing Standards Authority ("POA") decision published in June 2020 determines whether certain privileges granted to tenants due to COVID-19 are a change in the lease not determining on the subject exemption for one year more prolonging Regarding Rent Payments Regarding COVID-19 After 30 June 2021 Continuing Concessions - Amendments to TFRS 16.

When the change was first published, the facilitative application was only applicable if it affected any reduction in lease payments that would normally mature by June 30, 2021, or earlier. As lessors continue to offer COVID-19-related lease concessions to lessees and the effects of the COVID-19 pandemic are ongoing and significant, the POA has extended the period during which the practical expedient can be used by one year.

This new change will be applied by tenants for annual accounting periods beginning on or after April 1, 2021. However, early application is permitted.

The Company's management has assessed that the amendments and interpretations that became effective from 2022, have no impact on the Company's financial statements.

b) Standards that have not yet entered into force and amendments and interpretations to existing previous standards

The company has not yet implemented the following standards which have not yet entered into force and the following amendments and interpretations to existing previous standards:

TFRS 17 – Insurance Contracts

TFRS 17, requires the measurement of insurance obligations at their current fulfillment value and provides an organized approach to measurement and presentation for all insurance contracts. These requirements are designed to achieve consistent accounting, based on principles with regard to the insurance contracts. TFRS 17, will replace TFRS 4 Insurance Contracts as of January 1, 2023.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.6 Changes published but not yet effective and not early implemented as of December 2022 (continued)

TAS 1 (Amendments) Obligations Short or Long Classification as Futures

The purpose of these changes is to ensure consistent application of the standard's requirements by assisting companies in their decision-making process regarding whether debt and other obligations without a specified maturity in the statement of financial position should be classified as short-term (expected to be settled within one year) or long-term.

The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2023, with earlier application permitted, but deferred for one year.

The Company is in the process of assessing the impact of the amendment on the financial position or performance of the Company.

TFRS 4 (Amendments) – Provisional for the Application of TFRS 9 Exemption of duration Extending

Following the postponement of the enforcement date of TFRS 17 to January 1, 2023, the expiry date of the temporary exemption period, applied for insurance companies in the TFRS 4 "Insurance Contracts" regarding the implementation of TFRS 9 has also been revised as January 1, 2023. .

The said change in the financial position and performance of the Company are being evaluated.

TAS 1 (Amendments) Accounting Policies Disclosure

This change requires companies to base their disclosures of accounting policies on materiality.

This amendment made in TAS 1 will be applied for annual accounting periods beginning on or after January 1, 2023. However, early application is permitted.

The Company is in the process of assessing the impact of the amendment on the financial position or performance of the Company.

TAS 8 (Amendments) Accounting Estimates Definition

With this amendment, the definition of "accounting estimate" has been replaced with the definition of "change in accounting estimates", examples and explanatory paragraphs on estimates have been added, and the differences between the prospective application of estimates and retrospective correction of errors and the differences between these concepts have been clarified.

These changes made in TAS 8 will be applied for annual accounting periods beginning on or after January 1, 2023. However, early application is also permitted.

The Company is in the process of assessing the impact of the amendment on the financial position or performance of the Company.

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2 Basis of Presentation of Consolidated Financial Statements and Accounting Policies Applied (continued)

2.6 Changes published but not yet effective and not early implemented as of December 2022 (continued)

Deferred Tax on Assets and Liabilities Arising from a Single Transaction

These amendments clarify that the exemption regarding the initial recognition of an asset or liability does not apply in transactions where equal amounts of taxable and deductible temporary differences are created at the time of initial recognition of the asset or liability.

These changes made in TAS 12 will be applied for annual accounting periods beginning on or after January 1, 2023. However, early application is also permitted.

The Company is in the process of assessing the potential impact of the standards, amendments and improvements on the consolidated financial position and performance of the Company.

TFRS 17 (Amendments) Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 – Comparative Information

Changes have been made in TFRS 17, to reduce implementation costs, facilitate disclosure of results, and ease the transition.

Also, comparative TFRS 7 and TFRS 9 are the same with the change regarding information first to apply when presenting comparative information about their financial assets to companies more before TFRS 9 classification and measurement requirements applied like when the amendments are first applied to TFRS 17 will be applied.

The Company is in the process of assessing the potential impact of the standards, amendments and improvements on the consolidated financial position and performance of the Company.

2.7 Use of accounting estimates and assumptions

The preparation of consolidated financial statements in accordance with TFRS requires management to make decisions, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

The significant assessments made by the management in the application of the Group's accounting policies during the preparation of these consolidated financial statements are consistent with those applied in the consolidated financial statements for the accounting period ending on December 31, 2022.

Estimates and the assumptions underlying the estimates are constantly reviewed. Updates in accounting estimates are recorded in the period when the update is made and in subsequent periods affected by these updates.

Information on the significant decisions applied to the accounting policies that have the most impact on the amounts recorded in the consolidated financial statements are explained in the Notes below:

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

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2 Basis of Presentation of Consolidated Financial Statements and Accounting (continued)

2.7 Using accounting estimates and assumptions (continued)

Note 3 Reporting by Segments

Information on estimations that have a significant impact on the amounts recorded in the consolidated financial statements are explained in the Notes below:

- Note 2.5 Useful lives of tangible and intangible assets
- Note 30 Tax assets and liabilities

Measurement of fair values

The Group's various disclosures require the determination of the fair value of both financial and non-financial assets and liabilities.

When measuring the fair value of assets and liabilities, the Group uses market observable inputs, where available.

The best indication of fair value at initial recognition is the transaction price realized (i.e. the fair value of the consideration received or paid). If the Group determines that fair value differs from the transaction price on initial recognition and the fair value is not evidenced by a quoted price in an active market for the same asset or liability or by a valuation technique using unobservable inputs, the financial instrument is measured at fair value on initial recognition and adjusted to defer the difference between fair value and the transaction price, unless it is immaterial in relation to the measurement. After initial recognition, it is recognized in profit or loss on an appropriate basis over the life of the financial instrument. However, recognition in profit or loss continues if the valuation is fully supported by observable market data or until the transaction is closed.

These fair value measurements are categorized into different levels within the fair value hierarchy based on the valuation techniques and inputs used:

Level 1: quoted prices (unadjusted) in active markets for similar assets or liabilities that the Group has access to at the measurement date,

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices),

Level 3: Unobservable inputs for assets and liabilities.

The Group's various disclosures require the determination of fair values of financial assets and liabilities. Fair values are determined for measurement and/or disclosure purposes using the following methods. Where applicable, additional information about the assumptions used in determining fair values is disclosed in the notes specific to the asset or liability.

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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3 Segment Reporting

In segment reporting, the Group management has categorized its core business into five main segments. These segments are Biomass, Solar, Distributed Energy, Retail and Other. The Biomass segment includes Doğal Enerji, Mavibayrak Doğu, Mavibayrak Enerji and Edusa Atık. The Solar section includes Ra Güneş. Distributed Energy includes Tres Enerji and Solis Enerji. Tena is included in the Retail segment. Consus, the holding company where the Group's management activities are carried out, is presented in the other segment. In assessing the financial performance of operating segments, the Group's chief operating decision maker reviews the net of all financial expenses and income, including interest, depreciation and amortization expenses and earnings before tax ("EBITDA") for comparability with companies in the same industry.

	Biomass		Güneş		Doğal Enerji		Parakende		Other		Total	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Revenues	387.478.254	218.768.952	46.407.218	46.407.218	107.778.090	107.778.090	205.998.171	43.747.649	-	-	742.200.942	396.072.096
Non-divisional Revenue	204.830.453	194.590.045	46.407.218	46.407.218	107.778.090	107.778.090	205.998.171	43.747.649	-	-	559.873.121	371.893.166
Inter-division Revenue	182.647.821	24.178.910	-	-	-	-	-	-	-	-	182.647.821	24.178.910
Cost of Sales	(298.791.345)	(161.872.791)	(7.505.645)	(4.126.832)	(63.325.571)	(63.325.571)	(201.820.648)	(42.859.201)	-	-	(599.870.368)	(271.184.414)
Gross Profit	88.686.909	56.896.162	38.901.574	21.650.452	20.884.669	45.452.519	41.772.523	888.449	-	-	155.650.674	124.887.681
Operating Income / (Expense)	(16.056.984)	(9.865.843)	(975.362)	(2.328.646)	(4.741.069)	(2.188.274)	574.124	(330.133)	(28.208.994)	(25.388.737)	(49.408.284)	(40.121.634)
Financial Income / (Expense)	(2.388.986)	7.063.832	(10.805.347)	(2.545.302)	(31.026.977)	(44.991.393)	(4.873.791)	224.384	7.454.550	4.999.313	(41.640.631)	(53.249.073)
Income / (Expense) From Investing Activities	1.861.670	4.561.374	-	-	150.238	38.305	-	-	780.136	5.367.385	2.792.064	9.887.264
Profit Before Tax	72.102.608	58.655.524	27.120.765	16.776.605	(14.733.118)	(1.666.553)	(122.144)	762.700	(19.974.308)	(15.022.039)	64.393.803	59.504.237
Pre-tax income from sustainable operations	(21.982.123)	(23.436.542)	(6.183.425)	(3.179.917)	10.577.491	1.699.388	184.049	(117.399)	-	(1.257.122)	(17.414.009)	(26.491.592)
Period Profit / Loss	50.120.485	35.218.982	20.937.340	13.596.688	(4.175.627)	31.235	71.906	644.901	(19.974.308)	(16.279.161)	46.979.795	33.012.644
Depreciation Expenses	(41.333.325)	(26.318.523)	(4.913.762)	(2.443.823)	(13.483.611)	(11.197.464)	(62.885)	(105.322)	(543.028)	(563.069)	(60.218.611)	(40.338.201)
One-off Incomes (Expenses)	-	(1.639.076)	-	-	(2.238.332)	-	-	-	-	47.371.775	(2.238.332)	3.116.696
EBITDA	113.865.250	79.449.294	42.841.973	31.765.779	31.885.563	54.520.214	4.814.532	643.638	(27.665.966)	(24.416.058)	165.759.353	131.962.817

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

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3 Segment Reporting (continued)

December 31 2022	Biomass	Solar	Distributed Energy	Retail	Other	Consolidation Adjustments	Consolidation Total
Segments Assets	1.532.637.416	242.043.046	177.933.302	62.736.916	674.712.594	(797.827.372)	1.892.235.901
Segments Liabilities	715.740.428	152.284.877	173.886.752	63.366.423	122.365.044	(193.383.279)	1.034.260.245

December 31 2021	Biomass	Solar	Distributed Energy	Retail	Other	Consolidation Adjustments	Consolidation Total
Segments Assets	954.376.802	165.753.404	178.678.441	65.798.048	416.849.331	(502.389.660)	1.279.066.366
Segments Liabilities	528.872.440	115.415.237	161.846.143	61.571.846	80.756.570	(125.286.963)	823.175.273

Sales	January 1,- December 31 2022	January 1,- December 31 2021
Reportable Segments Total Revenue	742.520.942	396.072.096
Elimination of Segment Revenue	(182.647.821)	(24.178.910)
Consolidated Revenue	559.873.121	371.893.186

Profit/(Loss) before tax	January 1,- December 31 2022	January 1,- December 31 2021
Reportable Segments Total Profit/(Loss) for the Period Before Tax	64.393.803	59.504.237
Elimination of Segment Profit	--	--
Consolidated Profit Before Tax from Continuing Operations	64.393.803	59.504.237

A reconciliation of net of all finance costs and income including interest, depreciation and amortization, other non-recurring income and expenses and profit before tax ("Adjusted EBITDA") and profit before tax from continuing operations in the consolidated financial statements is as follows:

	January 1,- December 31 2022	January 1,- December 31 2021
Profit/(Loss)	46.979.795	33.012.644
Financial Expenses, net (+)	41.640.649	35.249.076
Depreciation and Amortization Expenses (+)	60.238.612	40.328.202
Profit on Sale of Tangible Asset (Note 29)	(2.277.610)	(5.229.489)
Profit on Sale of Subsidiaries (*) (Note 29)	(514.454)	--
Idle Capacity Expenses	2.258.352	--
Loss Inventory Expense (Note 28)	--	6.868.567
Gains from Disposal of Subsidiary accounted in a Business Combination under Common Control (Note 28)	--	(4.757.775)
Tax Expense/(Income) (+)	17.414.009	26.491.592
Adjusted EBITDA	165.739.353	131.962.817

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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3 Segment Reporting (continued)

One-time other income and expenses consist of the Company's non-operational part expense-losses and income expenses from the disposal of the subsidiary acquired through a business combination subject to common control.

4 Cash and Cash Equivalents

As of December 31, 2022, and December 31, 2021, the details of cash and cash equivalents are as follows:

	31 December 2022	31 December 2021
Till	1.435	432
Banks	55.835.962	48.011.164
- Demand Deposit	33.535.962	11.011.164
- Term deposit	22.300.000	37.000.000
Cash and Cash Equivalents	55.837.397	48.011.596
Restricted Bank Balances (*)	(12.023.969)	(8.431.658)

(*) As of December 31, 2022, deposits amounting to TRY 12.023.969 (December 31, 2021: TRY 8.431.658) consist of the amounts restricted by the banks against the loans used and kept in debt reserve accounts according to the loan agreements.

As of December 31, 2022, the maturity dates of the Group's time deposits are as follows:

	Maturity	31 December 2022
TRY	January 2023	22.300.000
Total		22.300.000

Foreign currency risks and sensitivity analysis for the Group's financial assets and liabilities are disclosed in Note 31.

5 Financial Investments

Not available.

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6 Related Party Disclosures

For the purpose of these consolidated financial statements, shareholders, key management and board members, in each case together with their families and companies controlled by or affiliated with them, and unconsolidated subsidiaries, associates and joint ventures are considered and referred to as "related parties".

In the normal course of business, the Company enters into various transactions with related parties.

a) Related Party Balances

Trade Receivables from Related Parties

As of December 31, 2022, and December 31, 2021, details of trade receivables from related parties are as follows:

	31 December 2022	31 December 2021
Global Ticari Emlak Yatırımları A.Ş. (**)	7.409.613	1.191.131
Straton Maden Yatırımları ve İşl. A.Ş. (*)	3.640.090	1.737.168
Ege Liman İşletmeleri A.Ş. (*)	--	772.805
Bodrum Liman İşletmeleri A.Ş. (*)	--	31.449
Total	11.049.703	3.732.554

(*) The Group sells retail electricity to the above related parties, which are subsidiaries of Global Yatırım Holding A.Ş.

(**) The Group provides energy facility operation and maintenance services and retail electricity sales to the above related party, which is a subsidiary of Global Yatırım Holding A.Ş.

As of December 31, 2022, and December 31, 2021, the Group's trade receivables from related parties are trade receivables arising from electricity sales and energy services provided and the maturity period applied for these receivables is 30 days (December 31, 2021: 30 days).

The Group charges interest at the rate of 2.5 percent per month for its trade receivables from related parties based on Tenera Enerji contracts. (No interest is charged for 2021).

Other Receivables from Related Parties

As of December 31, 2022, and December 31, 2021, other receivables from related companies' details are given in the table below:

	31 December 2022	31 December 2021
Global Yatırım Holding A.Ş.	110.882	2.685.000
Güney Madencilik İşletmeleri A.Ş.	70.075	23.241
Consus Energy EURpe BV	28.000	22.002
Global Liman İşletmeleri A.Ş.	18.844	18.844
Total	227.801	2.749.087

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6 Related Party Disclosures (continued)

Other Payables to Related Parties

As of December 31, 2022 and December 31, 2021, details of other payables due from related parties are as follows:

	31 December 2022	31 December 2021
Global Yatırım Holding A.Ş.	264.081	7.043.547
Global Liman İşletmeleri A.Ş.	35.142	35.142
Global Sigorta Aracılık Hizmetleri A.Ş.	4.132	2.099
Güney Madencilik İşletmeleri A.Ş.	347	--
Total	303.702	7.080.788

As of December 31, 2022, and December 31, 2021, there is no maturity date for the Group's other receivables and other payables from related parties. It will be paid on demand.

Interest is charged on other receivables and other payables with related companies. The interest rate operated for other receivables and other payables from related parties is 25 percent as of December 31, 2022 (December 31 2021: 18 percent).

b) Transactions with Related Parties

The details of related party transactions for the accounting period ending on December 31, 2022 are as follows:

	Service Sales	Service purchases	Interest expense	Rent expense	Other Income/(Expense)
Global Yatırım Holding A.Ş. (1)	--	--	(1.174.763)	(318.596)	(4.992.752)
Global Ticari Emlak Yat. A.Ş.(3)	6.706.669	(5.539.031)	--	--	--
Straton Maden Yatırımları ve İşletmeciliği A.Ş.(2)	24.160.516	--	--	--	2.066.815
Pera Gayrimenkul Yatırım Ortaklığı A.Ş. (4)	4.760.257	--	--	--	--
Bodrum Yolcu Limanı İşl. A.Ş.(4)	457.013	--	--	--	--
Ege Liman İşletmeleri A.Ş.(4)	1.443.825	--	--	--	--
Naturel gaz San. ve Tic. A.Ş. (5)	--	--	--	--	252.672
Total	37.528.280	(5.539.031)	(1.174.763)	(318.596)	(2.673.265)

The details of related party transactions for the period ended December 31, 2021 are as follows:

	Service Sales	Service purchases	Interest expense	Rental Expense	Other Income/(Expense)
Global Yatırım Holding A.Ş. (1)	--	--	(229.400)	(4.279.734)	1.478.190
Global Ticari Emlak Yat. A.Ş.(3)	2.568.684	(1.488.273)	(531.704)	--	--
Straton Maden Yatırımları ve İşletmeciliği A.Ş.(2)	6.922.839	--	--	(1.650.840)	1.115.141
Bodrum Yolcu Limanı İşl. A.Ş.(4)	303.873	--	--	--	--
Ege Liman İşletmeleri A.Ş. (4)	755.251	--	--	--	--
Naturel gaz San. ve Tic. Inc. (5)	--	--	--	--	379.816
Total	10.550.647	(1.488.273)	(761.104)	(5.930.574)	2.973.147

(1) Interest expense arises from Global Yatırım Holding A.Ş.'s debt related to the funding used during the period, which was given to the Group as financial support.

The Group also pays rent to Global Yatırım Holding A.Ş.

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6 Related Party Disclosures (continued)

b) Transactions with Related Parties (continued)

⁽²⁾ The Group sells electricity to Straton Maden Yatırımları ve İşletmeciliği A.Ş. a subsidiary of Global Yatırım Holding A.Ş.

The other item consists of expenses related to management support services provided by the Group (expenses such as information processing, consultancy, electricity, security, cleaning, heating, kitchen, water expenses).

⁽³⁾ The Group has provided facility operation services to Global Ticari Emlak Yat. A.Ş., a subsidiary of Global Yatırım Holding A.Ş., and sells retail electricity. The Group also pays rent.

⁽⁴⁾ The Group makes retail electricity sales to related parties which are subsidiaries of Global Yatırım Holding A.Ş.

⁽⁵⁾ The Group provides management support services to Naturel Gaz Sanayi ve Ticaret A.Ş. a subsidiary of Global Yatırım Holding A.Ş.

As of December, 31 2022, the Group does not have any guarantees given or received from related parties regarding its receivables and payables to related parties. (December 31, 2021: None).

c) Compensation of Key Management Personnel

The Group's key management includes the Members of the Board of Directors, General Manager, Directors, and other executives. Benefits provided to senior executives include benefits such as wages, premiums, health insurance and transportation.

The remuneration of directors and other members of key management during the year were as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Fees and Other Benefits	26.105.059	7.626.640
Total	26.105.059	7.626.640

As of December 31, 2022, and December 31, 2021, the Group has no debts to key management personnel.

d) Collateral, Pledge, Mortgage and Guarantees from Related Parties

There is a surety of USD 8.850.000 (December 31, 2021: USD 8.850.000) given personally by Mehmet Kutman for the loans used by the Group. TRY 86.723.955 (December 31, 2021: TRY 53.505.011), USD 30.389.191 (December 31, 2021: USD 28.472.226) given by Global Yatırım Holding A.Ş. regarding the financial borrowings used by the Group, there is a surety of EUR 4.295.490 (December 31, 2021: EUR 4.407.222).

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7 Trade Receivables and Payables

Short Term Trade Receivables

As of December 31, 2022, and December 31, 2021 the Group's short-term trade receivables are as follows:

	31 December 2022	31 December 2021
Trade Receivables from Related Parties (Note 6)	11.049.703	3.732.554
Trade Receivables from Unrelated Parties	50.910.711	38.332.592
Total	61.960.414	42.065.146

As of December 31, 2022, and December 31, 2021, the details of the Group's short-term trade receivables from non-related parties are as follows:

	31 December 2022	31 December 2021
Receivables from Customers	26.754.997	26.722.792
Postdated Checks Received	24.122.000	11.609.800
Doubtful Trade Receivables	532.986	444.522
Expected Credit Loss Provision (-)	(532.986)	(444.522)
Other Trade Receivables	33.714	--
Total	50.910.711	38.332.592

The movement table of trade receivables impairment for the accounting periods ending on December 31, 2022 and December 31, 2021 is as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
January 1 Balance	444.521	195.673
Provision During the Period	--	248.849
Foreign Currency Differences	88.465	--
Total	532.986	444.522

As of December 31, 2022, and December 31, 2021, the Group's trade receivables from non-related parties are trade receivables arising from energy sales, and the average maturity period applied for these is 30 days (December 31, 2021: 30 days).

The details of the exchange rate risk related to the Group's short-term trade receivables are disclosed in Note 32.

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7 Trade Receivables and Payables (continued)

Short Term Trade Payables

As of December 31, 2022, and December 31, 2021, the Group's short-term trade payables are as follows:

	31 December 2022	31 December 2021
Trade Payables to Unrelated Parties	70.525.108	39.054.263
Total	70.525.108	39.054.263

December 31, 2022 and December 31, 2021, short-term trade payables to non-related parties consist of the following items:

	31 December 2022	31 December 2021
Payables to Vendors	60.376.915	37.305.086
Expense Accruals (*)	10.148.193	1.749.177
Total	70.525.108	39.054.263

(*) Expense accruals consist of cost of energy imbalance accruals and electricity sales accruals.

As of December 31, 2022, and December 31, 2021, the maturity period applied by the Group for its trade payables from unrelated parties is 90 days (December 31, 2021: 90 days).

Trade payables mainly include outstanding amounts arising from trade purchases and ongoing expenditure. The currency risk related to the Group's short-term trade payables is explained in Note 32.

8 Other Receivables and Payables

Short Term Other Receivables

December 31, 2022 and December 31, 2021 the Group's other short-term receivables are as follows:

	31 December 2022	31 December 2021
Other Receivables from Related Parties (Note 6)	227.801	2.749.087
Other Receivables from Third Parties	2.027.210	1.832.237
Total	2.255.011	4.581.324

December 31, 2022 and December 31, 2021, other short-term receivables from unrelated parties consist of the following items:

	31 December 2022	31 December 2021
Deposits and Guarantees Given	1.512.646	1.410.869
Other	514.564	421.368
Total	2.027.210	1.832.237

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8 Other Receivables and Payables (continued)

Long Term Other Receivables

December 31, 2022 and December 31, 2021, the Group's other long-term receivables from non-related parties are as follows:

	31 December 2022	31 December 2021
Other Receivables from Third Parties	--	609.577
Total	--	609.577

December 31, 2022 and December 31, 2021, the Group's other long-term receivables are as follows:

	31 December 2022	31 December 2021
Deposits and Guarantees Given	--	609.577
Total	--	609.577

The currency risk related to the Group's other receivables is explained in Note 32.

Other Short-Term Payables

December 31, 2022 and December 31, 2021, the Group's other short-term payables are as follows:

	31 December 2022	31 December 2021
Other Payables to Related Parties (Note 6)	303.702	7.080.788
Other Payables to Third Parties	9.431.774	8.580.910
Total	9.735.476	15.661.698

December 31, 2022 and December 31, 2021, other short-term payables to third parties consist of the following items:

	31 December 2022	31 December 2021
Deferred Tax Liabilities (*)	5.721.783	6.067.996
Taxes and Funds Payable	3.709.991	1.441.936
Other	--	1.070.977
Total	9.431.774	8.580.910

Other Long-Term Payables

December 31, 2022 and December 31, 2021, the Group's other long-term payables are as follows:

	31 December 2022	31 December 2021
Other Payables to Third Parties	1.549.654	7.883.079
Total	1.549.654	7.883.079

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8 Other Receivables and Payables (continued)

Other Long-Term Payables (continued)

December 31, 2022 and December 31, 2021, other long-term payables to unrelated parties consist of the following items:

	31 December 2022	31 December 2021
Deferred Tax Liabilities (*)	1.549.654	7.883.079
Total	1.549.654	7.883.079

(*) As of December 31, 2022, the Group has restructured its social security premiums and other tax payables in accordance with the laws numbered 7256 and 7326. The maturity date of the tax payables is 2023 and the Group has incurred interest expense amounting to TRY 2.095.609 as of December 31, 2022 and will incur additional interest expense amounting to TRY 1.687.410 based on the remaining payment plan (December 31, 2021: TRY 2.625.680).

The currency risk related to the Group's other payables is disclosed in Note 30.

9 Financial Borrowings

December 31, 2022 and December 31, 2021, the Group's total bank borrowings and lease payables are as follows:

	31 December 2022	31 December 2021
Bank Loans	669.486.798	558.433.612
Payables from Lease Transactions	120.766.799	106.200.586
Payables from Factoring Transactions	19.500.000	10.603.600
Total	809.753.597	675.237.798

As of December 31, 2022, the details of the guarantees and pledges given by the subsidiaries of the Company in reference to loan and financial leasing agreements are explained in Note 19.

a) Bank Loans

December 31, 2022 and December 31, 2021 as of the dates of the short-term bank loans are as follows:

	31 December 2022	31 December 2021
Short Term Borrowings	200.239.712	168.786.376
Short-Term Portions of Long-Term Loans	164.396.500	104.728.513
Short Term Bank Loans	364.636.212	273.514.889
Long Term Bank Loans	304.850.586	284.918.723
Long Term Bank Loans	304.850.586	284.918.723
Total Bank Loans	669.486.798	558.433.612

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9 Financial Borrowings (continued)

a) Bank Loans (continued)

The details of bank loans as of December 31, 2022 are presented below:

Currency	Interest rate	Expiry date	Loan type	Amount
TRY	15,75%	2023	Revolving	6.528.887
TRY	16,50%	2023	Revolving	20.223.740
TRY	18,45%	2023	Revolving	28.091.836
TRY	20,30%	2023	Revolving	2.851.390
TRY	18,45%	2023	Secured	21.727.890
USD	9,75%	2023	Spot	20.420.408
USD	12,80%	2023	Spot	40.056.449
USD	13,00%	2023	Spot	20.028.506
USD	13,30%	2023	Spot	20.123.157
USD	15,00%	2023	Spot	20.187.450
USD	Libor+11,25	2026	Secured	22.400.000
USD	Libor+11,25	2027	Secured	16.864.552
USD	Libor+5,95	2026	Secured	212.682.517
USD	Libor+6,5	2024	Secured	35.020.340
USD	Libor+7,00	2026	Secured	54.203.061
USD	Libor+8,5	2029	Secured	128.076.615
Total				669.486.798

The details of bank loans as of December 31, 2021 are presented below:

Currency	Interest rate	Expiry date	Loan type	Amount
TRY	12,65%	2022	Secured	16.031
TRY	16,40%	2022	Revolving	37.016.500
TRY	18,00%	2022	Revolving	6.000.941
TRY	19,25%	2022	Revolving	1.011.743
TRY	19,25%	2022	Secured	1.000.000
TRY	20,40%	2022	Revolving	10.043.150
TRY	20,55%	2022	Revolving	4.519.397
TRY	21,60%	2022	Secured	2.005.350
TRY	28,00%	2022	Revolving	1.484.760
TRY	28,00%	2022	Unsecured	19.501.554
TRY	29,90%	2022	Unsecured	3.557.317
USD	4,00%	2022	Revolving	16.907.227
USD	4,90%	2022	Revolving	3.377.084
USD	5,00%	2022	Revolving	13.695.259
USD	5,25%	2022	Revolving	13.907.828
USD	5,90%	2022	Revolving	6.664.645
USD	6,95%	2022	Revolving	28.077.587
USD	Libor +8,50%	2029	Secured	103.278.949
USD	Libor+5,95	2025	Secured	200.475.054
USD	Libor+6,50	2024	Secured	36.967.085
USD	Libor+7,00	2026	Secured	48.926.151
Total				558.433.612

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9 Financial Borrowings (continued)

a) Bank Loans (continued)

December 31, 2022 and December 31, 2021 the reconciliation of bank loans as of the dates of these dates is as follows:

	31 December 2022	31 December 2021
January 1 Balances	558.433.612	369.237.572
Credit Usage	240.655.916	244.456.929
Principal Payments	(242.096.504)	(266.523.196)
Interest Payments During the Period	(72.341.999)	(35.384.205)
Interest Accruals During the Period	985.181	1.974.136
Effects of Exchange Rates	12.976.342	16.686.380
Foreign Currency Translation Differences	170.874.250	227.985.996
December 31 Balances	669.486.798	558.433.612

Commitments arising from loan agreements

There are financial commitments regarding these loans as specifically defined in the relevant borrowing agreements.

Accordingly, the Group has financial commitments regarding the project finance loans it has signed with various banks, as specifically defined in the relevant borrowing agreements. The relevant ratios on company basis are as summarized in the table below:

Company	Maximum Credit / Equity Ratio	Minimum Debt Service Coverage Ratio
Ra Güneş	75%-25%	1,20
Doğal Enerji	80%-20%	1,10
Mavibayrak Enerji	75%-25%	1,15
Mavibayrak Doğu	75%-25%	1,15

According to the Company's borrowing agreement, if these ratios are exceeded, the loan can be recalled upon request by the banks. As of December 31, 2022, and December 31, 2021, the Company meets the financial covenant as the thresholds set for the ratios are met.

December 31, 2022 and December 31, 2021, the details of bank loans divided by maturities are as follows:

	31 December 2022	31 December 2021
Payable Within One Year	364.636.212	273.514.889
Payable in the Second Year	112.928.952	91.883.958
Payable in the Third Year	103.040.011	81.183.647
Payable in Fourth Year	53.403.634	50.783.277
Payable in the Fifth Year	18.947.342	36.865.376
Payable After Five Years	16.530.647	24.202.465
Total	669.486.798	558.433.612

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9 Financial Borrowings (con't)

b) Payables from Leasing Transactions

December 31, 2022 and December 31, 2021, lease liabilities are as follows:

	31 December 2022	31 December 2021
Payables from Financial Leasing Transactions	110.519.127	95.867.631
Payables from Operating Lease Transactions	10.247.672	10.332.955
Total	120.766.799	106.200.586

As of December 31, 2022, and December 31, 2021, the details of the leases according to their maturities are as follows:

	31 December 2022	31 December 2021
With in one year	80.430.956	76.506.554
Between Two and Five Years	50.214.519	49.823.385
Less: Future Financial Expenses (-)	(9.878.676)	(20.129.353)
Present Value of Lease Liabilities	120.766.799	106.200.586

Collaterals, pledges, mortgages and sureties related to financial borrowings

As of December 31, 2022, the Group has given guarantees of TRY 23.269.733, USD 554.884 and EUR 4.295.490 to the leasing companies for its debts from financial leasing transactions (December 31, 2021: TRY 29.602.389, USD 788.677 and EUR 4.407.222).

The receivables that have arisen and will arise as of the balance sheet date have been assigned to the relevant financial institutions as a guarantee for the loans and financial leasing used by the Group for the facility investments in the Biomass and Distributed Energy business line. In this context, as of December 31, 2022, the Group's receivables amounting to TRY 17.125.612 from its finalized receivables are pledged under the assignment agreements (December 31, 2021: TRY 13.210.097).

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9 Financial Borrowings (continued)

b) Payables from Leasing Transactions (continued)

(i) Payables from Financial Leasing Transactions

December 31, 2022 and December 31, 2021, the details of financial leases are presented below:

31 December 2022			
Currency	Expiry date	Nominal Interest	Liabilities
TRY	2024	18,00%	2.322.082
TRY	2024	27,50%	268.091
TRY	2023	10,51%	456.564
TRY	2024	35,00%	1.334.293
TRY	2023	5,44%	2.074.138
TRY	2023	Libor+8,15%	3.304.195
TRY	2023	24,00%	1.515.161
TRY	2024	29,50%	1.159.892
TRY	2025	31,00%	245.851
TRY	2024	33,50%	9.523.914
TRY	2024	31,00%	187.334
EUR	2024	4,40%	6.692.151
EUR	2023	7,00%	7.102.445
EUR	2024	5,45%	23.779.891
EUR	2024	12,00%	40.866.545
EUR	2025	5,90%	8.789.680
USD	2024	7,50%	896.900
Total			110.519.127
31 December 2021			
Currency	Expiry date	Nominal Interest	Liabilities
TRY	2024	29,50%	27.088.822
TRY	2023	19,50%	12.932.944
TRY	2023	24,00%	9.726.867
TRY	2023	24,00%	6.778.325
TRY	2023	10,51%	3.176.558
TRY	2023	29,50%	1.706.935
TRY	2022	27,50%	373.959
EUR	2022	Libor + 6,00%	8.259.082
EUR	2022	10,22%	5.602.450
EUR	2024	5,29%	3.742.957
EUR	2023	7,00%	974.978
EUR	2022	5,13%	868.784
EUR	2024	5,15%	227.423
EUR	2022	7,50%	29.901
USD	2022	7,50%	14.377.646
Total			95.867.631

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9 Financial Borrowings (continued)

b) Payables from Leasing Transactions (continued)

December 31, 2022 and December 31, 2021, the reconciliation of payables from lease transactions is as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
Payables in Lease liabilities as of January 1	106.200.586	96.426.647
Increase from Lease Liabilities During the Period	71.038.509	22.053.681
Lease Payments	(59.319.714)	(49.321.679)
Interest Expense for the period	(9.435.476)	1.592.336
Effects of Exchange Rate Changes during the Period	12.282.894	35.472.952
Foreign Currency Translation Differences	--	(23.351)
Payables from Lease Liabilities as of December 31	120.766.799	106.200.586

c) Other Financial Liabilities

Payables to Factoring

December 31, 2022 and December 31, 2021 factoring payables are as follows:

	31 December 2022	31 December 2021
Factoring Payables	19.500.000	10.603.600
Total	19.500.000	10.603.600

As of December 31, 2022, and December 31, 2021, loan repayments of factoring payables according to their original maturities are as follows:

	31 December 2022	31 December 2021
Payable Within 1 Year	19.500.000	10.603.600
Total	19.500.000	10.603.600

As of the balance sheet date, the portion of factoring payables that are not paid as of the balance sheet date due to the amounts payable based on the assignment agreements with factoring related to the Group's receivables are as follows:

	Currency	31 December 2022
Garanti Faktoring	TRY	19.500.000
Total		19.500.000
	Currency	31 December 2021
Yapı Kredi Faktoring A.Ş.	TRY	5.843.600
TEB Faktoring A.Ş.	TRY	1.700.000
Garanti Faktoring	TRY	3.060.000
Total		10.603.600

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10 Inventories

As of December 31, 2022, and December 31, 2021 the inventories are as follows:

	31 December 2022	31 December 2021
Raw Material and Supplies (*)	158.157.395	70.856.156
Finished Good (**)	2.284.628	1.217.600
Total	160.442.023	72.073.756

(*) The first material and supplies account mainly consists of corn stalks, cotton stalks, forestry materials and other biomass fuels used in the production of electricity by the Group and consumables such as diesel, chemicals, maintenance, and repair materials are also followed in this account.

(**) Finished products consist of ready-to-sell biomass fuel stocks owned by Edusa Atık, which carries out biomass fuel collection activities for sale to biomass power plants within the Group.

As of December 31, 2022, and December 31, 2021, there is no mortgage/pledge on the Inventories.

As of December 31, 2022, the insurance amount on the inventories is TRY 135.562.675 (December 31, 2021: TRY 83.206.250).

11 Prepaid Expenses

Short Term Prepaid Expenses

December 31, 2022 and December 31, 2021 short-term prepaid expenses are as follows:

	31 December 2022	31 December 2021
Order Advances Given (*)	33.366.779	7.438.870
Short-Term Prepaid Expenses	10.071.510	9.538.384
Total	43.438.289	16.977.254

(*) It mainly consists of the Group's auxiliary resource solar investments, boiler and cooling tower revision and advances given for the purchase of goods and services.

Long Term Prepaid Expenses

December 31, 2022 and December 31, 2021 long-term prepaid expenses are as follows:

	31 December 2022	31 December 2021
Order Advances Given (*)	2.536.655	1.745.393
Long-Term Prepaid Expenses	228.599	30.298
Total	2.765.254	1.775.691

(*) Mainly consists of advances given by the Group to suppliers for investments.

12 Other Current Assets

December 31, 2022 and December 31, 2021, other current assets are as follows:

	31 December 2022	31 December 2021
VAT carried forward	31.392.147	12.622.133
Advances given for business purposes	432.122	615.401
Other	133.198	13.490
Total	31.957.467	13.251.024

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13 Property, plant, and equipment

As of December 31, 2022, and 2021, the net book values of the assets constituting the Group's tangible assets account and the movement tables for the relevant period are as follows:

Cost Value	Facility, machine and equipment				Vehicles	Furniture and fixtures	Leaschold improvements (*)	Construction in progress (**)	Right of Use Assets related to Operating Leases		Total
	Land	Buildings									
Balance as of January 1, 2022	29.274.730	1.004.147.585	93.120.163	46.792.431	24.540.434	5.149.477	2.431.945	12.491.831	1.217.948.596		
Addition	1.547.106	46.808.560	--	6.156.622	2.956.425	3.425.279	55.829.327	861.095	117.584.414		
Disposal	--	(14.677.336)	--	(1.832.471)	--	--	(17.053)	(514.173)	(17.041.033)		
Transfer (*)	--	12.973.324	--	--	--	--	(12.973.324)	--	--		
Foreign Currency Conversion Difference	12.588.557	354.370.367	37.527.122	15.412.114	9.123.426	255.430	1.219.205	174.468	430.670.689		
Balance as of December 31, 2022	43.410.393	1.403.622.500	130.647.285	66.528.696	36.620.285	8.830.186	46.490.100	13.013.221	1.749.162.666		
Accumulated Depreciation											
Balance as of January 1, 2022	--	(126.795.512)	(6.634.915)	(38608.698)	(9.173.560)	(2.576.435)	--	(4.221.085)	(188.010.205)		
Depreciation	--	(47.364.687)	(2.629.846)	(2.656.069)	(3.831.640)	(1.287.013)	--	(1.701.682)	(59.470.937)		
Disposal	--	1.067.466	--	1.639.942	--	--	--	427.618	3.135.026		
Foreign Currency Conversion Difference	--	(33.909.940)	(3.030.769)	(13.936.964)	(3.981.903)	32.858	--	(115.989)	(54.942.707)		
Balance as of December 31, 2022	--	(207.002.673)	(12,295,530)	(53,561,789)	(16,987,103)	(3,830,590)	--	(5,611,138)	(299,288,823)		
Net Book Value as of January 1, 2022	29,274,729	876,709,607	86,485,248	8,369,068	15,805,273	2,591,775	2,431,947	8,269,689	1,029,937,338		
Net Book Value as of December 31, 2022	43,410,393	1,196,619,827	118,351,755	12,966,907	19,633,182	4,999,596	46,490,100	7,402,083	1,449,873,843		

(*) The investment for the replacement of the turbine rotor followed under construction in progress has been completed and the related amount has been reclassified to plant, machinery, and equipment.

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13 Property, plant, and equipment (cont'd)

As of December 31, 2022, and 2021, the net book values of the assets constituting the Group's tangible assets account and the movement tables for the relevant period are as follows:

Cost Value	Land	Facility, machine and equipment	Buildings	Vehicles	Furniture and fixtures	Leasehold improvements (*)	Construction in progress (**)	Right of Use Assets related to Operating Leases		Total
								Operating Leases	Leases	
Balance as of January 1, 2021	25.084.491 (5.839.637)	570.826.818 32.173.615 (11.026.377)	52.814.606	23.714.682	13.427.507	3.527.986	12.679.745	13.689.228	715.765.063	
Addition	--	--	--	5.631.784	1.691.586	1.071.398	2.940.886	266.016	37.935.648	
Disposal	--	--	--	(35.891)	(8.319)	--	(12.034)	(1.898.814)	(12.981.435)	
Transfer	--	11.154.595	--	--	--	--	(11.154.595)	--	--	
Foreign Currency Conversion Difference	10.029.876	401.018.934	40.305.557	17.481.856	9.429.659	550.094	(2.022.057)	435.401	477.229.320	
Balance as of December 31, 2021	29.274.730	1.004.147.585	93.120.163	46.792.431	24.540.434	5.149.477	2.431.945	12.491.831	1.217.948.596	
Accumulated Depreciation										
Balance as of January 1, 2021	--	(64.693.085)	(2.327.819)	(18.530.195)	(3.689.465)	(1.250.493)	--	(3.662.071)	(94.153.128)	
Depreciation	--	(29.019.352)	(1.605.239)	(4.098.511)	(2.162.565)	(1.033.522)	--	(1.737.658)	(39.656.848)	
Disposal	--	472.305	--	17.552	--	--	--	1.395.616	1.885.473	
Foreign Currency Conversion Difference	--	(33.555.380)	(2.701.857)	(15.997.544)	(3.321.529)	(292.420)	--	(216.972)	(56.085.702)	
Balance as of December 31, 2021	--	(126.795.512)	(6.634.915)	(38.608.698)	(9.173.560)	(2.576.435)	--	(4.221.085)	(188.010.205)	
Net Book Value as of January 1, 2021	25.084.491	506.133.733	50.486.787	5.184.487	9.738.042	2.277.493	12.679.745	10.027.157	621.611.935	
Net Book Value as of December 31, 2021	29.274.730	877.352.073	86.485.248	8.183.733	15.366.874	2.573.042	2.431.945	8.270.746	1.029.938.391	

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13 Property, plant, and equipment (cont'd)

As of December 31, 2022, TRY 58.833.346 (December 31, 2021: TRY 38.899.313) of depreciation expense is included in cost of sales and TRY 1.146.655 (December 31, 2021: TRY 427.024) is included in general administrative expenses.

As of December 31, 2022, the Group has capitalized depreciation expense on inventories amounting to TRY 1.430.689. (December 31, 2021: TRY 330.511).

As of December 31, 2022, the amount of insurance on property, plant and equipment is TRY 2.386.010.263 (December 31, 2021: TRY 1.130.593.565).

As of December 31, 2022, mortgages on property, plant and equipment amounting to TRY 510.000.000, USD 123.850.000 and EUR 90.000.000. (December 31, 2021: TRY 510.000.000 USD 123.850.000 and EUR 90.000.000).

As of December 31, 2022, the amount of pledge on tangible fixed assets is TRY 166.000.000, USD 84.000.000 (December 31, 2021: TRY 166.000.000, USD 84.000.000).

As of December 31, 2022, there are no capitalized borrowing costs and other expenses related to investments on property, plant, and equipment (December 31, 2021: None).

As of December 31, 2022, the Group has classified property, plant, and equipment with a net book value of TRY 78.117.168 (December 31, 2021: TRY 80.729.141) under plant, machinery, and equipment.

Sale and leaseback

Within the scope of the sale and leaseback transaction, cogeneration facilities with a total net book value of TRY 13.317.810 were disposed of in 2022. Within the scope of the transaction, the lease obligation value of the leaseback is TRY 55.183.930. In 2021, the cogeneration plant with a net book value of TRY 9.360.422 was disposed of and reacquired with a financial lease obligation of TRY 14.670.849.

	1 January - 31 December 2022	1 January - 31 December 2021
Financial Lease Present Value, Net	55.183.930	14.670.849
Sale Price	(55.183.930)	(14.670.849)
Sales Profit	--	--

As of December 31, 2022, the cost and accumulated depreciation of property, plant and equipment disposals related to sale and leaseback amounting to TRY 21.768.366 and TRY 8.450.557, respectively, are presented as net inflow and net outflow in the statement of movement of property, plant, and equipment (December 31, 2021: TRY 12.438.283 cost, TRY 3.077.861 accumulated depreciation).

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13 Property, plant, and equipment (cont'd)

Right of Use Assets related to Operating Leases

As of December 31, 2022, and December 31, 2021, the movement table of right-of-use assets related to the Group's operating leases is as follows:

	Property and Facilities	Vehicles	Total
Cost Value			
January 1, 2022 Opening Balance	10.673.756	1.818.076	12.491.832
Additions	737.063	124.032	861.095
Disposal	--	(514.173)	(514.173)
Foreign currency translation differences	(472.932)	370.407	(102.526)
December 31, 2022 Closing Balance	10.937.887	1.798.341	12.736.228
Accumulated depreciation			
January 1, 2022 Opening Balance	(2.948.525)	(1.272.561)	(4.221.086)
Additions	(1.093.087)	(605.925)	(1.699.012)
Disposal	--	425.996	425.996
Foreign currency translation differences	172.860	(13.962)	158.898
December 31, 2022 Closing Balance	(3.868.752)	(1.466.452)	(5.335.204)
Net Book Value as of December 31, 2022	7.069.135	331.889	7.401.024
	Real estate and Facilities	vehicles	Total
Cost Value			
January 1, 2021 Opening Balance	10.673.756	3.015.471	13.689.227
Additions	--	266.016	266.016
Disposal	--	(1.898.814)	(1.898.814)
Foreign currency translation differences	--	435.403	435.403
December 31, 2021 Closing Balance	10.673.756	1.818.076	12.491.832
Accumulated depreciation			
January 1, 2021 Opening Balance	(2.024.406)	(1.637.665)	(3.662.071)
Additions	(924.119)	(813.539)	(1.737.658)
Disposal	--	1.395.616	1.395.616
Foreign currency translation differences	--	(216.973)	(216.973)
December 31, 2021 Closing Balance	(2.948.525)	(1.272.561)	(4.221.086)
Net Book Value as of December 31, 2021	7.725.231	545.515	8.270.746

As of December 31, 2022, and December 31, 2021, the Group reclassified the right-of-use assets acquired through operating leases under tangible fixed assets.

As a lessee, the Group has included the right-of-use asset representing the right to use the underlying asset and the lease liabilities representing the lease payments that it is obliged to pay rent in its consolidated financial statements.

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14 Intangible Assets

December 31, 2022 and December 31, 2021, the movement tables of the assets constituting the Group's intangible assets account for the relevant period are as follows:

	Rights	Total
Cost Value		
Balance as of January 1, 2022	23.910.554	23.910.554
Additions	2.352.664	2.352.664
Foreign Currency Translation Differences	9.481.475	9.481.475
Balance as of December 31, 2022	35.744.693	35.744.693
Accumulated Depreciation		
Balance as of January 1, 2022	(4.015.425)	(4.015.425)
Current Period Amortization Charge	(1.942.423)	(1.942.423)
Foreign Currency Translation Differences	(1.657.629)	(1.657.629)
Balance as of December 31, 2022	(7.615.477)	(7.615.477)
Net Book Value as of January 1, 2022	19.895.129	19.895.129
Net Book Value as of December 31, 2022	28.129.216	28.129.216
	Rights	Total
Cost Value		
Balance as of January 1, 2021	11.780.680	11.780.680
Additions	2.376.788	2.376.788
Disposals	(100.103)	(100.103)
Foreign Currency Translation Differences	9.853.189	9.853.189
Balance as of December 31, 2021	23.910.554	23.910.554
Accumulated Depreciation		
Balance as of January 1, 2021	(1.644.975)	(1.644.975)
Additions	(1.001.865)	(1.001.865)
Disposals	39.689	39.689
Foreign Currency Translation Differences	(1.408.274)	(1.408.274)
Balance as of December 31, 2021	(4.015.425)	(4.015.425)
Net Book Value as of January 1, 2021	10.135.705	10.135.705
Net Book Value as of December 31, 2021	19.895.129	19.895.129

TRY 1.390.188 (December 31, 2021: TRY 701.306) of amortization expense for the accounting period ended on December 31, 2022 is included in the cost of sales, TRY 552.236 (December 31, 2021: TRY 300.559) is included in general administrative expenses.

There is no intangible asset item developed by the Group.

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15 Employee Benefit Obligation

As of December 31, 2022, and December 31, 2021 the breakdown of Employee Benefit Obligation is as follows:

	31 December 2022	31 December 2021
Social Security Payable	3.362.609	1.314.353
Payables to Personnel	2.352.398	--
Total	5.715.008	1.314.353

As of December 31, 2021, the Group has paid the accrued personnel wages on December 31, 2021, contrary to its general practice of paying the wages on the first working day of the following month.

16 Assets and Liabilities from Customer Agreements and Deferred Incomes

Short Term Contract Assets

As of December 31, 2022, and December 31, 2021, the breakdown of short-term contract assets is as follows:

	31 December 2022	31 December 2021
Contract Assets	23.998.239	10.226.587
Total	23.998.239	10.226.587

The Group includes income accruals related to electricity sales for those whose invoices have not yet been issued as of the balance sheet date as contract assets in its consolidated financial statements.

Short Term Deferred Incomes

As of December 31, 2022, and December 31, 2021, the breakdown of short-term deferred income is as follows:

	31 December 2022	31 December 2021
Order Advances Received	47.431	4.614.202
Total	47.431	4.614.202

Long-Term Contract Obligations

As of December 31, 2022, and December 31, 2021, the breakdown of long-term contract liabilities is as follows:

	31 December 2022	31 December 2021
Contract Obligations Arising from the Sale of Goods and Services	3.804.394	2.372.811
Total	3.804.394	2.372.811

The Group has reviewed the customer contracts regarding distributed energy facilities and presents the estimated amount for the heavy maintenance obligation free of charge in a contract as a long-term contract obligation in its consolidated financial statements by separating the estimated amount from the performance obligation arising from other energy sales in the related contract.

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17 Provisions Contingent Assets and Liabilities

a) Short-term provisions for employee benefits

As of December 31, 2022, and December 31, 2021 the breakdown of short-term provisions for employee benefits is as follows:

	31 December 2022	31 December 2021
Vacation Provision	2.577.652	1.640.558
Total	2.577.652	1.640.558

The movement table of allowances for the accounting periods ending on December 31, 2022 and December 31, 2021 is as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
January 1 Balance	1.640.558	966.145
Current Year Provision	1.103.367	344.252
Reversed Provision	(189.994)	--
Foreign Currency Translation Difference	23.721	330.161
December 31 Balance	2.577.652	1.640.558

b) Ongoing lawsuits

As of December 31, 2022, workers and compensation provisions amounting to TRY 151.000 (December 31, 2021: TRY 338.333) were recorded in the consolidated financial statements.

18 Employee Benefits

Long Term Provisions

As of December 31, 2022, and December 31, 2021 the breakdown of severance pay provision for employee benefits is as follows:

	31 December 2022	31 December 2021
Provision for Severance Pay	6.932.187	2.324.451
Total	6.932.187	2.324.451

Provision for Severance Pay

Severance pay liability is not legally subject to any funding. The provision for employment termination benefits is calculated by estimating the present value of the future probable obligation of the Group arising from the retirement of the employees. Accordingly, the actuarial assumptions used in the calculation of total liabilities are as follows:

The main assumption is that the maximum liability amount for each year of service will increase in line with inflation. Therefore, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. For this reason, as of December 31, 2022, provisions in the accompanying consolidated financial statements are calculated by estimating the present value of the future probable obligation arising from the retirement of the employees.

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18 Employee Benefits (continued)

Provision for Severance Pay (continued)

Provisions at the relevant balance sheet dates are calculated using the real discount rate obtained as approximately 3.29 percent, based on the assumptions of 18.40 percent annual inflation and 22.30 percent interest rate (December 31, 2021: 17.50 percent inflation and 22.50 percent interest rate). real discount rate obtained as approximately 4.26 percent according to the rate assumptions). The maximum amount of TRY 19.983 has been considered in calculating the provision for employment termination benefits of the Group (December 31, 2021: TRY 8.285). The movements in the provision for severance pay for the accounting periods ending on December 31, 2022 and December 31, 2021 are as follows:

	1 January - 31 December 2022	1 January - 31 December 2021
January 1 Balance	2.324.451	1.666.254
Interest Cost	1.545.878	38.652
Service Cost	1.508.493	773.230
Payments	(631.874)	(419.842)
Actuarial Loss/(Gain)	2.032.594	266.158
Foreign Currency Translation Difference	152.645	--
December 31 Balance	6.932.187	2.324.451

19 Derivative Instruments

Derivative instruments at Fair Value through Profit or Loss

Derivative instruments are accounted for as derivative instruments which are obligatory in the financial statements.

As of December 31, 2022, and December 31, 2021, the breakdown of derivative instruments is as follows:

	31 December 2022		31 December 2021	
	Contract Amounts (*)	Assets Liabilities	Contract Amounts (*)	Liabilities
Derivative Financial Transactions				
Fair value accounted in profit or loss				
Cross Currency Swaps (*)	2.088.522		2.088.522	
	EUR Sell-		EUR Sell-	
	8.233.078	--	8.233.078	13.439.088
	TRY		TRY	
	Purchase		Purchase	
	USD		USD	
	7.262.500 -		7.262.500 -	
Interest Rate Swaps (**)	3,42% Fixed	1.498.566	--	3,42% Fixed
	Interest		Interest	3.226.053
	Payment		Payment	
Total		1.498.566	12.370.315	16.665.141

The maturities of the related derivative instruments are 2025 and all of them are classified under derivative financial liabilities.

(*) Represents the sum of the purchase and sale contract amounts of the related derivative instruments.

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(**) It results from the interest rate swap agreements to fix the payments of certain USD denominated floating rate loans of the Group.

Currency risks related to Derivative instruments of the Group are explained in Note 32.

20 Commitments

(a) Guarantees pledges and mortgages given

As of December 31, 2022, and December 31, 2021, the table regarding the Group's collateral pledge and mortgage positions are as follows:

	31 December 2022			
	TRY Equivalent	TRY	USD	EUR
A. GPMs given on behalf of its own legal entity	16.943.189	16.943.189		
B. Total amount of CPM's given in favor of partnerships included in full consolidation	7.201.662.978	867.223.955	238.239.191	94.295.490
C. Total amount of GPM given to other 3rd parties for the purpose of carrying out their ordinary commercial activities	--	--	--	--
D. Total amount of other GPMs given	--	--	--	--
I. Total amount of CPM's given in favor of the main partner	--	--	--	--
ii. Total amount of CPM's given in favor of other group companies that are not in the scope of B and C.	--	--	--	--
iii. Total amount of CPM's given in favor of third parties that are not in the scope of article C	--	--	--	--
Total CPM	7.218.606.167	884.167.144	238.239.191	94.295.490

	31 December 2021			
	TRY Equivalent	TRY	USD	EUR
A. GPMs given on behalf of its own legal entity	15.272.115	15.062.183	15.750	--
B. Total amount of CPM's given in favor of partnerships included in full consolidation	5.408.237.394	834.005.011	236.222.226	94.407.222
C. Total amount of GPM given to other 3rd parties for the purpose of carrying out their ordinary commercial activities	--	--	--	--
D. Total amount of other GPMs given	--	--	--	--
I. Total amount of CPM's given in favor of the main partner	--	--	--	--
ii. Total amount of CPM's given in favor of other group companies that are not in the scope of B and C.	--	--	--	--
iii. Total amount of CPM's given in favor of third parties that are not in the scope of article C	--	--	--	--
Total CPM	5.423.509.509	849.067.194	236.337.976	94.407.222

Letters of Guarantee Received

Guarantees received are guarantees received from suppliers who undertake the construction of the Group's investment projects.

	31 December 2022	31 December 2021
Guarantee Checks	32.440.887	24.443.166
Letters of Guarantee	29.779.983	8.258.175
Total	62.220.870	32.701.341

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20 Commitments (continued)

Letters of Guarantee Given

Letters of guarantee are given to Electricity Markets Operation Inc. ("EPIAŞ"), EMRA, İzmir Natural Gas Distribution, General Directorate of Agricultural Enterprises, electricity distribution companies, Beyoğlu Tax Office, Ministry of Energy and Natural Resources, Istanbul, and Tekirdağ Executive Directorate.

	31 December 2022	31 December 2021
Letters of Guarantee	16.943.189	15.272.115
Total	16.943.189	15.272.115

As of December 31, 2022, the ratio of other guarantees, pledges and mortgages ("CPM") given by the Group in favor of real and legal persons other than its own legal entity in order to secure the debts of third parties, is 0 percent as of December 31, 2022 (December 31, 2021: 0 percent).

Guarantees Given

As of December 31, 2022, the Group has guarantees amounting to TRY 740.580.324 (December 31, 2021: TRY 499.501.744), consisting of TRY 86.723.955 USD 30.389.191 and EUR 4.295.490 given by its subsidiaries in relation to loan and finance lease agreements.

Mortgage and Pledge Given

The Group established Mortgage and Pledges in favor of the banks on the tangible fixed assets of the Group for a total of TRY 6.356.582.655 including TRY 676.600.000, USD 207.850.000 and EUR 90.000.000 (December 31, 2021: TRY 676.000.000. USD 207.850.000 and EUR 90.000.000, a total of TRY 4.595.235.650).

As of December 31, 2022, there is a pledge of TRY 104.500.000 on the shares of the subsidiaries related to the loans used by the Group's various subsidiaries. in favor of the lending banks (December 31, 2021: TRY 104.500.000).

The receivables that have arisen and will arise as of the balance sheet date have been assigned to the relevant financial institutions as a guarantee for the loans and financial leasing used by the Group for the facility investments in the biomass and distributed energy business line. In this context, as of December 31, 2022, TRY 17.125.612 of the Group's finalized receivables is pledged under the assignment agreements (December 31, 2021: TRY 13.210.097).

The guarantee given by Naturelgaz Sanayi ve Ticaret A.Ş., one of the related parties of the Group as of December 31, 2022, within the scope of the Project Financing loan used during the period when Naturelgaz Sanayi ve Ticaret A.Ş. was the controlling shareholder was canceled on 06.09.2022. (As of December 31, 2021, there is a cash risk of TRY 3.085.264 and USD 3.491.250, a non-cash risk of TRY 43.700.228 and USD 3.150.000)

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21 Capital Reserves and Other Equity Items

a) Paid Capital:

As of December 31, 2022, the Company's capital of TRY 385.500.000 consists of 385.500.000 nominal shares, each with a nominal value of 1 TRY (December 31, 2021: 333.000.000 nominal shares with a nominal value of 1 TRY each with a capital of TRY 333.000.000). consists of shares).

The capital structure of the Company as of December 31, 2022, and December 31, 2021, is as follows:

	(%)	31 December 2022	(%)	31 December 2021
Global Yatırım Holding A.Ş.	60	232.000.000	100	333.000.000
Publicly Traded (*)	40	153.500.000	--	--
Paid-in Capital		385.500.000		333.000.000

As of the reporting date, 32.459.390 shares in the Publicly Traded Section, corresponding to 8.6 percent of the total capital, belong to Global Yatırım Holding A.Ş.

Consus realized a cash capital increase on April 19, 2022 in accordance with the tax procedure law. After the capital increase, the final paid-in capital was TRY 385.500.000.

b) Share Issue Premiums:

As of December 31, 2022, and December 31, 2021 the Group's premium details regarding the shares are as follows;

	31 December 2022	31 December 2021
Premiums Related to Shares/(Discounts)	183.750.000	--
Expense Related to Initial Public Offering	(34.327.547)	--
Share Premiums	149.422.453	--

c) Prior Years' Profits or Losses:

As of December 31, 2022, the Group's previous years' losses amount to TRY 57.807.845 (December 31, 2021: TRY 94.604.661).

d) Other accumulated comprehensive income and expenses that will not be reclassified to profit or loss

In this item, other comprehensive income items such as the following which are defined as other comprehensive income items and are reported directly as equity items in the period in which they arise and cannot be transferred to profit or loss under any circumstances are followed.

Defined benefit plans remeasurement gains/losses:

As of December 31, 2022, it consists of actuarial losses accounted as other comprehensive expense related to severance pay provision amounting to TRY 1.659.299 (December 31, 2021: TRY 33.224 actuarial loss).

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21 Capital Reserves and Other Equity Items (continued)

e) Other Accumulated Comprehensive Income and Expenses that will be Reclassified to Profit or Loss

This item tracks other comprehensive income/(expense) elements, which are defined as other comprehensive income (expenses) and are recognized directly as equity in the period in which they arise and can subsequently be transferred to profit or loss:

Foreign Currency Translation Differences

Foreign currency translation differences arise from the foreign currency difference reflected in shareholders' equity, which consists of converting the financial statements of the Company's subsidiaries whose functional currencies are other than TRY from the relevant functional currencies to the reporting currency (TRY). As of December 31, 2022, there is a foreign currency translation difference amounting to TRY 425.370.525 (December 31, 2021: TRY 244.290.300) in the accompanying consolidated financial statements.

Net Investment Hedge Gains/Losses

Exchange differences arising from the Company's payables to its subsidiaries Mavi Bayrak Enerji, Mavi Bayrak Doğu, Doğal Enerji and Ra Güneş, whose functional currencies are currencies other than TRY, are considered as 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. Such accounting has been effective from January 1, 2018 and for the period ended December 31, 2022, the Group's share of the loss amounting to TRY 101.499.145 (December 31, 2021: TRY 71.443.138 loss) has been recognized in other comprehensive income or loss to be reclassified to profit or loss in equity in the consolidated financial statements.

22 Earnings/(Loss) Per Share

For the accounting periods ending on December 31, 2022 and December 31, 2021, basic and diluted earnings per share are calculated by dividing the profits of the main company shareholders by the weighted average number of shares in the relevant period. The calculation of earnings per share for the shareholders of the parent companies is as follows:

	1 January - 31 December 2022	1 January- 31 December 2021
Net Profit for the Main Company Shareholders	46.979.795	33.012.644
Net Profit from Continuing Operations	46.979.795	33.012.644
Weighted Average of Shares	369.821.918	207.598.947
Loss per Diluted Shares with a Nominal Value of TRY 1 (Full TRY)	0.1270	0.1590
Diluted Loss per Share from Continuing Operations with a Nominal Value of 1 TRY (Full TRY)	0.1270	0.1590

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23 Revenue

Revenue for the periods ending on December 31, 2022 and 2021 is as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Biomass Energy Sales	387.478.254	194.590.043
Distributed Energy Service Sales	102.801.354	109.168.844
Solar Energy Sales	46.407.218	25.777.404
Retail Electricity Sales	23.523.348	43.889.629
Gross Sales	560.210.174	373.425.920
Sales Returns (-)	(337.053)	(1.532.734)
Net Sales	559.873.121	371.893.186

24 Cost of Sales

Cost of sales for the periods ending on December 31, 2022 and 2021 is as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Cost of Electricity Sales	245.045.598	126.027.724
Cost of Gas Service	60.902.526	46.535.110
Depreciation and Amortization	59.091.956	39.931.130
Personnel Expenses	42.182.367	34.511.541
Cost of Sales	407.222.447	247.005.505

25 General Administrative Expenses

General administrative expenses for the periods ending on December 31, 2022 and 2021 are as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Personnel Expenses	22.371.482	9.968.535
Consulting Expenses	7.304.180	5.929.146
Severance Pay Provision Expense	3.499.378	811.882
Depreciation and Amortization	1.146.655	727.583
Travel Expenses	814.924	623.171
Taxes Duties and Fees	760.399	278.964
Building Management Expenses	600.376	351.141
Maintenance and Repair Expenses	415.054	643.059
Rental Expenses	318.596	229.400
Other Expenses	2.486.990	1.989.480
General Administrative Expenses	39.718.034	21.552.361

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26 Expenses by Nature

Expenses by nature for the periods ending on December 31, 2022 and 2021 are as follows:

	1 January - 31 December 2022	1 January- 31 December 2021
Cost of Electricity Sales	245.045.598	126.027.724
Personnel Expenses	64.553.849	44.480.076
Cost of Gas Service	60.902.526	46.535.110
Depreciation and Amortization	60.238.611	40.328.202
Consulting Expenses	7.304.180	5.929.146
Severance Pay Provision Expense	3.499.378	811.882
Travel Expenses	814.924	623.171
Taxes Duties and Fees	760.399	278.964
Building Management Expenses	600.376	351.141
Maintenance and Repair Expenses	415.054	643.059
Communication Expenses	292.928	207.427
Other expenses	2.512.658	2.341.964
Total	446.940.481	268.557.866

Group companies have no sales, marketing and distribution expenses for the accounting periods ending on December 31, 2022 and 2021.

Fees for Services Obtained from Independent Auditor/Independent Audit Firms

The Group's explanation regarding the fees for the services rendered by the independent audit firms, which is based on the POA's letter dated August 19, 2021, the preparation principles of which are based on the Board Decision published in the Official Gazette on March 30, 2021, are as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Independent Audit Fee for the Reporting Period	495.000	1.709.246
Fees for Tax Advisory Services	311.562	252.034
Total	806.562	1.961.280

27 Other Income and Expenses from Operating Activities

Other Income from Operating Activities

Other operating income for the periods ended December 31, 2022 and 2021 is as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Income from Related Party Service	3.644.026	1.471.156
Scrap Sale Revenue	2.020.245	519.655
Reversal of Provision Income	1.238.797	--
Reversal of Unnecessary Provision	1.210.832	--
Insurance and Compensation Income	165.334	992.530
Consulting Income	--	258.865
Other	2.395.085	1.835.399
Total	10.674.319	5.077.605

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27 Other Income and Expenses from Operating Activities (continued)

Other Expenses from Operating Activities

Other operating expenses for the periods ended December 31, 2022 and 2021 are as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Foreign Exchange Expenses from Main Operations	13.740.828	10.840.907
Special Communications Tax Expense from vehicles	2.021.563	424.700
Tax Amnesty	1.074.705	2.267.739
Donations and Grants	752.607	192.899
Service Expenses from Related Parties	114.548	--
Losses from Non-Working Hours	--	310.275
Legal Claim Provision	--	183.609
Loss Inventory Expense (*)	--	6.868.567
Late Fee Expenses	--	64.714
Other	2.660.319	2.493.466
Total	20.364.570	23.646.876

(*) Loss inventory expenses are expenses related to the Group's inventory losses caused by fire, flood, and other negativities.

28 Income and Expenses from Investment Activities

Income from investment activities for the periods ending on December 31, 2022 and 2021 is as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Income from Sale of fixed assets	2.277.610	5.229.489
Income from Sales of Subsidiaries (*)	514.454	--
Income from Sale of on Divestiture of a Subsidiary related to the Business Combination Under Common Control	--	4.757.775
Total	2.792.064	9.987.263

(*) Profit from the sale of Barsolar DOO to Global Yatırım Holding A.Ş.

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29 Financial Income and Expenses

Financing Incomes

Financial income for the periods ending on December 31, 2022 and 2021 is as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Foreign Exchange Income	32.734.370	30.493.000
Interest Income	10.469.229	278.743
Fair Value of Derivative Instruments	6.400.482	2.279.875
Total	49.604.081	33.051.618

Financing Expenses

Financial expenses for the periods ending on December 31, 2022 and 2021 are as follows:

	1 January- 31 December 2022	1 January- 31 December 2021
Loan Interest Expense	72.012.555	37.358.341
Related Party Interest Expense	7.512.093	5.930.574
Credit Commission Expenses	4.351.362	767.308
TFRS 16 Interest Expense from Lease Liabilities	2.180.164	10.970.395
Foreign Exchange Losses	--	4.267.062
Fair value of Derivative Instruments	--	5.198.323
Other	5.188.556	3.808.691
Total	91.244.730	68.300.694

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30 Income Taxes

Corporation tax

The Company and its subsidiaries located in Türkiye are subject to the tax legislation and practices in force in Türkiye. Corporate tax is declared until the evening of the twenty-fifth day of the fourth month following the end of the relevant accounting period and is paid in one installment until the end of the relevant month.

In Türkiye, the corporate tax rate is 23 percent as of December 31, 2022. In accordance with the provisional Article 10 added to the Corporate Tax Law No. 5520 with the Article 91 of the Law No. 7061 on the Amendment of Some Tax Laws and Some Other Laws published in the Official Gazette dated 5 December 2017 and numbered 30261, the 2018, 2019 and 2020 taxation of corporations It was envisaged that the corporate tax that should be paid on the earnings of the previous periods would be calculated with a rate of 22 percent, and then it would continue to be taxed at a rate of 20 percent. During this period, the Council of Ministers was authorized to reduce the rate of 22 percent to 20 percent. The corporate tax rate is, with the Provisional Article 13 added to the Corporate Tax Law has been arranged to be applied as 25 percent for the corporate earnings of the taxation period of the year 2021 and as 23 percent for the corporate earnings of the 2022 taxation period.

This change is valid for the taxation of corporate earnings for the periods starting from January 1, 2021, starting with the declarations that must be submitted as of July 1, 2021. In the consolidated financial statements dated December 31, 2022, the tax rate is used as 20 percent for the period tax calculations (December 31, 2021: 25 percent).

Within the scope of the said amendment, deferred tax assets and liabilities in the consolidated financial statements as of December 31, 2022 are calculated with the rate of 20 percent for the parts of temporary differences that will have tax effects in 2022 and the following periods.

Tax legislation in Türkiye does not allow the Company and its subsidiaries to file consolidated tax returns. Therefore, the tax provision reflected in the financial statements has been calculated on a company-by-company basis.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period, if they do not exceed 5 years. Declarations and related accounting records can be examined by the tax office within five years and tax accounts can be revised.

Dividend payments made to resident joint stock companies in Türkiye, to those who are not responsible for and exempt from corporate tax and income tax, and to natural persons and non-resident legal entities in Türkiye are subject to 15 percent income tax.

Dividend payments made from joint stock companies residing in Türkiye to joint stock companies residing in Türkiye are not subject to income tax. In addition, if the profit is not distributed or added to the capital, income tax is not calculated.

Dividend earnings of corporations from participation in the capital of another fully liable corporation (except for participation certificates of mutual funds and dividends obtained from shares of investment partnerships) are exempt from corporate tax. Additionally, 75 percent of the profits arising from the sale of the participation shares in the assets of the institutions for at least two full years and the founding certificates of the real estates (immovables) that they own for the same period, the usufruct shares, and the preference rights, are exempt from corporate tax as of December 31, 2017. However, with the amendment made with Law No. 7061, this rate

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30 Income Taxes (continued)

has been reduced from 75 percent to 50 percent in terms of immovables and this rate is used as 50 percent in tax returns to be prepared as of 2018.

To benefit from the exemption, the said income must be kept in a passive fund account and not withdrawn from the business for 5 years. The sales price must be collected until the end of the second calendar year following the year of sale.

There is no practice in Türkiye to reach an agreement with the tax administration regarding the taxes to be paid. Corporate tax returns are submitted within four months following the end of the accounting period. The tax inspection authorities may examine the tax returns and the accounting records underlying them during the five years following the accounting period and make a reassessment because of their findings.

Income tax withholding

There is a withholding tax liability on dividend distributions and this withholding liability is accrued in the period when the dividend payment is made. Dividend payments are subject to a 15 percent withholding tax until December 22, 2021 except for non-resident companies that generate income through a workplace or their permanent representative in Türkiye and those made to companies residing in Türkiye. However, it was published in the Official Gazette dated December 22, 2021 and numbered 31697.

In accordance with Presidential Decision No. 4936, the provisions of the Income Tax Law No. 193 and the Corporate Tax Law No. 5520 regarding the distribution of dividends have been made. The withholding tax rate of 15 percent has been reduced to 10 percent.

In the application of withholding tax rates for profit distributions made to non-resident companies and natural persons, the withholding tax rates included in the relevant Double Taxation Agreements are also considered. The addition of previous years' profits to the capital is not considered as profit distribution. Therefore, it is not subject to withholding tax.

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30 Income Taxes (continued)

Transfer pricing regulations

In Türkiye, transfer pricing regulations are specified in Article 13 of the Corporate Tax Law, titled "Disguised profit distribution through transfer pricing". The communiqué dated 18 November 2007 on disguised profit distribution through transfer pricing regulates the details of the implementation.

If a taxpayer purchases or sells goods or services to related parties at a price or prices determined in violation of the arm's length principle, the gain is distributed in whole or in part disguised through transfer pricing. Such disguised profit distribution through transfer pricing is considered as a legally unacceptable expense for corporate tax purposes.

	1 January - 31 December 2022	1 January - 31 December 2021
Tax Expense:		
Current Period Corporate Tax Expense	--	--
Deferred Tax Expense:	(17.414.009)	(26.491.592)
Deferred Tax Income from Temporary Differences	(12.931.339)	(40.235.766)
Calculation of Deferred Tax Assets/(Liabilities) from previous Year Tax Losses	(4.482.670)	13.744.174
Total Tax Expense	(17.414.009)	(26.491.592)
Tax Income/(Expense) Recognized in Other Comprehensive Income	406.519	53.232
Total	(17.007.490)	(26.438.360)

Reconciliation of the effective tax rate

The reported tax provision for the periods ended December 31, 2022 and 2021 is different from the amount calculated using the statutory tax rate on profit/loss before tax. The relevant reconciliation breakdown is as follows:

	%	1 January - 31 December 2022	%	1 January - 31 December 2021
Period Profit/(Loss)		46.979.795		33.012.644
Total Income Tax Expense		(17.414.009)		(26.491.592)
Pre-tax profit		64.393.804		59.504.236
Tax Calculated with the Company's Legal Tax Rate	23%	(14.810.575)	25%	(14.876.059)
Legally Accepted Undelivered Your Expenses Effect	24%	(3.578.292)	10%	(5.700.851)
Non-taxable Income Tax Effect		--		2.179.560
Different tax of Rates the Use of Effect	52%	7.681.224	(4) %	(155.578)
Deferred Tax on not Calculated Current Period Financial Losses	41%	(6.093.757)	20%	(11.746.314)
Deferred Tax on not Calculated Temporary Differences	3%	(404.012)	(0.3) %	(22.648)
Other Fixes Effect	1%	(208.597)	(6) %	3.519.142
Period Tax Income/(Expense)	118%	(17.414.009)	45%	(26.491.592)

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30 Income Taxes (continued)**Deferred tax asset and liability**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, except for the initial recognition of assets and liabilities which affects neither taxable profit nor accounting profit.

As of December 31, 2022, and December 31, 2021, the details of deferred tax assets and liabilities are as follows:

	Assets		Obligations		Net	
	2022	2021	2022	2021	2022	2021
Unused Tax Losses	105.939.974	75.690.457	--	--	105.939.974	75.690.457
Adjustments Related to Inventories	--	--	(1.230.126)	(1.936.158)	(1.230.126)	(1.936.158)
Adjustments Related to Fixed Assets	--	--	(185.151.473)	(117.159.049)	(185.151.473)	(117.159.049)
Adjustments Related to Derivatives Instruments	2.354.069	3.319.752	(193.002)	--	2.161.067	3.319.752
Adjustments Related to Advances Given	1.427.703	1.148.871	--	--	1.427.703	1.148.871
Adjustments Related to Intangible Assets	--	--	(2.302.899)	(2.117.067)	(2.302.899)	(2.117.067)
Adjustments Related to Borrowings	3.040.936	4.403.827	(80.874)	--	2.960.062	4.403.827
Adjustments Related to Lease liabilities	2.017.295	2.271.071	--	--	2.017.295	2.271.071
Adjustments Related to Trade Payables	--	--	--	--	--	--
Adjustments Related to Unused Vacation	178.238	207.254	--	--	178.238	207.254
Adjustments Related to Provision for Severance Pay	1.607.954	1.006.255	--	--	1.607.954	1.006.255
Other	--	--	(8.626.035)	(3.242.908)	(8.626.035)	(3.242.908)
Subtotal	116.566.169	88.047.487	(197.584.409)	(124.455.182)	(81.018.240)	(36.407.695)
Offsetting Tax Amount	(86.485.987)	(68.386.596)	86.485.987	68.386.596	--	--
Total Deferred Tax Asset/(Liability)	30.080.182	19.660.891	(111.098.422)	(56.068.586)	(81.018.240)	(36.407.695)

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30 Income Taxes (continued)**Deferred tax asset and liability (continued)**

The deferred tax movement table for the periods ending on December 31, 2022 and 2021 is as follows:

	1 January 2022	Recognized in Profit or Loss	Foreign Currency Translation Difference	Recognized in Other Comprehensive Income	31 December 2022
	Unused Tax Losses	75.690.457	2.604.837	27.644.680	--
Adjustments Related to Inventories	(1.936.158)	1.315.165	(609.133)	--	(1.230.126)
Adjustments Related to Fixed Assets	(117.159.049)	(14.857.015)	(53.135.409)	--	(185.151.473)
Adjustments Related to Derivatives Instruments	3.319.752	(1.280.106)	121.421	--	2.161.067
Adjustments Related to Advances Given	1.148.871	(100.772)	379.604	--	1.427.703
Adjustments Related to Intangible Assets	(2.117.067)	582.733	(768.565)	--	(2.302.899)
Adjustments Related to Borrowings	4.403.827	(2.211.589)	767.824	--	2.960.062
Adjustments Related to Lease liabilities	2.271.071	(262.119)	8.343	--	2.017.295
Adjustments Related to Trade Payables	--	--	--	--	--
Adjustments Related to Unused Vacation	207.254	(87.174)	58.158	--	178.238
Adjustments Related to Provision for Severance Pay	1.006.255	447.427	101.040	53.232	1.607.954
Other	(3.242.907)	(3.440.656)	(1.942.472)	--	(8.626.035)
Total	(36.407.694)	(17.289.269)	(27.374.509)	53.232	(81.018.240)

	1 January 2021	Recognized in Profit or Loss	Foreign Currency Translation Difference	Recognized in Other Comprehensive Income	31 December 2021
	Unused Tax Losses	33.364.168	13.744.174	28.582.115	--
Adjustments Related to Inventories	418.762	(1.752.14)	(602.816)	--	(1.936.158)
Adjustments Related to Fixed Assets	(30.186.779)	(37467.113)	(49.505.157)	--	(117.159.049)
Adjustments Related to Derivatives Instruments	2.366.893	583.693	369.166	--	3.319.752
Adjustments Related to Advances Given	485.713	235.789	427.369	--	1.148.871
Adjustments Related to Intangible Assets	(29.074)	(1.389.931)	(698.062)	--	(2.117.067)
Adjustments Related to Borrowings	354.793	3.202.200	846.834	--	4.403.827
Adjustments Related to Lease liabilities	2.214.581	41.001	15.489	--	2.271.071
Adjustments Related to Trade Payables	(74.038)	74.038	--	--	--
Adjustments Related to Unused Vacation	200.347	(68.268)	75.175	--	207.254
Adjustments Related to Provision for Severance Pay	378.123	(187.968)	762.868	53.232	1.006.255
Other	476.594	(3.507.13)	(212.399)	--	(3.242.908)
Total	9.970.083	(26.491.592)	(19.939.418)	53.232	(36.407.695)

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30 Income Taxes (continued)

Deferred tax asset and liability (cont'd)

As of December 31, 2022, and December 31, 2021, the financial losses on which the Group has calculated deferred tax and their expiration periods are as follows:

	2022	Recorded Deferred Tax	2021	Recorded Deferred Tax
2023	22.493.081	5.623.270	51.283.048	11.289.962
2024	130.849.813	30.095.458	182.375.362	36.475.073
2025	138.829.034	27.765.807	79.476.199	15.895.240
2026	136.716.254	27.343.251	22.142.775	4.428.555
2027	75.560.940	15.112.188	38.08.135	7.601.627
	504.449.122	105.939.974	373.285.519	75.690.457

Unrecognized deferred tax assets

As of December 31, 2022, the Group has unused financial losses of TRY 88.727.488 (December 31 2021: TRY 88.727.488) that can be offset against future profits. Deferred tax assets amounting to TRY 18.036.314 (December 31, 2021: TRY 18.036.314) have not been recorded due to the lack of expected taxable profit for the future. The maturity of financial losses not recorded in the deferred tax asset calculation will expire as follows:

Tax Losses	31 December 2022	31 December 2021
2023	1.644.314	1.182.199
2024	8.396.530	7.723.553
2025	8.049.152	4.375.538
2026	6.327.883	16.714.630
2027	--	58.731.568
Total	24.417.879	88.727.488

31 Financial Instruments and Financial Risk Management

Financial risk management

The Group may be exposed to the following risks due to its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This footnote provides information on the Group's exposure to the above-mentioned risks, the Group's objectives, the policies, and processes for measuring and managing risk, and the Group's management of capital.

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31 Financial Instruments and Financial Risk Management (continued)

Financial risk management (continued)

Credit risk

Credit risk is the risk that a customer or counterparty will not fulfill its contractual obligations and arises mainly from customer receivables.

The Group is exposed to credit risk due to its trade receivables, contract assets, other receivables and deposits held in banks.

The Group periodically monitors the collectability of its trade receivables and allocates provisions for the receivables that are determined to be insolvent by the court, possible losses that may arise from the doubtful receivables based on the collection rates of the previous years, and especially for the receivables whose collection becomes doubtful. The Group's biomass and solar energy facilities mostly sell to EPIAŞ within the scope of YEKDEM, while companies in the retail and distributed energy segments make their sales to a limited number of companies with high credit value. The Group has not had any collection difficulties during the past three years and does not expect to fall into collection difficulties as it continues to work with these companies without any problems.

Following the provision for the doubtful receivable amount, if all or part of the doubtful receivable amount is collected, the collected amount is associated with profit or loss by deducting from the receivable impairment provision.

Carrying values of financial assets show the maximum exposure to credit risk. The maximum exposure to credit risk as of the reporting date is as follows:

31 December 2022	Receivables				Contract Assets	Deposits in Banks
	Commercial debts		Other Receivables			
	Related Party	Third Party	Related Party	Third Party		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (*)	11.049.703	50.910.711	227.801	2.027.210	23.998.239	55.835.962
- Collateral etc. of maximum risk, part secured by	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired	11.049.703	50.910.711	227.801	2.027.210	23.998.239	55.835.962
B. Net book value of financial assets that are past due but not impaired	--	--	--	--	--	--
C. Net book value of impaired assets	--	--	--	--	--	--
Overdue (gross book value)	--	532.986	--	--	--	--
- Impairment (-)	--	(532.986)	--	--	--	--
- Collateral vs. part secured by	--	--	--	--	--	--
Not overdue (gross book value)	--	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
D. Elements involving off-balance sheet loans	--	--	--	--	--	--

(*) This field represents the sum of rows A, B, C and D in the table. While determining the amount in question, factors that increase credit reliability, such as the guarantees received, were not considered.

As of December 31, 2022, and 2021 overdue receivables are receivables with a delay of 1 year or more.

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31 Financial Instruments and Financial Risk Management (continued)

Financial risk management (continued)

Credit risk (continued)

31 December 2021	Receivables				Contract Assets	Deposits in Banks
	Commercial debts		Other Receivables			
	Related Party	Third Party	Related Party	Third Party		
Maximum exposure to credit risk as of reporting date (A+B+C+D) (*)	3.732.554	38.332.592	2.749.087	2.441.814	10.226.587	48.011.164
- Collateral etc. of maximum risk, part secured by	--	--	--	--	--	--
A. Net book value of financial assets that are not overdue or impaired	3.732.554	38.332.592	2.749.087	2.441.814	10.226.587	48.011.164
B. Net book value of financial assets that are past due but not impaired	--	--	--	--	--	--
C. Net book value of impaired assets	--	--	--	--	--	--
Overdue (gross book value)	--	444.522	--	--	--	--
- Impairment (-)	--	(444.522)	--	--	--	--
- Collateral vs. part secured by	--	--	--	--	--	--
Not overdue (gross book value)	--	--	--	--	--	--
- Overdue (gross book value)	--	--	--	--	--	--
- Impairment (-)	--	--	--	--	--	--
D. Elements involving off-balance sheet loans	--	--	--	--	--	--

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its future financial obligations. The Group's liquidity risk is managed by obtaining sufficient financing opportunities from various financial institutions in a way that will not harm the Group or damage its reputation, so that current and prospective debt requirements can be funded under normal conditions or in crisis situations.

As of December 31, 2022, and December 31, 2021, the Group's financial liabilities, including estimated interest payments, are as follows:

31 December 2022	Book Value	Estimated / Contractual Cash Outflows	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Non-Derivative Financial Liabilities						
Borrowings	688.986.798	804.892.304	105.086.410	287.207.978	379.215.933	33.381.983
Payables from Lease Liabilities	120.766.799	140.908.683	22.630.883	56.315.277	61.962.524	--
Trade Payables to third Parties	70.525.108	70.525.108	--	70.525.108	--	--
Other Payables to Related Parties	303.702	303.702	--	303.702	--	--
Other Payables to Third Parties	10.981.428	10.981.428	--	10.981.428	--	--
Total	891.563.835	1.027.611.222	127.717.293	425.333.490	441.178.457	33.381.983
Derivative Financial Liabilities						
Cash Outflows	12.370.315	12.370.315	--	--	12.370.315	--
Total Liability	12.370.315	12.370.315	--	--	12.370.315	--

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31 Financial Instruments and Financial Risk Management (continued)

Financial risk management (continued)

Liquidity risk (continued)

31 December 2021	Book Value	Estimated / Contractual Cash Outflows	Less than 3 Months	3-12 Months	1-5 Years	More than 5 Years
Non-Derivative Financial Liabilities						
Borrowings	569.037.212	626.768.621	196.110.227	89.096.093	305.553.563	36.008.738
Payables from Lease Liabilities	106.200.586	126.329.938	31.871.291	44.635.263	42.315.357	7.508.027
Trade Payables to third Parties	39.054.263	39.054.263	--	39.054.263	--	--
Other Payables to Related Parties	7.080.788	7.080.788	--	7.080.788	--	--
Other Payables to third Parties	16.463.989	19.089.669	2.368.877	5.535.436	11.185.356	--
Total	737.836.838	818.323.279	230.350.395	185.401.843	359.054.276	43.516.765
Derivative Financial Liabilities						
Cash Outflows	13.439.088	27.837.910	--	--	27.837.910	--
Total Liability	13.439.088	27.837.910	--	--	27.837.910	--

Market risk

Market risk is the risk that changes in the money market, such as exchange rates and interest rates, will change the Group's income or the value of its financial assets. Market risk management aims to optimize returns while controlling exposure to market risk within acceptable limits.

Currency risk

The Group is exposed to currency risk mainly in Turkish Lira, EUR, and US Dollar. The distribution of monetary and non-monetary assets and liabilities in foreign currency denominated in foreign currency in the Group's companies as of the balance sheet date is as follows:

As of December 31, 2022, the Group's foreign currency position consists of foreign currency denominated assets and liabilities stated in the table below.

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31 Financial Instruments and Financial Risk Management (continued)

Currency risk (continued)

As of December 31, 2022, the Group's foreign currency position consists of foreign currency denominated assets and liabilities stated in the table below.

	31 December 2022			
	TRY Equivalent	US Dollar	EUR	TRY
1. Trade receivables	2.472.742	--	--	2.472.742
2 a. Monetary financial assets (including cash bank accounts)	35.773.118	97.061	801.294	17.984.521
2b. Non-monetary financial assets	--	--	--	--
3. Other	68.169.435	--	494.811	58.305.433
4. Current assets (1+2+3)	106.415.296	97.061	1.296.105	78.762.697
5. Trade receivables	--	--	--	--
6a. monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	2.117.192	--	97.527	172.994
8. Fixed assets (5+6+7)	2.117.192	--	97.527	172.994
9. Total assets (4+8)	108.532.487	97.061	1.393.632	78.935.691
10. Trade payables	35.018.183	27.714	699.285	20.575.930
11. Financial liabilities	55.853.908	209.129	2.582.756	456.564
12a. Other monetary liabilities	7.660.646	--	21.246	7.237.106
12b. Other non-monetary liabilities	--	--	--	--
13. Current liabilities (10+11+12)	98.532.737	236.843	3.303.287	28.269.600
14. Trade payables	--	--	--	--
15. Financial liabilities	43.964.924	260.950	1.958.648	40.152
16a. Other monetary liabilities	2.601.746	--	--	2.601.746
16b. Other non-monetary liabilities	--	--	--	--
17. Long-term liabilities (14+15+16)	46.566.670	260.950	1.958.648	2.641.898
18. Total liabilities (13+17)	145.099.406	497.793	5.261.935	30.911.498
19. Net asset/ (liability) position of off-balance sheet Derivative instruments (19a-19b)	(12.370.315)	--	(620.536)	--
a. Total amount of assets hedged	--	--	--	--
19b. Hedged total liability amount	12.370.315	--	620.536	--
20. Net foreign currency asset/ (liability) position (9-18+19)	(48.937.235)	(400.732)	(4.488.838)	48.024.193
21. Monetary items net foreign currency asset / (liability) position (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(106.853.546)	(400.732)	(4.460.641)	(10.454.235)

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

31 Financial Instruments and Financial Risk Management (continued)

Currency risk (continued)

As of December 31, 2021, the Group's foreign currency position consists of foreign currency denominated assets and liabilities stated in the table below.

	31 December 2021			
	TRY Equivalent	US Dollar	EUR	TRY
1. Trade receivables	12.254.897	--	--	12.254.897
2 a. Monetary financial assets (including cash, bank accounts)	1.252.128	5.790	2.858	1.126.682
2b. Non-monetary financial assets	--	--	--	--
3. Other	2.889.930	1.167	132.496	1.106.285
4. Current assets (1+2+3)	16.396.956	6.957	135.354	14.487.864
5. Trade receivables	--	--	--	--
6a. monetary financial assets	--	--	--	--
6b. Non-monetary financial assets	--	--	--	--
7. Other	--	--	--	--
8. Fixed assets (5+6+7)	--	--	--	--
9. Total assets (4+8)	16.396.956	6.957	135.354	14.487.864
10. Trade payables	1.415.775	46.665	15.365	506.954
11. Financial liabilities	2.731.393	--	101.317	1.380.944
12a. Other monetary liabilities	1.705.820	--	--	1.705.820
12b. Other non-monetary liabilities	--	--	--	--
13. Current liabilities (10+11+12)	5.852.989	46.665	116.682	3.593.718
14. Trade payables	--	--	--	--
15. Financial liabilities	55.333.772	--	4.072.886	1.046.278
16a. Other monetary liabilities	2.611.308	--	--	2.611.308
16b. Other non-monetary liabilities	--	--	--	--
17. Long-term liabilities (14+15+16)	57.945.081	--	4.072.886	3.657.587
18. Total liabilities (13+17)	63.798.069	46.665	4.189.567	7.251.305
19. Net asset/ (liability) position of off-balance sheet Derivative instruments (19a-19b)	(27.837.910)	--	(2.088.522)	--
a. Total amount of assets hedged	--	--	--	--
19b. Hedged total liability amount	27.837.910	--	2.088.522	--
20. Net foreign currency asset/ (liability) position (9-18+19)	(75.239.023)	(39.708)	(6.142.735)	7.236.559
21. Monetary items net foreign currency asset / (liability) position (IFRS 7.B23) (=1+2a+5+6a-10-11-12a-14-15-16a)	(50.291.044)	(40.875)	(4.186.709)	6.130.274

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31 Financial Instruments and Financial Risk Management (continued)

Currency risk (continued)

Sensitivity analysis

The Group's currency risk generally consists of the changes in the value of TRY against EUR and USD.

The basis of the sensitivity analysis to measure the currency risk is to make the total currency statement made throughout the organization. The total foreign currency position includes all foreign currency based short-term and long-term purchase agreements and all assets and liabilities.

The analysis does not include net foreign currency investments.

Exchange rate sensitivity analysis table				
	2022			
	Profit and loss (*)		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% appreciation/loss of TRY against the US Dollar:				
1- US dollar net asset/liability	(749.300)	749.300	(749.300)	749.300
2- The portion hedged against the USD risk (-)	--	--	--	--
3- TRY net effect (1+2)	(749.300)	749.300	(749.300)	749.300
If the EUR appreciates/depreciates by 10% against the US Dollar:				
4- EUR net asset/liability	(7.711.423)	7.711.423	(7.711.423)	7.711.423
5- Part protected from EUR risk (-)	--	--	--	--
6- EUR net effect (4+5)	(7.711.423)	7.711.423	(7.711.423)	7.711.423
In case of 10% appreciation/loss of TRY against the US Dollar:				
4- TRY net asset/liability	4.802.419	(4.802.419)	4.802.419	(4.802.419)
5- The portion protected from TRY risk (-)	--	--	--	--
6- TRY net effect (4+5)	4.802.419	(4.802.419)	4.802.419	(4.802.419)
Total (3+6)	(3.658.304)	3.658.304	(3.658.304)	3.658.304

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

31 Financial Instruments and Financial Risk Management (continued)

Market risk (continued)

Currency risk (continued)

Sensitivity analysis (continued)

Exchange rate sensitivity analysis table				
	2021			
	Profit and loss (*)		Equity	
	Appreciation of foreign currency	Depreciation of foreign currency	Appreciation of foreign currency	Depreciation of foreign currency
In case of 10% appreciation/loss of TRY against the US Dollar:				
1- US dollar net asset/liability	(59.906)	59.906	(59.906)	59.906
2- The portion hedged against the USD risk (-)	--	--	--	--
3- TRY net effect (1+2)	(59.906)	59.906	(59.906)	59.906
If the EUR appreciates/depreciates by 10% against the US Dollar:				
4- EUR net asset/liability	(5.403.861)	5.403.861	(5.403.861)	5.403.861
5- Part protected from EUR risk (-)	(2.783.791)	2.783.791	(2.783.781)	2.783.781
6- EUR net effect (4+5)	(8.187.652)	8.187.652	(8.187.642)	8.187.642
In case of 10% appreciation/loss of TRY against the US Dollar:				
4- TRY net asset/liability	723.656	(723.656)	723.656	(723.656)
5- The portion protected from TRY risk (-)	--	--	--	--
6- TRY net effect (4+5)	723.656	(723.656)	723.656	(723.656)
Total (3+6)	(7.523.902)	7.523.902	(7.523.892)	7.523.892

(*) Excluding tax effect and calculated with the assumption that all other variables remain constant.

Interest profile

The interest rate structure of the Group's financial items with an interest component at the reporting date is as follows:

	31 December 2022	31 December 2021
Financial Instruments with Fixed Interest Rate		
Financial Assets	22.300.000	37.000.000
Financial Liabilities	340.238.421	277.331.479
Other Payables to Related Parties	7.271.437	13.951.075
Currency Swap for Hedging Purposes (Derivative Liability)	12.370.315	13.439.088
Financial Instruments with Variable Interest Rate		
Financial Liabilities	469.515.177	397.906.319

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31 Financial Instruments and Financial Risk Management (continued)

Market risk (continued)

Interest profile (continued)

Fair value risk of fixed rate items:

The Group does not have financial assets and liabilities at fair value through profit or loss and hedging derivative instruments (interest rate swaps) recorded under the fair value hedge accounting model. Therefore, changes in interest rates as of the reporting period will not affect profit or loss.

Cash flow sensitivity risk of variable rate instruments:

A change of 100 basis points in interest rates at the end of the reporting period will cause an increase/(decrease) in equity and profit or loss as follows. This analysis assumes that all other variables, especially exchange rates, are constant.

	Profit or Loss		Equity	
	100 bp	100 bp	100 bp	100 bp
31 December 2022				
Financial Debts	(4.695.152)	4.695.152	(4.695.152)	4.695.152
Cash Flow Sensitivity (Net)	(4.695.152)	4.695.152	(4.695.152)	4.695.152
31 December 2021	-	-	-	-
Financial Debts	(3.979.063)	3.979.063	(3.979.063)	3.979.063
Cash Flow Sensitivity (Net)	(3.979.063)	3.979.063	(3.979.063)	3.979.063

The Group's objectives when managing capital are to maintain the Group's ability to continue to operate to provide returns for shareholders, benefits for other shareholders, and maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital using the net financial debt/equity ratio. Net financial debt is calculated by deducting cash and cash equivalents from the total financial debt amount.

	31 December 2022	31 December 2021
Total Financial Borrowings	669.486.798	558.433.612
Payables from Total Lease liabilities	120.766.799	106.200.586
Total Factoring Payables	19.500.000	10.603.600
Minus: Cash and Banks	55.837.397	48.011.596
Net Financial Debt	753.916.200	627.226.202
Equities	857.975.656	455.891.093
Net Financial Debt / Equity Ratio	0.88	1.38

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi and its Subsidiaries

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

31 Financial Instruments and Financial Risk Management (continued)

Market risk (continued)

Fair value

As of December 31, 2022, and December 31, 2021 the book values and fair values of assets and liabilities are shown in the table below:

31 December 2022	Financial Assets Measured at Amortized Value	Financial Liabilities measured at Amortized Value	Fair Value Through Profit or Loss	Book value	Fair Value	Note
Financial Assets						
Cash and Cash Equivalents	55.835.962	--	--	55.835.962	55.835.962	4
Trade Receivables from Related Parties	11.049.703	--	--	11.049.703	11.049.703	6
Trade Receivables from Third Parties	50.910.711	--	--	50.910.711	50.910.711	7
Other Receivables from Third Parties	2.027.210	--	--	2.027.210	2.027.210	8
Other Receivables from Related Parties	227.801	--	--	227.801	227.801	6
Contract Assets	23.998.239	--	--	23.998.239	23.998.239	16
Financial Liabilities						
Borrowings	--	809.753.597	--	809.753.597	809.753.597	9
Trade payables to Third parties	--	70.525.108	--	70.525.108	70.525.108	7
Other payables to Third parties	--	9.431.774	--	9.431.774	9.431.774	8
Other payables to related parties	--	303.702	--	303.702	303.702	6
Contract Liabilities	--	3.804.394	--	3.804.394	3.804.394	16
Derivative Liabilities	--	--	12.370.315	12.370.315	12.370.315	19
31 December 2021	Financial Assets Measured at Amortized Value	Financial Liabilities measured at Amortized Value	Fair Value Through Profit or Loss	Book value	Fair Value	Note
Financial Assets						
Cash and Cash Equivalents	48.011.164	--	--	48.011.164	48.011.164	4
Trade Receivables from Related Parties	3.732.554	--	--	3.732.554	3.732.554	6
Trade Receivables from Third Parties	38.332.592	--	--	38.332.592	38.332.592	7
Other Receivables from Third Parties	2.441.814	--	--	2.441.814	2.441.814	8
Other Receivables from Related Parties	2.749.087	--	--	2.749.087	2.749.087	6
Contract Assets	10.226.587	--	--	10.226.587	10.226.587	16
Financial Liabilities						
Borrowings	--	675.237.798	--	675.237.798	675.237.798	9
Trade Payables to Third Parties	--	39.054.263	--	39.054.263	39.054.263	7
Other Payables to Third Parties	--	16.463.989	--	16.463.989	16.463.989	8
Other Payables to Related Parties	--	7.080.788	--	7.080.788	7.080.788	6
Contract Liabilities	--	2.372.811	--	2.372.811	2.372.811	16
Derivative Liabilities	--	--	16.665.141	16.665.141	16.665.141	19

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

31 Financial Instruments and Financial Risk Management (continued)

Market risk (continued)

Fair value (continued)

It is assumed that the carrying values of financial assets and liabilities measured at amortized cost are close to their fair values due to their maturities, and since a significant part of long-term financial borrowings have floating interest rates and interest renewal dates are close to the balance sheet date, it is assumed that their fair values approach their book values.

Fair value disclosures

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants in the principal market for the asset or liability in which it is involved at the date of the transaction, or where there is no principal market, in an ordinary transaction assumed to take place in the most advantageous market.

The fair value levels are valuation with the stock prices traded in the active market (Level 1), with inputs used to find the price that can be observed directly or indirectly in the market other than the stock market price (Level 2) and valuation with inputs that are not based on any observable data in the market (Level 3) consists of 3 levels.

- Level 1: The data used in this category are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: This category includes data other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: The data used in this category consists of data that are not based on observable market data for assets or liabilities (unobservable data).

31 December 2022	Level 1	Level 2	Level 3
Derivative financial assets	--	1.498.566	--
Derivative financial liabilities	--	12.370.315	--
Total	--	12.370.315	--

31 December 2021	Level 1	Level 2	Level 3
Derivative financial liabilities	--	16.665.141	--
Total	--	16.665.141	--

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Notes to the Consolidated Financial Statements for the Year Ended 31 December 2022

(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

32 Government Grants

The Group has incentives in the form of VAT exemption and customs tax exemption, income tax withholding support, SSI incentive and reduced corporate tax, which it has obtained through various documents due to its investments from various group companies.

As of December 31, 2022, the details of the government incentives and aids that the Group has benefited and will benefit from are summarized in the table below:

Company title	VAT Exemption	Customs Withholding Tax Support	Income Tax Withholding	SSI Incentives	Corporate Tax Deductions	Utilization Period
Mavibayrak Enerji	Benefited.	Benefited.	Unavailable	Unavailable.	Unavailable.	None.
Mavibayrak Doğu	Benefited.	Benefited.	Will benefit when the incentive is closed.	Will benefit when the incentive is closed.	Unavailable.	Will be notified when the period is closed.
Doğal Enerji	Benefited.	Benefited.	Will benefit.	Will be clear when the incentive is closed.	Unavailable.	Will be notified when the period is closed.
Ra Güneş	Benefited.	Benefited.	Will benefit.	Will be clear when the incentive is closed.	Unavailable.	10 years after the incentive is closed.
Edusa Atık	Not benefited.	Not benefited.	Will benefit.	Will benefit.	Will benefit.	10 years after the incentive is closed. The investment is ongoing.

The incentives utilized by the Group within the scope of its sales are as follows:

All the biomass and solar energy companies projects in the Group's portfolio are within the scope of the Law on the Use of Renewable Energy Resources for the Purpose of Electricity Generation. Projects within this scope have received the Renewable Energy Resources Certificate and are subject to YEKDEM. The relevant projects have the right to benefit from the government's guarantee of purchase from generation at least 133 USD cents/kWh for 10 years from the date of their commissioning.

These companies, which are provided with income incentives with the purchase guarantee, are also not able to benefit from the Corporate Tax reduction incentive. According to the decision on state aids for investments numbered 2012/3305, electricity generation facilities, all of which are within the scope of the Law on the Use of Renewable Energy Resources for the Purpose of Electricity Generation, have the General Incentive Support Elements mentioned above.

Edusa Atık, which is not within the scope of YEKDEM, was established to meet the biomass fuel needs of the biomass power generation plants within the Group, and the investment incentive has not been closed yet.

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(All amounts are shown in Turkish Lira ("TRY") unless otherwise stated)

33 Subsequent Events

On February 6, 2023, due to the earthquakes centered in Kahramanmaraş and affecting many provinces, it was decided to declare a state of emergency for three months in the provinces of Adana, Adıyaman, Diyarbakır, Gaziantep, Hatay, Kahramanmaraş, Kilit, Malatya, Osmaniye and Şanlıurfa as per the Official Gazette No. 32098 dated Wednesday, February 8, 2023.

The Group is of the opinion that these earthquakes have no impact on the consolidated financial statements prepared as of December 31, 2022. Since the economic effects of the earthquakes and the measures taken regarding these earthquakes are uncertain as of the reporting date, the effects on the Group's operations and financial statements in the period after the reporting date cannot be reasonably estimated. The developments related to the natural disaster are closely monitored and due diligence is ongoing.

Consus Enerji's application for issuance of debt instruments made to the Capital Markets Board on December 8, 2022 was approved by the Capital Markets Board's decision dated 12 January 2023 and numbered 2/30, and the issuance certificate, the annex to the issuance certificate and the application form regarding the Company's debt instrument with a total nominal value of up to TRY 500.000.000 (five hundred million Turkish Lira), in the form of sales to domestic qualified investors without public offering, in single or multiple tranches are available on the Public Disclosure Platform (PDP) and the Company's website.

Subsequent to an agreement dated July 6, 2022 signed by Consus Enerji's wholly-owned subsidiary Tres Enerji Hizmetleri San. ve Tic. A.Ş. (Tres Enerji), and Pera Gayrimenkul Yatırım Ortaklığı A.Ş. (Pera), for the installation and operation of a solar power plant for the self-consumption of Sümerpark Shopping Center (AVM) owned by Pera in Denizli, Pera made a material event disclosure on February 7, 2023 and announced that the related contract was terminated due to "Tres Enerji's failure to fulfill its contractual obligations". On February 10, 2023, Consus Enerji made a PDP disclosure and announced that the reason for termination in Pera's statement did not reflect the truth. In the relevant statement of Consus Enerji, it was emphasized that Tres Enerji had fulfilled all its obligations under the contract and that Pera had not fulfilled its obligations under the relevant contract despite repeated official requests made by Tres Enerji. Consus Energy also informed the public that legal processes would be evaluated regarding all damages and penal clause claims arising from Pera's termination of the contract.

Investor Information

General Information About the Company

Trade Name:	Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi
Trade Registry Office and Number:	Istanbul-935636
Registration Date:	22.08.2014
Tax Office and Tax Number:	Istanbul Zincirlikuyu Tax Office- 2110679581
Paid-in Capital:	TRY 385,500,000
Registered Capital Ceiling:	TRY 1,500,000,000
Stock Exchange:	Borsa İstanbul A.Ş. (BIST)
BIST Transaction Code:	CONSE
Date Started to Be Traded on the Stock Exchange:	20.04.2022
Indices That the Company is Included:	BIST ELECTRICITY / BIST ISTANBUL / BIST STAR / BIST ALL / BIST ALL-100 / BIST PUBLIC OFFERING / BIST SERVICES
Company Headquarters Address:	Esentepe Mahallesi Büyükdere Caddesi 193 Apt. Block No: 193 İç Kapı No: 2 Şişli/İstanbul/Türkiye
Corporate Website:	www.consusenerji.com.tr
Phone and Fax:	+90 212 244 60 00 - +90 212 244 61 61

Investor Relations Department

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Independent Auditor

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Reşitpaşa Mahallesi Eski Büyükdere Caddesi No: 14/10 Park Plaza Kat: 3 Sarıyer/İstanbul/Türkiye
Tel: +90 212 426 00 93

Financial Information and Company News

Consus Enerji İşletmeciliği ve Hizmetleri A.Ş.'s financial statements, audit reports, activity reports and material event disclosures can be accessed from the Company's corporate website at <https://consusenerji.com.tr/en/home/>. Additionally, Information can be requested via e-mail from the Investor Relations Department of Consus Enerji İşletmeciliği ve Hizmetleri A.Ş.

Contact

Consus Enerji İşletmeciliği ve Hizmetleri Anonim Şirketi

Esentepe Mahallesi Büyükdere Caddesi 193 Apt. Blok No: 193 İç Kapı No: 2 Şişli/İstanbul/Türkiye
Tel: +90 212 244 60 00
info@consusenerji.com.tr

Contact information regarding biomass power plants, solar power plants and distributed energy facilities of Consus Enerji and its subsidiaries is as follows:

Biomass Power Plants	Address
Mavibayrak Enerji, Biomass Power Plant	Aydın province, Söke district, Söke OSB Mah. Atatürk Bulvarı No: 1/14/14
Mavibayrak Doğu Enerji, Biomass Power Plant	Mardin province, Derik district, Bayraklı Mah. Bayraklı Sok. No: 24
Doğal Enerji, Biomass Power Plant	Şanlıurfa Province, Merkez District, Şenocak Mah. Şenocak Sok. No: 154

Solar Power Plants (SPP)	Address
Ra Güneş SPP	Eryeri Mah., Eryeri Küme Evleri, No: 269 Artuklu/Mardin

Distributed Energy (Trigeneration) Facilities	Address
Antares AVM Facility	Ayvalı Mah. Afra Cad. No:1A Keçiören /Ankara
Van AVM Facility	Kınalı Mevkii, Ada No: 1475 Parsel No: 16 Van AVM İpekyolu /Van

Distributed Energy (Cogeneration) Facilities	Address
Banvit Bandırma Facility	Ömerli Mah. Ömerli Sok. No: 208 A Bandırma/Balıkesir
Europap Tezol Facility	Yedi Eylül Mah. Philsa Cad. No: 36/1 35860 Torbalı/İzmir
Köknar Facility	Evrensekiz Beldesi Gündoğdu Mah. Evrensekiz Cad. No: 1 Lüleburgaz /Kırklareli
Teverpan Facility	Veliköy Organize Sanayi Bölgesi Osman Uzun Cad. No: 16/1 Çerkezköy / Tekirdağ
Uşak Facility	Dilek Mah. Değirmenler Sok. No: 100 Banaz-Uşak
Vezirköprü Facility	Esentepe Mah. Hamit Kiper Cad. No: 8 55900 Vezirköprü / Samsun

All contact information of our Company can be found in the General Information-Contact tab on our Public Disclosure Platform (KAP) page (<https://www.kap.org.tr/tr/>).

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