



ENKA

Engineering for a Better Future

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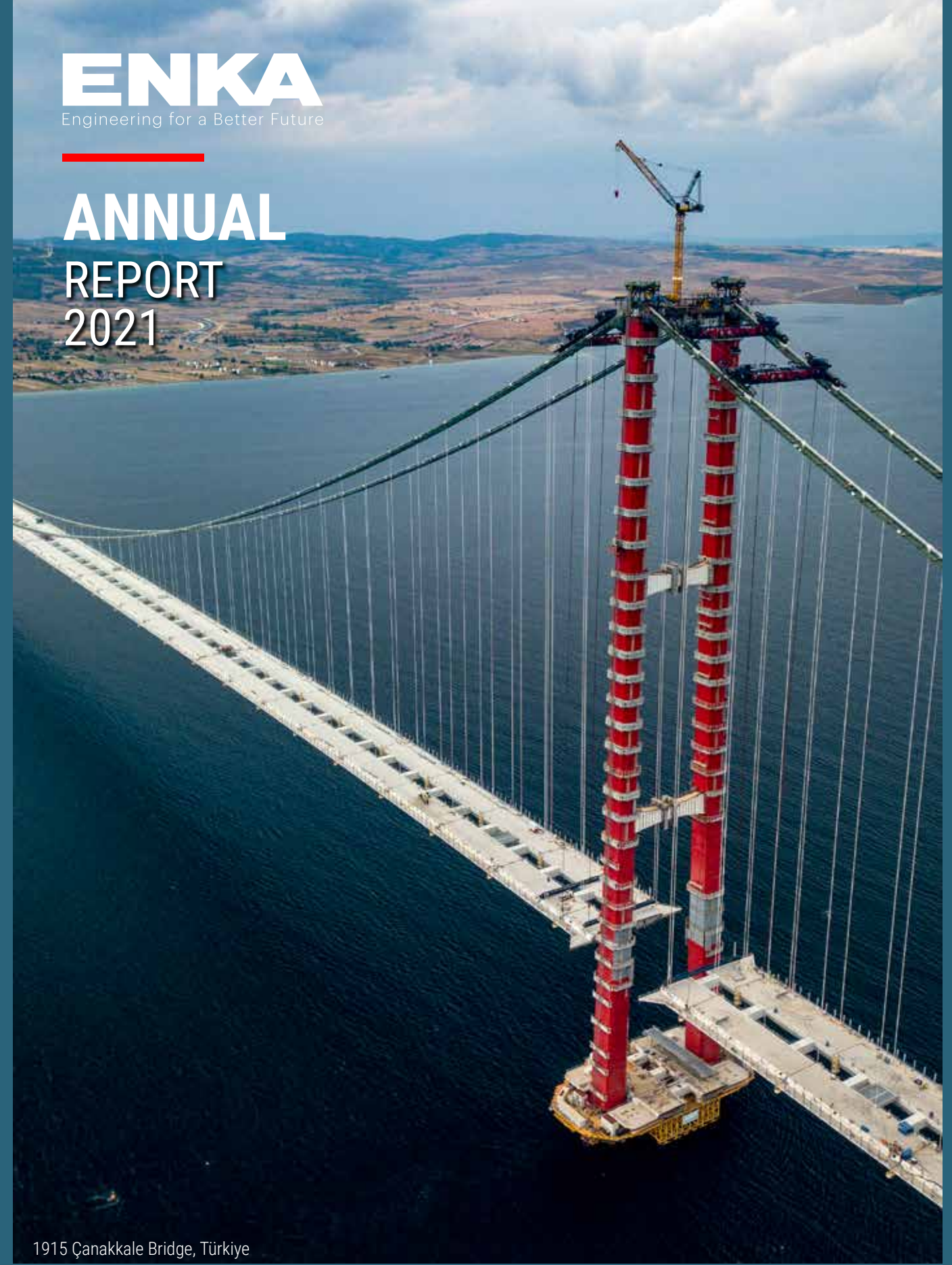
The Nassau Cruise Port, The Bahamas

ANNUAL REPORT 2021

ENKA

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Engineering for a Better Future

ANNUAL REPORT 2021



1915 Çanakkale Bridge, Türkiye

www.enka.com



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CONVENIENCE TRANSLATION INTO ENGLISH OF INDEPENDENT AUDITOR'S REPORT ON THE BOARD OF DIRECTORS' ANNUAL REPORT ORIGINALLY ISSUED IN TURKISH

To the Shareholders of ENKA İnşaat ve Sanayi Anonim Şirketi,

Opinion

We have audited the annual report of Enka İnşaat ve Sanayi Anonim Şirketi (the "Company"), its subsidiaries and joint operations (collectively referred to as "the Group"), for the period between 1 January 2021 and 31 December 2021, since we have audited the complete set consolidated financial statements for this period.

In our opinion, the consolidated financial information included in the annual report and the analysis of the Board of Directors by using the information included in the audited financial statements regarding the position of the Group are consistent, in all material respects, with the audited complete set of consolidated financial statements and information obtained during the audit and provides a fair presentation.

Basis for Opinion

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

Auditor's Opinion on Complete Set of Consolidated Financial Statements

We have expressed an unqualified opinion on the complete set of consolidated financial statements of the Group for the period between 1 January 2021 and 31 December 2021 on 2 March 2022.



Board of Directors' Responsibility for the Annual Report

In accordance with the Articles 514 and 516 of the Turkish Commercial Code numbered 6102 ("TCC") and Communiqué on the Principles of Financial Reporting in Capital Markets numbered II – 14.1 (the "Communiqué"), the Group's management is responsible for the following regarding the annual report:

- The Group's management prepares its annual report within the first three months following the date of statement of financial position and submits it to the general assembly.
- The Group's management prepares its annual report in such a way that it reflects the operations of the year and the consolidated financial position of the Group accurately, completely, directly, true and fairly in all respects. In this report, the financial position is assessed in accordance with the Group's consolidated financial statements. The annual report shall also clearly indicates the details about the Group's development and risks that might be encountered. The assessment of the Board of Directors on these matters is included in the report.
- The annual report also includes the matters below:
 - Significant events occurred in the Group after the reporting period,
 - The Group's research and development activities.
 - Financial benefits such as wages, premiums and bonuses paid to board members and key management personnel, appropriations, travel, accommodation and representation expenses, benefits in cash and kind, insurance and similar guarantees.

When preparing the annual report, the Board of Directors also considers the secondary legislation arrangements issued by the Ministry of Trade and related institutions.

Auditor's Responsibility for the Audit of the Annual Report

Our objective is to express an opinion on whether the consolidated financial information included in the annual report in accordance with the TCC and the Communiqué and analysis of the Board of Directors by using the information included in the audited financial statements regarding the position of the Group are consistent with the audited consolidated financial statements of the Group and the information obtained during the audit and give a true and fair view and form a report that includes this opinion .

We conducted our audit in accordance with the standards on auditing issued by the Capital Markets Board of Turkey and Standards on Auditing issued by POA. These standards require compliance with ethical requirements and planning of audit to obtain reasonable assurance on whether the consolidated financial information included in the annual report and analysis of the Board of Directors by using the information included in the audited financial statements regarding the position of the Group are consistent with the consolidated financial statements and the information obtained during the audit and provides a fair presentation.

Additional paragraph for convenience translation to English

The complete set of consolidated financial statements prepared in accordance with the Turkish Financial Reporting Standards ("TFRS") issued 2 March 2022 is incorporated by reference in the Annual Report presented in English whereas it is attached to the Annual Report presented in Turkish. In addition to the Annual Report presented in Turkish, the consolidated financial statements prepared in accordance with the International Financial Reporting Standards ("IFRS") issued 2 March 2022 is attached to the Annual Report presented in English.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Gökhan Atılğan, SMMM
Partner

2 March 2022
İstanbul, Türkiye

ENKA İnşaat ve Sanayi A.Ş. The Board of Directors' Annual Report

Reporting Period	01.01.2021 - 31.12.2021
Registered Company Name	ENKA İnşaat ve Sanayi A.Ş.
Registration or Incorporation	1957
Registered Country	İstanbul / Türkiye
Chamber of Commerce Registration Number	68194
Paid-in Capital	5,600,000,000 TL (Turkish Lira) 2,727,681,580 US Dollars (equivalent)
BS EN ISO 9001 Certificate No	2015 Registered FS 57544
BS EN ISO 14001 Certificate No	2015 Registered EMS 71388
BS EN ISO 45001 Certificate No	2018 Registered OHS 71389
BS IEC 27001 Certificate No	2013 Registered OHS 715596
ASME A Certificate No	2019 Registered 45151
ASME U Certificate No	2019 Registered 45152
ASME U2 Certificate No	2019 Registered 45153
ASME S Certificate No	2019 Registered 45154
NB	2019 Registered
R Stamp	2019 Registered
Corporate Governance Rating	9,28 (November 2021 - SAHA Kurumsal Yönetim ve Kredi Derecelendirme Hizmetleri A.Ş.)
Head Office Address	Balmumcu Mah., Zincirlikuyu Yolu No: 10, 34349 Beşiktaş / İstanbul
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Official Website	https://www.enka.com
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COMPANIES

ENGINEERING & CONSTRUCTION

- ENKA İnşaat ve Sanayi A.Ş.
- Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş.
- Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş.
- Cimtas Boru İmalatları ve Ticaret Ltd. Şti.
- Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti.
- Cimtas Ningbo Modular Skids & Pipe Spools
- ENKA UK Construction Ltd.
- Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş.
- ENKA Holding B.V.
- ENKA Construction and Development B.V.
- ENKA Power Systems B.V.
- Bechtel ENKA UK Limited
- Entrade GmbH
- Capital City Investment B.V.

POWER GENERATION

- Adapazarı Elektrik Üretim Ltd. Şti.
- Gebze Elektrik Üretim Ltd. Şti.
- İzmir Elektrik Üretim Ltd. Şti.

REAL ESTATE

- MosENKA
- Moskva Krasnye Holmy
- ENKA Holding Investment S.A.
- City Center Investment B.V.
- Limited Liability Company ENKA TC
- LLC ENKA Flex Office

TRADE

- ENKA Pazarlama İhracat İthalat A.Ş.
- Entaş Nakliyat ve Turizm A.Ş.
- AirENKA Hava Taşımacılığı A.Ş.
- ENKA Systems Yazılım A.Ş.



(The full list of the companies can be found in the Consolidated Financial Statements as of December 31, 2021)

THE GENERAL ASSEMBLY MEEETING

Date: 25 March 2022

Time: 14:00

Venue: Balmumcu Mah. Zincirlikuyu Yolu No:6

ENKA Konferans Salonu

Beşiktaş/İSTANBUL

AGENDA

1. Election of the General Assembly Presidential Board and authorization of the Presidential Board for signing the Minutes of the General Assembly Meeting,
2. Reading and discussing the Annual Report of the Board of Directors and the Financial Statements for the fiscal year 2021,
3. Reading and discussing the Report of Independent Auditors,
4. Regarding the regulations of Capital Markets Board, informing the shareholders about the donations made within the fiscal year 2021 under the framework of Company's current Donation and Aid Policy,
5. Approval of Balance Sheet and Income Statement Accounts of 2021,
6. Acquittal and release of the Board Members due to the Company's activities for the fiscal year 2021,
7. Election of the Board Members,
8. Regarding the regulations of Capital Markets Board, determining the attendance fee for the Board Members as 34.000 Turkish Liras per month according to the principles set in the Remuneration Policy Applicable to the Board Members and Administratively Responsible Managers,
9. Approval of the selection of the Independent Auditors recommended as KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. by the Board of Directors,
10. Regarding the regulations of Capital Markets Board, making decision on distribution of the Balance Sheet profit of 2021 according to the current Profit Distribution Policy of the Company,
11. Informing the shareholders that there are no guarantees, pledges, mortgages and encumbrances given to the benefit of third parties regarding the regulations of Capital Markets Board,
12. Approving the Authorization of the Board of Directors for deciding the distribution of the Advance Dividend for the fiscal year 2022 in accordance with the Article No.37 of the Articles of Association and within the scope of Capital Markets Board's Communiqué No.II-19.1 dated January 23, 2014 for advance dividends,
13. Discussion and approval of set off of the Advance Dividends to be distributed so, from any distributable resources as given in the annual financial situation statement for the fiscal year 2022, if no sufficient profits are realized or even losses are suffered at the end of the fiscal year 2022,
14. Authorization of the Board Members to engage in businesses mentioned in Articles 395 and 396 of the Turkish Code of Commerce and in compliance with the Corporate Governance Principles, informing the General Assembly on any businesses engaged in and performed by the same within such framework during the fiscal year 2021,
15. Requests and recommendations.

Board of Directors



Sinan Tara
Chairman of the Board
(Executive Member)



Haluk Gerçek
Vice Chairman of the Board
(Executive Member)



Erdoğan Turgut
Member of the Board
(Non-Executive Member)



Mehmet Mete Başol
Member of the Board
(Non-Executive &
Independent Member)



Fatih Osman Tar
Member of the Board
(Non-Executive &
Independent Member)

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Chairman's Message



Dear Shareholders,

On behalf of the Board of Directors of ENKA İnşaat ve Sanayi A.Ş., we would like to extend to you our deepest respects and to thank you for attending the Annual General Meeting.

As at the end of 2021, ENKA's equity amounted to 6.68 billion USD, its net cash position to 5.1 billion USD, its consolidated turnover to 2.86 billion USD, and its consolidated net profit to 610 million USD. As a company that adopted the principle of distributing dividend every year, we are planning to distribute 290 million USD of cash dividend from 2021 activities.

As in previous years, the sectors on which ENKA focuses on are engineering and construction, power generation, real estate investment and management as well as trading.

The turnover of the engineering and construction sector was realised as 1.57 billion USD.

New projects undertaken in 2021 include; the Combined Heat and Power Plant Project in Hamburg, Germany; the third phase

works of a High-technological Multifunctional Medical Complex in St. Petersburg, Russia; the Prefabrication, Installation & Erection of Piping Systems of Power Island of Hinkley Point C Nuclear Power Plant in Somerset, England; the Nassau Cruise Port Land Works Project in the Bahamas; and Yandex Headquarters in Moscow, Russia. With the contribution of our group companies, ENKA's share of new works received in 2021 is at the level of 1.7 billion USD.

With respect to energy generation, ENKA is Turkey's largest private sector electrical power generator with its wholly owned natural gas combined cycle power plants in Gebze, Adapazarı and İzmir, operated under the Build-Operate model with a total capacity of 4,100 MW, and it is able to meet approximately 10% of Turkey's annual electricity needs. Following expiry of the Electricity Sale Agreements with EÜAŞ, Adapazarı and Gebze power plants had suspended their generation in February 2019 and İzmir power plant suspended in August 2019. In all plants, production resumed in the middle of 2021, generating of 797 million USD turnover.

In the real estate sector, from which we generated 304 million USD turnover in 2021, we continue to manage Class A office buildings and shopping malls through our companies established in Russia. In this segment, as of the end of the year, we own approximately 390,000 m² of net rentable Class A office space and 365,000 m² of net rentable space in shopping malls and a hotel which are all located in Moscow except one of the shopping malls. In all the office buildings which we manage, we are hosting some of the world's foremost international companies. Besides the fact that the name ENKA has become synonymous with quality, our success in the development and management of real estate has been compounded by our company's record of fulfilling all its promises. We reinforce this success with new investments. In 2020, in addition to our existing office investments in Moscow, an office building of 24,000 m² was bought in the Central Administrative District, within walking distance to Red Square and served as the center of the Ministry of Economic Development of Russian Federation.

In the field of trading activities, ENKA Pazarlama, which is the sales and after-sales services representative of the world's trusted brands in construction equipment, lifting equipment and industrial products, and which is the market leader in its sector, increased its turnover by 63% in 2021 compared to the previous year and achieved a turnover of 244 million USD.

The health and safety of our employees have always been our top priority in all our projects and in all geographies where we operate. With the world-class Health, Safety and Environment

management systems we have implemented, our incident frequency rates have exceeded the sector targets in 2021. Considering that more than 50,000,000 person-hours of work was carried out in our construction activities in 2021; the level of success achieved by our group and the importance our company attaches to the Health, Safety and Environment can be seen more clearly. Our company has continued to adapt quickly to the changing effects of the pandemic in 2021 and to take appropriate actions. In this process, practices that can set an example for the sector in general have been put into effect, and our activities have continued without interruption with the measures implemented with determination since the first day of the pandemic.

We create value for our shareholders as well as all stakeholders by integrating the Sustainability Management we have established into all our processes. We are included in the most prestigious sustainability and environmental, social, and governance (ESG) indices of the world with our strong ESG performance, which we have developed with emphasis for many years.

The greatest factor in our success as ENKA is our ability to carry out our work on time and in line with high quality standards. We continue our activities by preserving our profit margin in the sectors we focus on, without compromising our criteria.

Dear shareholders, we wish you health, success and happiness in the new year.

SİNAN TARA
Chairman of the Board
1 March 2022

OUR OPERATIONS



GROUP COMPANIES

1. Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş., Gemlik, Türkiye
2. Cımtaş Boru İmalatları ve Ticaret Ltd. Şti., Gemlik, Türkiye
3. Cımtaş Ningbo Modular Skids & Pipe Spools, Ningbo, Çin
4. Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti., Gemlik, Türkiye
5. Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş., Kocaeli, Türkiye
6. Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş., Türkiye

POWER GENERATION

7. Adapazarı Elektrik Üretim Ltd. Şti., Adapazarı, Türkiye
8. Gebze Elektrik Üretim Ltd. Şti., Adapazarı, Türkiye
9. İzmir Elektrik Üretim Ltd. Şti., İzmir, Türkiye

REAL ESTATE

10. ENKA TC, Moscow, Russia
11. City Center Investment B.V., Moscow, Russia
12. ENKA Invest, Moscow, Russia
13. MosENKA, Moscow, Russia
14. Moskva - Krasnye Holmy, Moscow, Russia
15. Otel Moskva - Krasnye Holmy, Swissotel Krasnye, Moscow, Russia
16. LLC ENKA Flex Office, Russia

TRADE

17. ENKA Pazarlama İhracat İthalat A.Ş., İstanbul, Türkiye
18. ENTAŞ Nakliyat ve Turizm A.Ş., İstanbul, Türkiye
19. AirENKA Hava Taşımacılığı A.Ş., İstanbul, Türkiye
20. ENKA Systems Yazılım A.Ş., İstanbul, Türkiye

SOCIAL ACTIVITIES

21. ENKA Foundation, İstanbul, Türkiye
22. ENKA Sports Club, İstanbul, Türkiye
23. ENKA İstanbul Schools, Türkiye
24. ENKA Adapazarı Schools, Türkiye
25. Private ENKA Science and Technology High School - Kocaeli, Türkiye
26. Private ENKA Vocational and Technical Anatolian High School - Kocaeli, Türkiye
27. ENKA Arts, İstanbul, Türkiye

Tengiz Base Operations and Maintenance Works, Tengiz, Kazakhstan



OIL, GAS & PETROCHEMICAL PROJECTS

Tengiz Base Operations & Maintenance Works, Tengiz, Kazakhstan

Third Generation Project (3GP)
Mechanical, Electrical & Instrumentation
Installation Works, Tengiz, Kazakhstan

West Qurna 1 (WQ1) Produced Water 2
Facility (PW2) Project, Basra, Iraq



Tengiz Base Operations and Maintenance Works



LOCATION	Tengiz, Kazakhstan
OWNER / CLIENT	Tengizchevroil (TCO) (a Joint Venture between Chevron, ExxonMobil, LukArco and KazMunayGas)
PROJECT DURATION	March 2001 - August 2023
CONTRACT TYPE	Lump sum+Unit Rate+ Reimbursable
CONTRACT VALUE	USD 660 Million

Since the beginning of 2001, the ENKA-Bechtel joint venture, in which ENKA has a 50% stake, has been awarded contracts for the project with a total contract value of USD 660 million.

Within the contract scope of engineering, procurement and construction works required for the maintenance and repair works of the oil and gas production facilities of the client; piling, foundation and infrastructure works, pipe spool and pre-cast fabrication works, structural steel erection works, piping/ pipeline works, mechanical, electrical and instrumentation works are being carried out.

The works carried out under the project in 2021 include the following:

- ▶ The SGP LP Flare Header Upgrade Pre-Turnaround (TA) construction works were completed.
- ▶ The SGP LP Flare Header Upgrade TA works were successfully completed in August.
- ▶ The SGP LP Flare Header Upgrade Post-TA and demolition works reached over 70% completion.
- ▶ The FGP TA prefabrication and site execution works in various locations (MS-24, MS-26, PM-4, KLDS) were successfully completed.
- ▶ Field new flow line and hook-up works continue.
- ▶ Field flow line roll-back and reinstatement works are in progress.
- ▶ Construction of new wells and flow lines of wells continues.
- ▶ Main manifold HPFG tie-ins were completed during the TA in August.

By the end of 2021, the completion rate of the project was 67% (only for ongoing projects). The project is expected to be completed in August 2023.

The number of employees working on the project reached 314 in August 2021 during the SGP TA.



Third Generation Project (3GP) Mechanical, Electrical and Instrumentation Installation Works



LOCATION	Tengiz, Kazakhstan
OWNER / CLIENT	Tengizchevroil (TCO) (a Joint Venture between Chevron, ExxonMobil, LukArco and KazMunayGas)
PROJECT DURATION	May 2018 - April 2023
CONTRACT TYPE	Lump sum+Unit Rate+Reimbursable

Senimdi Kurylys LLP, an equal joint venture between ENKA and Bechtel, was awarded the contract for the mechanical, electrical and instrumentation installation works for the Third Generation Project (3GP) in May 2018.

The 3GP is part of TCO’s Future Growth Project (FGP) which is an integrated project being developed primarily to increase the production capacity of the Tengiz Oil Field by an additional 12 million tons per year (260,000 barrels per day) and its gas production capacity by an additional 27 million m³ per day.

The project is being carried out using a modularized construction strategy, with modules constructed both at coastal fabrication yards in Kazakhstan and at other fabrication yards in Europe and the Far East.

The project includes construction work for the crude processing plant, as well as the module stacking, sour water stripper and utilities areas.

Construction of the mechanical, electrical and instrumentation works and module stacking, installation and hook-up are included within the scope of the project and the key quantities are as follows:

- ▶ Stacking of 99 modules and setting of 66 modules on foundations,

- ▶ Construction of 14,000 tons of stick-built steelwork,
- ▶ Fabrication and installation of 116,500 m of pipework, and erection of 21,600 m of spools shipped loose,
- ▶ Installation of 2,000 km of electrical, instrumentation and telecom cables,
- ▶ Installation of 200 pieces of mechanical equipment,
- ▶ Integration of 240 pieces of mechanical equipment,
- ▶ Insulation of 92,000 m of pipework and 17,000 m² of equipment,
- ▶ Construction of 9 buildings (6 major and 3 minor),
- ▶ 100,000 m² of paved roads.

By the end of December 2021, the completion rate had reached 80%, with a total of 4,300 employees working on the project and 12 million person-hours of work carried out without any lost time incident (LTI).

Major accomplishments at the site include:

- ▶ The first four contractual milestones completed include the Utility Substation, Maintenance and Operations Building, Air Compression and Nitrogen Modules and Potable Water Module delivered to the client in October and November.
- ▶ Two TCO strategic checkpoints were completed (completion of utilities module integration in September and energization of 110KV substation in October).
- ▶ Train 1 and Train 2 flare structures and riser piping, with both structures standing at 180 m high were erected.
- ▶ 13,700 tons of structural steel were erected.
- ▶ Total of 4,200 tons of pipe spools were fabricated at SK Tengiz Spool Shop.
- ▶ 115,000 m of piping installation and 60,000 dia-inch of field welding were completed.
- ▶ 40,500 m of piping insulation and 15,500 m² of equipment insulation were completed.
- ▶ 1.4 million meters of cable pulling was completed.
- ▶ The construction of 5 out of 6 major buildings and 3 minor buildings was completed.
- ▶ The stacking of 99 modules and the setting of 66 modules on the foundations were completed.
- ▶ Installation of 180 pieces of mechanical equipment was completed.
- ▶ Within the scope of civil and underground works; 96,000 m³ of excavation, 112,500 m³ of backfill, 8,400 m³ of paving and 6,050 m³ of concrete works were completed.
- ▶ 163,000 person-hours of craft training were completed.



West Qurna 1 (WQ1) Produced Water 2 (PW2) Facility Project



LOCATION	Basra, Iraq
OWNER / CLIENT	ExxonMobil Iraq Limited
PROJECT DURATION	December 2019 - December 2022
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	USD 70 Million

ENKA was awarded the contract by ExxonMobil Iraq Limited (EMIL) in December 2019 for the engineering, procurement, construction and commissioning of the new Produced Water 2 Facility (PW2).

The PW2 Project will produce 210,000 barrels of water per day of outlet stream treated produced water in order to meet forecast produced water across West Qurna 1 Degassing Stations 6, 7 and 8. The end user of the new facility is the Basra Oil Company (BOC) of Iraq.

The mobilization to the project site was completed in 2021.

As of December 2021, a total of 160 ENKA employees were working at the İstanbul Headquarters, Dubai Office and construction site for the project.

Engineering works were completed by the end of 2021.

Engineering and fabrication works for major equipment, such as produced water treatment package, air and nitrogen generator, produced water horizontal centrifugal pumps, integrated control and safety system (ICSS) and local electrical room (LER) have been completed.

Factory acceptance tests have been completed for produced water horizontal centrifugal pumps, integrated control and safety system (ICSS) and local electrical room (LER). Factory acceptance tests for produced water treatment package, air and nitrogen generator continue.

Pipe spool manufacturing along with the pipe support supply of the project is being carried out at ENKA's subsidiary Cimtas Pipe. Pipe fabrication activities have been commenced. Clarifier tank and first batch of pipe spools have been shipped to Iraq.

A progress rate of 86% had been achieved for procurement as of the end of 2021.

Site backfilling, levelling and piling works were completed in 2021. Concrete pouring works have started and are planned to be completed in the first quarter of 2022. The rate of progress on the construction work was 12% by the end of 2021.

By the end of December 2021, the project had reached 63% EPC work progress with 761 working days and 471,676 person-hours without any lost time incident (LTI).

The planned completion date of the project is December 22nd, 2022.



Samawa 750 MW Combined Cycle Power Plant, Iraq



POWER PLANT PROJECTS

Dhi Qar 750 MW Combined Cycle Power Plant, Iraq

Samawa 750 MW Combined Cycle Power Plant, Iraq

Dradenau Combined Heat and Power Plant, Germany

Hinkley Point C (HPC) Nuclear Power Plant Turbine Island HP & IP/LP Piping Prefabrication and Erection Works, England

Kazan 250 MW Combined Cycle Power Plant, Russia

Nizhnekamsk 495 MW Combined Cycle Power Plant, Russia

Zainskaya 850 MW Combined Cycle Power Plant, Russia

Misurata 650 MW Simple Cycle Power Plant Project, Libya

Tripoli West 671 MW Simple Cycle Power Plant Project, Libya



Dhi Qar 750 MW Combined Cycle Power Plant



LOCATION	: Nasiriyah, Iraq
OWNER / CLIENT	: Ministry of Electricity of Iraq
CONTRACTOR	: Consortium of General Electric Global Parts & Products GmbH and GE Middle East FZE Iraq Branch and ENKA UK Construction Limited
PROJECT DURATION	: Phase 1: 28 months (March 2019 - June 2021) Phase 2: 34 months
CONTRACT TYPE	: Lump Sum Turn Key
CONTRACT VALUE	: USD 561 Million

ENKA signed a consortium agreement with General Electric (GE) on January 3rd, 2017, to undertake works on the Dhi Qar Combined Cycle Power Plant Project, which was awarded to GE by the Ministry of Electricity of Iraq under a contract signed on February 5th, 2017.

The contract, which was awarded on an Engineering, Procurement and Construction (EPC) basis, includes design works, manufacturing, deliveries to site, construction and assembly works, operation, commissioning, start up and testing.

The four 9E gas turbine (GT) and generator sets (4X125 MW) and auxiliaries were purchased by the client from General Electric under the “Mega Deal” project in December 2008. The GT sets were to be installed and commissioned by the GE-ENKA consortium in simple cycle mode and will be converted to combined cycle through the addition of a steam tail and associated equipment. The power plant has a 4x4x1 configuration and will be capable of using three different fuels; with natural gas as the primary fuel, light distilled oil and crude oil as back-up fuels. The fuel storage and treatment facilities for the liquid fuels are also included in the scope of the work. The gross output at ISO conditions will be 750 MW.

In late 2018, the work was divided into two phases to overcome financing and budget challenges.

Phase 1 broadly envisages the completion of the simple cycle plant, including the 132 kV air insulated switchyard (AIS) and 400 kV gas insulated switchyard (GIS) together with common balance of plant of a size and capacity to accommodate the combined cycle operation.

Phase 2 broadly involves the completion of the combined cycle plant by adding on the necessary equipment.

Phase 1 was financed by UK Export Finance (UKEF) and Phase 2 will be financed by the Iraqi Government.

Accordingly, Phase 1 was commenced on March 18th, 2019 and was completed on June 22nd, 2021. Phase 2 is currently on hold as the client could not finalize financing arrangements of Phase 2 yet. The contract duration for Phase 2 is 1,020 days from the starting date of Phase 2.

ENKA is responsible for the conceptual design and detailed engineering of the entire civil works, the piling works, the mechanical and electrical works for Balance of Plant (BoP).

ENKA is also responsible for procurement of the BoP equipment and construction services including the overall civil works, the piling works, the erection and installation of BoP and power block equipment, and the testing and commissioning activities required to achieve successful operation on a turnkey basis.

The scope of GE covers design, procurement, manufacturing and transportation of the power block equipment and main machinery sets such as the HRSGs, diverter dampers, STG, ACC, DCS, 132 kV AIS and 400 kV GIS, step-up transformers and autotransformers, excluding the free issued equipment to Iraq. GE is also responsible for the testing and commissioning of the equipment.

All 4 gas turbines have been commissioned and handed over to the client ahead of schedule to be put into operation to produce additional 500 MW power to Iraqi grid in July 2020.

In 2021, remaining systems of Phase 1 including 400kV gas insulated switchyard (GIS), demineralized water treatment plant, liquid fuel unloading, storage and treatment system, and non-process buildings were completed and commissioned.

By end of 2020, ENKA set up a laboratory at the project site which serves the Dhi Qar Project as well and capable of performing PCR and antibody testing in-house. The laboratory provides faster diagnosis and quicker responsive actions.

In addition to the strict pandemic procedures and preventative actions implemented at the Dhi Qar project site, and thanks to the rapid diagnosis provided by this laboratory, no positive Covid-19 cases were detected in the Dhi Qar project in 2021.

The operational acceptance of Phase 1 was achieved on 22 June 2021. As the client was not able to complete the crude oil line and supply crude oil in 2021, crude oil system commissioning activities will be completed in 2022 during the warranty period.

For the civil works, 9,500 m³ of lean concrete and 67,239 m³ of structural concrete had been poured.

A total of 1,885 tons of steel erection was achieved along with air insulated switchyard (AIS) within the scope of project.

With respect to the electrical works, 1,065 km of high voltage, medium voltage, low voltage and instrument cables had been installed.

As of the end of December 2021, a total of 59 people were working on the project.

By the end of 2021, a total of 8,701,337 person-hours and 1,613 days had been worked on the project without any lost time incident (LTI).



Samawa 750 MW Combined Cycle Power Plant



LOCATION	Samawa, Iraq
OWNER / CLIENT	Ministry of Electricity of Iraq
CONTRACTOR	Consortium of General Electric Global Parts & Products GmbH and GE Middle East FZE Iraq Branch and ENKA UK Construction Limited
PROJECT DURATION	Phase 1: 28 months (March 2019 - June 2021) Phase 2: 34 months
CONTRACT TYPE	Lump Sum Turn Key
CONTRACT VALUE	USD 562 Million

ENKA signed a consortium agreement with General Electric (GE) on January 3rd, 2017 to undertake works on the Samawa Combined Cycle Power Plant Project, which was awarded to GE by the Ministry of Electricity of Iraq under a contract signed on February 5th, 2017.

The contract, which was awarded on an Engineering, Procurement and Construction (EPC) basis, includes design works, manufacturing, deliveries to site, construction and assembly works, operation, commissioning, start-up and testing.

The four 9E gas turbine (GT) and generator sets (4X125 MW) and auxiliaries were purchased by the client from General Electric under the “Mega Deal” project in December 2008. The GT sets were to be installed and commissioned by the GE-ENKA consortium in simple cycle mode and then will be converted to combined cycle through the addition of a steam tail and associated equipment. The power plant has a 4x4x1 configuration and will be capable of using three different fuels, with natural gas as the primary fuel and light distilled oil and heavy fuel oil as back-up fuels. The fuel storage and treatment facilities for the liquid fuels are also included in the scope of the work. The gross output at ISO conditions will be 750 MW.

In late 2018, the work was divided into two phases to overcome financing and budget challenges.

Phase 1 broadly envisages the completion of the simple cycle plant, including the 132 kV air insulated switchyard (AIS) and 400 kV gas insulated switchyard (GIS) together with common balance of plant of a size and capacity to accommodate the combined cycle operation.

Phase 2 broadly involves the completion of the combined cycle plant by adding on the necessary equipment.

Phase 1 was financed by UK Export Finance (UKEF) and Phase 2 will be financed by the Iraqi Government.

Accordingly, Phase 1 was commenced on March 18th, 2019 and completed on June 22nd, 2021. Phase 2 is currently on hold as the client could not finalize financing arrangements of Phase 2 yet. The contract duration for Phase 2 is 1,020 days from the starting date of Phase 2.

ENKA is responsible for the conceptual design and detailed engineering of the entire civil and piling works as well as all process, mechanical and electrical works for the Balance of Plant (BoP).

ENKA is also responsible for procurement of the BoP equipment and construction services including the overall civil works, the piling works, the erection and installation of BoP and power block equipment, and the testing and commissioning activities required to achieve successful operation on a turnkey basis.

The scope of GE covers design, procurement, manufacturing and transportation of the power block equipment and main machinery sets such as the HRSGs to Iraq. GE is also responsible for the testing and commissioning of the equipment.

The 3 gas turbines have been commissioned and handed over to the client ahead of the schedule to be put into operation to produce additional 375 MW power to Iraqi grid in July 2020.

By end of 2020, ENKA set up a laboratory at the Samawa project site which serves the Dhi Qar Project as well and capable of performing PCR and antibody testing in-house. The laboratory provides faster diagnosis and quicker responsive actions.

In addition to the strict pandemic procedures and preventative actions implemented at the Samawa project site, and thanks to the rapid diagnosis provided by this laboratory, no positive Covid-19 cases were detected in the Samawa project in 2021.

The Samawa project has been awarded with the “Distinction” prize by British Safety Council in “International Safety Awards 2021”; which demonstrates project team’s commitment to safety and awareness.

Commissioning of the 4th GT unit was completed and handed over to the client in January 2021, as the Packaged Electronic Electrical Control Compartment (PEECC) of the 4th GT unit, which was the part of free issued equipment, turned out to be defective and the replacement was delivered only in October 2020.

In 2021, remaining systems of Phase 1 including 400kV gas insulated switchyard (GIS), demineralized water treatment plant, liquid fuel unloading, storage and treatment system, and non-process buildings were completed and commissioned.

The operational acceptance of Phase 1 was achieved on June 22nd 2021. The power plant in its entirety was handed over to the client. The commissioning works of liquid fuel systems and GTs with liquid fuel have been completed by the end of 2021, as the client can only deliver liquid fuel after the operational acceptance.

For the civil works, 11,792 m³ of lean concrete and 71,345 m³ of structural concrete had been poured.

A total of 2,528 tons of steel erection was achieved along with air insulated switchyard (AIS) within the scope of project.

With respect to the electrical works, 1,211 km of high voltage, medium voltage, low voltage and instrument cables had been installed.

As of the end of December 2021, a total of 55 people were working on the project.

By the end of December 2021, a total of 8,422,308 person-hours and 1,613 days had been worked on the project without any lost time incident (LTI).



Dradenau Combined Heat and Power Plant



LOCATION	Hamburg, Germany
OWNER / CLIENT	Hamburger Energiewerke GmbH
PROJECT DURATION	September 2021 – December 2024
CONTRACT TYPE	EPC Contract with the Open Book components
CONTRACT VALUE	EUR 340 Million

The partnership ARGE Uniper-ENKA Dradenau (UEJV) has undertaken the Dradenau Combined Heat and Power Plant (CHP) in the port area of the Free and Hanseatic City of Hamburg, in Germany under the contract awarded by Hamburger Energiewerke GmbH (former Wärme Hamburg GmbH) on September 14th, 2021.

The partnership ARGE Uniper-ENKA Dradenau (UEJV) being the EPC contractor of the project is a fully integrated joint venture and is responsible for all deliverables and services for the Dradenau CHP plant such as planning, engineering, design, procurement, manufacturing, delivery, construction, erection, commissioning, testing and project management. The duration of the contract is 39 months from the contract signing.

The project aims to replace the coal-fired CHP plant in Wedel by a new and climate-friendly CHP plant in Dradenau ("KWK-Anlage Dradenau"). The Dradenau CHP Plant will use heat from two sources:

- ▶ Heat from a natural gas-fired combined cycle power plant to be built at the site of the planned combined heat and power plant in Dradenau.
- ▶ Heat from third party feeders, such as heat from thermal waste recovery, industrial waste heat, waste heat from sewage treatment plant processes, etc.

The project will be based on 2x2x1 configuration equipped with two Siemens SGT-800 gas turbines, one steam turbine and two heat recovery steam generator (HRSG) with one additional gas steam generator. When completed, the plant will achieve an electrical output of 180 MW and 260 MW district heating capacity.

As of December 31st, 2021, the project is at the basic design engineering stage, also pre-mobilization works are ongoing at the project site. In parallel procurement of the 4 major equipment is continuing. As of 31 December; gas turbine, heat recovery steam generator (HRSG) and gas fired steam generator contracts have been signed and the steam turbine contract is planned to be signed in January 2022.

Piling works as part of the permanent works are planned to commence in April 2022.

Staff mobilization has started and key personnel have already been assigned for the project.

Hinkley Point C (HPC) Nuclear Power Plant Turbine Island HP & IP/LP Piping Prefabrication and Erection Works



LOCATION	Bridgwater, Somerset, England
OWNER / CLIENT	GE Steam Power Ltd.
PROJECT DURATION	September 2021 - February 2026
CONTRACT TYPE	Lump Sum

The first new nuclear power plant to be built in the UK in over 20 years, HPC is a 3,200 MW nuclear power plant with two on-site EPR reactors. The final investment decision of the power plant was made in 2016 and the construction works started in the same year.

GE Steam Power supplies two conventional power islands for HPC, containing the Arabelle, the largest and most powerful steam turbine in operation today, and other critical equipment. ENKA has contracted with GE for the prefabrication and installation of all the piping systems of the power island.

Scope of works to be carried out under ENKA's responsibility may be summarized as installation of High Pressure (HP) piping; prefabrication, delivery, and installation of Intermediate Pressure (IP) and Low Pressure (LP) piping; prefabrication and assembly of HDPE and GRP piping, and installation and assembly of fire protection equipment and piping systems. Optionally, ENKA will also provide commissioning support and material management services to GE.

The main works, which were started in September 2021 and are planned with a total duration of 54 months, are expected to be completed in February 2026. With the optional works, the completion date of the project may be extended until August 2027.

Pipe spool prefabrication of the project and supply and prefabrication of pipe supports will be made at ENKA's subsidiary Cimtas Pipe's facilities, and the products will be shipped from there to the construction site.

As of the end of 2021, 19 employees working on the project. The site installation works were planned to be completed with approximately 400 people.

Estimated quantities of the main works are as follows:

- ▶ Erection and testing of 2,270 tons of high pressure (HP) metallic pipes, with diameters ranging from 6 inch to 40 inch,
- ▶ Prefabrication, delivery, erection and testing of 2,420 tons of intermediate (IP) and low pressure (LP) metallic pipes, with diameters ranging from 1 inch to 56 inch,
- ▶ Prefabrication and installation of 86 tons of plastic pipes, with diameters ranging from 1 inch to 32 inches,
- ▶ Erection of 57 tons of fire protection pipes, with diameters ranging from 1 inch to 10 inch,
- ▶ Erection of 1,300 tons of industrial pipe support and accessories, 750 tons of which will be fabricated by ENKA.

Kazan 250 MW Combined Cycle Power Plant



LOCATION	Kazan, Tatarstan, Russian Federation
OWNER / CLIENT	PJSC Kazanorgsintez
PROJECT DURATION	October 2019 - March 2023
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	EUR 245 Million

ENKA and Siemens had formed a consortium for the implementation of 250 MW Combined Cycle Power Plant in Kazan in the Republic of Tatarstan, the Russian Federation for PJSC Kazanorgsintez, a member of the SIBUR Holding PJSC.

The contract was signed between Siemens and the client on October 2nd, 2019 for the delivery, installation and commissioning of one SGT5-2000E gas turbine, one SST-600 steam turbine, one heat recovery steam generator and all associated systems.

Within the framework of this “Cooperation Agreement” ENKA is to perform the engineering, procurement, construction and commissioning (EPCC) works. Siemens is to supply the gas and steam turbines and to construct the high voltage lines as well as the switchyard.

The plant will be capable of using natural gas as the primary fuel and the associated gas derivatives (syngas) that are by-products of PJSC Kazanorgsintez’s production processes.

The project consists of 4 divisions;

- ▶ Combined cycle gas turbine, main construction area,
- ▶ Linear facility; utility and gas pipelines (5 pipelines up to 3.5 km),

- ▶ Gas mixing station and 2 gas pipelines in the client’s territory,
- ▶ Connection to switchyard and electricity distribution works (in the Siemens’ scope).

As of December 31st, 2021; the overall progress of the project including design, procurement, construction and commissioning and start-up stands at 41% and a progress rate of 30% had been achieved for construction work.

The highlights of the progress made on the project are as follows:

- ▶ The completion rate for the procurement related engineering (material requisition release) stands at 93%, while progress on the detailed design, which is being prepared concurrently, amounted to 84%.
- ▶ The completion rate for civil works including main activities such as 16,600 m³ of poured concrete, 127,000 m³ of excavation and 95,000 m³ of backfilling works for CCGT-250 is 80%.
- ▶ Progress of architectural works of CCGT-250 stands at 19%.
- ▶ The completion rate for structural steel and cladding works reached 57% with approximately 2,900 tons of steel material.
- ▶ Progress on mechanical works including gas turbine, steam turbine, HRSG and natural draft cooling tower stands at 20%.
- ▶ Progress on construction of gas mixing station and linear facility is 16%.

Other highlights of the progress made on site activities:

- ▶ Construction permit for combined cycle power plant was received on May 27th, 2021.
- ▶ Water treatment plant equipment was delivered to site on December 13th, 2021.
- ▶ Transformers civil foundation works have been completed and 3 transformers have successfully been placed on the foundations.
- ▶ The completion rate for gas turbine installation works amounted to 75% and 23% on steam turbine installation works.
- ▶ Heat recovery steam generator (HRSG) steel works commenced on August 23rd, 2021. HRSG Drum and module installation works were

completed on November 15th, 2021. HRSG Stack installation works commenced on November 26th, 2021.

- ▶ Natural cooling tower precast installation works commenced on July 29th, 2021, whilst cladding and steel erection works began on November 24th, 2021.
- ▶ Cable Tray installation works started on December 2nd, 2021.

As of December 31st, 2021, 2,230,000 person-hours had been expended without any lost time incident (LTI) and 712 employees were working on the project.

The power plant is due to start operating in March 2023.



Nizhnekamsk 495 MW Combined Cycle Power Plant



LOCATION	Nizhnekamsk, Tatarstan, Russian Federation
OWNER / CLIENT	Nizhnekamskneftekhim (Member of the TAIF Group)
PROJECT DURATION	December 2017 - June 2022
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	EUR 349 Million

ENKA and Siemens entered into a consortium agreement for the project on January 12th, 2017 to undertake the construction of the Nizhnekamsk Combined Cycle Gas Turbine Thermal Power Plant (CCGT-TPP) awarded by Nizhnekamskneftekhim under a contract dated December 18th, 2017.

The plant is constructed in the industrial hub in the southeast of the city of Nizhnekamsk, on the left bank of the Kama River in the Republic of Tatarstan in the Russian Federation.

The contract of the project on the basis of EPC includes engineering, manufacturing, delivery to site, erection and painting works, operation, commissioning, start-up and testing of the plant.

The plant has a configuration of 2 gas turbines, 1 steam turbine and 2 heat recovery steam generators (HRSGs). The main fuel is natural gas, whereas the associated gas derivatives (syngas) that are by-products of Nizhnekamskneftekhim's production processes is also be used as fuel.

Engineering, procurement and construction works were completed as of December 31st, 2021.

Also, start-up and commissioning works were 95% complete.

As of December 31st, 2021, a total of 182 employees were working on the project. A total of 1,421 days and 9,308,725 person-hours were expended without lost time incident (LTI).



Zainskaya 850 MW Combined Cycle Power Plant



LOCATION	Zainsk, Tatarstan, Russian Federation
OWNER / CLIENT	Joint Stock Company "Tatenergo"
PROJECT DURATION	July 2020 - December 2023
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	RUB 25.6 Billion

ENKA has undertaken the 850 MW Zainskaya Combined Cycle Power Plant (CCGT) project located in Zainsk city in the Republic of Tatarstan in the Russian Federation under the contract awarded by Tatenergo on July 2nd, 2020.

ENKA is to perform the engineering, procurement, construction and commissioning (EPCC) works within the framework of the contract. The duration of the contract is 42 months from the contract signing.

The project will be based on 1x1x1 configuration, equipped with one GE's 9HA.02 gas turbine, one D650 steam turbine and one triple pressure reheat heat recovery steam generator (HRSG). When completed, the plant will achieve an output of 850 MW which will be the most efficient power plant of the Russian Federation and natural gas will be used as fuel.

As of December 16th, 2021, basic design documentation package has been approved by Russia State Expertise and construction permit has been received.

The completion rate for the procurement related engineering (material requisition release) stands at 16%, while progress on the detailed design, which is being prepared concurrently, amounted to 40%.

Estimated delivery dates of major equipment are as follows:

- ▶ Gas turbine and generator - June 19th, 2022,
- ▶ Steam turbine and generator - July 15th, 2022,
- ▶ HRSG steel - May 15th, 2022,
- ▶ HRSG modules - July 14th, 2022,
- ▶ Main step up transformers - August 27th, 2022,
- ▶ Gas booster compressors - December 6th, 2022,
- ▶ Condenser - October 20th, 2022.

The highlights of the progress made on site activities as of the end of December 2021 are as follows:

- ▶ The completion rate for the temporary site facilities activities was 79%, temporary camp facilities have been taken over as of November 13th, 2021.
- ▶ 42,786 m³ of a total of 149,235 m³ excavation work have been completed and the completion rate stands at 29%.
- ▶ 769 of 1,425 driven pile works have been completed and the completion rate stands at 54%.

As of December 31st, 2021, a total of 343 employees was working on the project. A total of 548 days and 600,442 person-hours were expended without lost time incident (LTI).



Misurata 650 MW Simple Cycle Power Plant Project



LOCATION	Misurata, Libya
OWNER / CLIENT	General Electricity Company of Libya (GECOL)
PROJECT DURATION	June 2021 - October 2022
CONTRACT TYPE	Lump Sum Turnkey
CONTRACT VALUE	EUR 309 Million

The contract had been signed between General Electricity Company of Libya (GECOL) and consortium of Siemens - ENKA on December 7th, 2017; however, the project commenced in June 2021 due to security concerns.

The duration of the contract is 62 weeks from the site handover and the power plant is planned to be handed over to the client in October 2022.

Currently, the construction activities are ongoing at the jobsite.

The project entails the construction of a simple cycle power plant, with a gross output capacity of 650 MW.

The plant is being constructed on a lump sum turnkey basis and the scope of the consortium includes engineering, procurement, construction and commissioning works for the power plant to have a safe and reliable operation under all conditions in accordance with the EPC contract terms.

The project is based on a power island configuration for 2 sets of Siemens SGT5-PAC 4000F gas turbines and turbine generators (GTG) units.

The gas turbines are dual fuel engines to fire two (2) types of fuels. The main fuel will be natural gas (NG) and the back-up fuel will be light distillate oil (LDO).

The completion rates of the project activities are as follows:

- Engineering - 98%
- Procurement - 97%
- Site construction works - 47%

Overall progress of the project stands at 77% as of December 31st, 2021.

The highlights of the progress made on construction activities as of the end of 2021 are as follows:

The completion rate for civil works stands at 68% with the execution of the following works:

- 65,000 m³ of excavation
- 14,000 m³ of reinforced concrete
- 1,500 tons of reinforcing steel
- 1,100 tons of structural steel

The completion rate for mechanical works stands at 16% with the execution of the following activities:

- 2 units of gas turbines and generators have been placed on the foundation and installation activities have commenced.
- Erection of exhaust stacks has commenced.
- Installation of LDO treatment plant has commenced.
- Erection of fire water tank has been completed.
- Installation of large bore piping is 18% complete.

The completion rate for electrical works stands at 10% with the execution of the following activities:

- Installation of 2 units of generator step-up transformer and 2 units of auxiliary transformer has been completed.
- The completion rate for cable pulling works stands at 6%.

As of December 31st, 2021, 1,014 employees were working on the project. A total of 194 days and 1,200,000 person-hours had been worked without any lost time incident (LTI).



Tripoli West 671 MW Simple Cycle Power Plant Project



LOCATION	Tripoli, Libya
OWNER / CLIENT	General Electricity Company of Libya (GECOL)
PROJECT DURATION	May 2021 - August 2022
CONTRACT TYPE	Lump Sum Turnkey
CONTRACT VALUE	EUR 381 Million

The contract had been signed between General Electricity Company of Libya (GECOL) and Siemens - ENKA consortium on December 7th, 2017; however, the project commenced in May 2021 due to security concerns.

The duration of the contract is 62 weeks from commencement date and the power plant is planned to be handed over in August 2022 to the client.

Currently, the construction activities are ongoing at the jobsite.

The project entails a simple cycle power plant with a gross output capacity of up to 671 MW.

The plant is being constructed on a lump sum turnkey basis and the scope of the consortium includes engineering, procurement, construction and commissioning works for the power plant to have a safe and reliable operation under all conditions in accordance with the EPC contract terms.

The project is based on a power island configuration for 4 sets of SGT5-PAC 2000E Siemens gas turbines and turbine generators (CTG) units.

The gas turbines are dual fuel type. The main fuel will be light distillate oil (LDO) and the back-up fuel will be natural gas planned for future use.

The completion rates of the project activities are as follows:

- Engineering - 98%
- Procurement - 98%
- Site construction works - 55%

Overall progress of the project stands at 81% as of December 31st, 2021.

The highlights of the progress made on construction activities as of December 2021 are as follows:

The completion rate for civil works stands at 74% with the execution of the following works:

- 44,500 m³ of excavation
- 17,000 m³ of reinforced concrete
- 2,000 tons of reinforcing steel
- 1,700 tons of structural steel

The completion rate for mechanical works stands at 30% with the execution of the following activities:

- 4 units of gas turbines and generators have been placed on the foundation and installation activities have commenced.
- Erection of exhaust stacks has commenced.
- Installation of LDO treatment plant has commenced.
- Erection of fire water tank has been completed.
- The rate of progress on installation of large bore piping has reached 24%.

The completion rate for electrical works stands at 20% with the execution of the following activities:

- Installation of 4 units of generator step-up transformer and 4 units of auxiliary transformer has been completed.
- Cable pulling works are 20% complete.

As of December 31st, 2021, 944 employees were working on the project. A total of 50 days and 440,000 person-hours had been worked without any lost time incident (LTI).



Morava Corridor Motorway Project, Serbia



INFRASTRUCTURE PROJECTS

Morava Corridor Motorway Project,
Pojate - Preljina, Serbia

Nassau Cruise Port Project at
Prince George Wharf, Bahamas

Umm Qasr Yard 5 Development,
Quay Wall & Marine Works, Iraq



Morava Corridor Motorway Project



LOCATION	Pojate – Preljina, Serbia
OWNER / CLIENT	Government of the Republic of Serbia Ministry of Construction, Transport and Infrastructure
PROJECT DURATION	December 2019 - December 2023
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	EUR 943 Million

ENKA and its joint venture partner Bechtel were selected by the Government of Republic of Serbia in December 2019 to design and build 112 km Morava Corridor Motorway Project which will connect central Serbia and Pan-European Corridors 10 and 11.

Morava Corridor Motorway Project is a 112 km dual-carriageway motorway from Pojate and the A1 (the North-South motorway in central Serbia) through Kruševac (which used to be the industrial hub of Yugoslavia) and up into Preljina in the north of Čačak. The project runs from east to west in the West Morava River valley and is seen as a key enabler of the economic corridor to the industrial cities of Kruševac, Kraljevo, Čačak and their ultimate international connections to Bosnia, Montenegro and North Macedonia.

The construction of the motorway started in 2020 and each individual section of the motorway will be completed within 2.5 years with the total construction period of 4 years under contract terms and conditions. An extensive telecommunication network is planned along the alignment to provide a digital corridor for improved connectivity in the region. The project features 11 new interchanges, significant amount of structures crossing highways, railways and challenging Morava river along the route, significant amount of flood protection measures, river bed and scour protection structures, dykes and construction of a new river bed due to the wide flood plain of the West Morava River.

The scope of project includes 78 bridges, 26 overpasses, 12 underpasses, over 45 million m³ of excavation, over 27 million m³ of earth fill, 843,000 m³ of concrete, 1.8 million m³ of sub-base, 1.2 million tons of asphalt and 478 km of guardrail.

As of 2021, excavation and fill operations on main alignment, construction of bridges, overpasses, underpasses and culverts, operations at borrow pits are ongoing. Concrete and aggregate production facilities have been set up and production at these facilities has started.

Site construction works in Sector 1 are ongoing intensively, while works at Sector 3 are speeding up along with the second camp construction at Adrani, which will mainly serve Sector 3, and other mobilisation activities. In Sector 1, majority of earthworks have been completed and handed over to Drainage and Finishing crews. Utility relocations at Sectors 1 and 3 are ongoing. Major construction activities in Sector 2 will start in the first quarter of 2022. Main geotechnical investigation works have been completed for all sectors and design of the motorway is ongoing. Following the provision of quarries by the client and production of subbase and asphalt aggregates, paving works will start.

Studies for Environmental and Social Impact Assessment (ESIA) were completed and Loan Fundings have become available for the project. The EUR 430 million United Kingdom Export Finance (UKEF) guaranteed loan was secured in October 2021 and the EUR 400 million Multilateral Investment Guarantee Agency (MIGA) loan is expected to be secured in February 2022.

As of December 2021, 30% of the civil works have been completed, the number of personnel including subcontractors on the project has reached 2,750 and 10 million m³ of excavation, 3,4 million m³ of fill and 119,000 m³ of concreting works have been completed.

Bechtel-ENKA provided safety and quality trainings to all the personnel working on the project, thereby over 2 million person-hours were achieved without any lost time incident (LTI). Bechtel-ENKA also successfully implemented all the necessary Covid-19 prevention measures in 2021.

Bechtel ENKA UK Limited Ogranak Beograd (BEJV) Laboratory received ISO/IEC 17025:2017 accreditation. With the received certificate; diligently established management system of BEJV Laboratory has been officially and internationally acknowledged.

ENKA and its joint venture partner Bechtel have successfully delivered major infrastructure projects in the region since the 1980's including motorways in Albania, Croatia, Kosovo, Türkiye and Romania. Together, the partnership has built more than 750 km of motorways including major engineering structures like tunnels, bridges and viaducts.

To perform this important infrastructure project, ENKA is providing its state of the art engineering and construction technologies, as well as superior quality, environment, health and safety standards which were gained more than 60 years history.



Nassau Cruise Port Project at Prince George Wharf



LOCATION	Nassau, Bahamas
OWNER / CLIENT	Nassau Cruise Port Ltd.
PROJECT DURATION	Marine works: November 2020 - July 2022 Upland works: May 2021 - April 2023
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	USD 215 Million

The Bahamas Government is determining strategies to maximize cruise tourism by developing the existing port at Prince George Wharf - Nassau Cruise Port.

Nassau Cruise Port project is developing Nassau into one of the great waterfronts of the world. The project involves the redevelopment of the port. The project will enhance the passenger experience and provide additional business opportunities for the local population. The project will also include the building of a new terminal building; the creation of an event and entertainment area; investments in retail facilities for new and expanding Bahamian brands; and the design and construction of new food and beverage facilities. It will integrate the port into Bay Street and downtown Nassau, with the expectation that it will act as a catalyst for the wider development of the downtown area.

ENKA signed the contract for Marine Works of the Nassau Cruise Port project in June 2020 and Upland Works in May 2021.

The Marine and Upland Works contracts include EPC works for the expansion of the existing Cruise Pier, combi-wall works on Prince George Wharf, construction of 2 new marinas for tour boats, dredging, expanding the port area by reclaiming and renovating / refurbishing of existing piers, and all relevant construction, mechanical, electrical and architectural activities.

Project features for Marine and Upland Works are as below:

- ▶ Dredging for OASIS Class ship: 133,797 m³
- ▶ Reclamation: 133,415 m³
- ▶ Construction of new deck on pile cruise pier: 222 x 30.5 m
- ▶ New east marina deck on pile, with berthing capacity for 16 tour boats
- ▶ New west marina deck on pile and inner harbor with berthing capacity for 15 tour boats
- ▶ New reclaimed area: 13,300 m²
- ▶ Prince George Wharf Combi-wall: 610 m
- ▶ Arrival building: 4,000 m²
- ▶ Junkanoo museum: 750 m²
- ▶ New market place area: 1,005 m²
- ▶ New town square area: 2,616 m²
- ▶ Pier and GTA canopies: 6,702 m²
- ▶ Pier buildings area: 993 m²
- ▶ Signature restaurant: 700 m²
- ▶ Amphitheatre: 2,579 m²

The works completed on the project as of December 2021:

In 2021, after the completion of design and engineering works in the Marine works package, the procurement of project materials, building of a project team and mobilization of project equipment to the project site were carried out.

Moreover, all piling works in the Marine works package have been completed. All precast elements of the East Marina and the cruise pier extension have been fabricated. The West Marina concrete works continue. The dredging, reclamation and vibro-compaction works have been completed. Concrete works for the cruise pier extension and Mooring Dolphin have been completed and 6th pier became operational. MEP works at the piers are ongoing. Renovation works for the existing passenger pier continue.

While the construction works are ongoing, all 6 berths are operational simultaneously without any interruption.

The major Upland works including design, engineering, procurement and mobilization works on the project were carried out in 2021.

Structural, architectural, mechanical and electrical design works for arrival building, Junkanoo museum, market place, town square, pier buildings, amphitheater, signature restaurant and canopies continue. Site mobilization has been carried out and additionally, with the completion of the arrival building piles on October 23rd, 2021, excavation and foundation works are under way.

As of the end of December 2021, the progress of Marine works reached approximately 89% and Upland works stood at 12%.

Approximately 700,000 person-hours were expended without any Lost Time Incidents (LTI) on the project to date.

We are proud of being a part of this project which is changing the shape and future of Nassau.



Umm Qasr Yard 5 Development,
Quay Wall & Marine Works



LOCATION	Umm Qasr, Basra, Iraq
OWNER / CLIENT	Aloreen Company for Investment Ltd.
PROJECT DURATION	December 2018 - May 2021
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	USD 82 Million

The Port of Umm Qasr is located approximately 5.2 km south of Basra. It is by far the largest sea port and the only deep-water port of Iraq. The port has road links north-west to Basra and south across the Kuwaiti border, plus a main line rail link north-west to Basra. The BMT Umm Qasr Yard-5 is located at the northern end of the port.

ENKA was awarded the contract by Aloreen Company on May 7th, 2018. The contract has two effective dates which are Notice of the Commencement Date (NCD) and Notice to Proceed (NTP), and they had been realized on June 27th, 2018 and December 3rd, 2018, respectively.

Engineering, procurement and mobilization works were commenced following the notification of NCD and construction works began upon notification of NTP.

ENKA's responsibilities under this contract include engineering, procurement and construction activities.

The works under the 1st part of the project were completed, Taking Over Certificate has been issued as of December 1st, 2020 and defect notification period has commenced.

Within the scope of the works on the Part-1, a block work type quay wall was installed at the end of the basin. This is the very first block work type quay wall that has been constructed in Iraq and ENKA is proud of being a part of it.

As of the end of December 2020, 1,194,457 m³ of seabed dredging was completed and after the completion of the seabed dredging, 7,821 m³ of bedding material and 2,200 m³ of levelling material were placed underwater at a depth of 17 m along the 550 m quay wall.

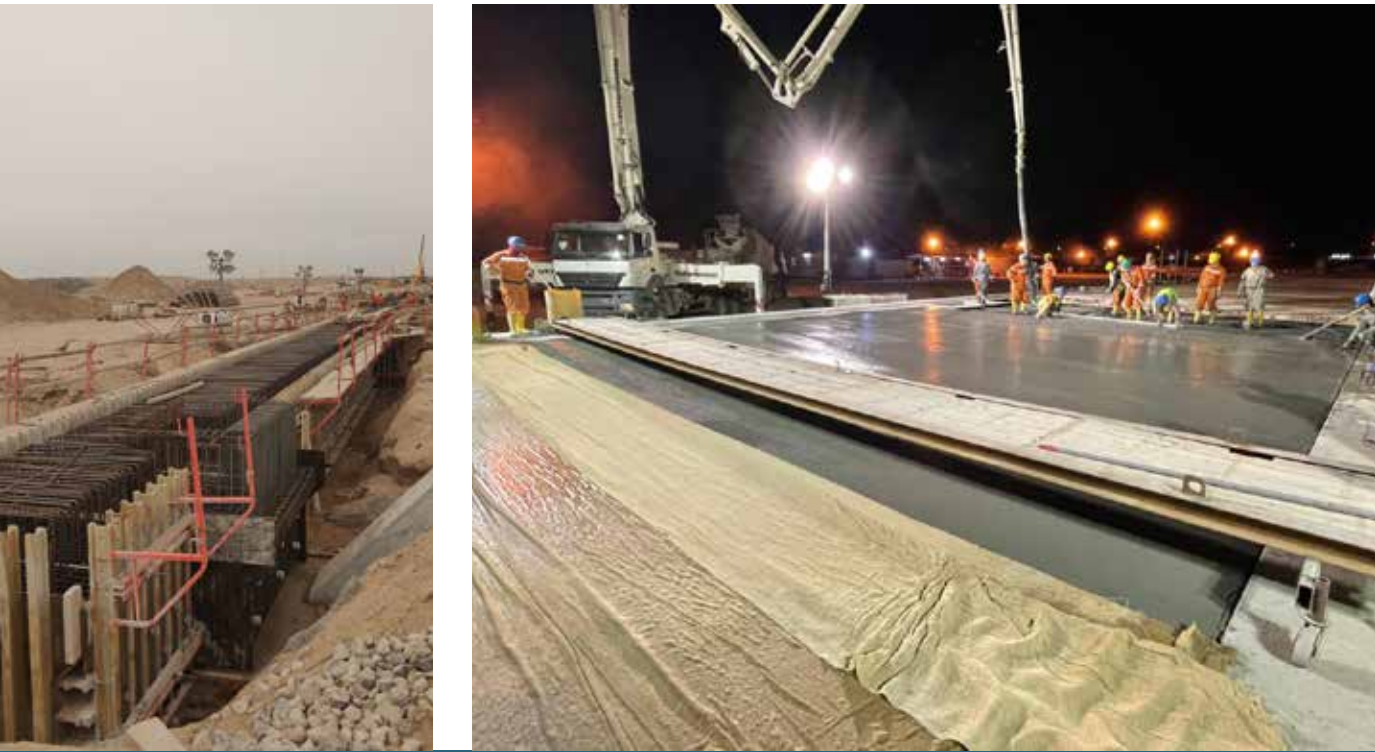
After these operations, the erection of the quay wall consisting of 3,177 pre-cast blocks, 287 u-shaped pre-cast blocks with 11 layers and 20,867 m³ in-situ concrete production, which served as capping beam at the top, were completed. In total, 120,544 m³ of concrete were produced on the project.

In parallel with installation of the quay wall blocks, behind of the quay wall was filled with total of 462,371 m³ of different sizes filling materials. After the completion of these construction works, 46 fenders and 46 bollards were installed.

As of April 2021, the works of the Part-2 of the project consisting of land side crane beam and bored piles were completed and Taking Over Certificate for Part-2 has been issued as of April 10th, 2021 and defect notification period has begun.

As of the end of December 2020, a total of 145 people were working on the project.

By the end of May 2021, the project had been underway 1,070 days and total of expended person-hours was 2,822,599. Additionally, the number of person-hours worked without any lost time incident (LTI) amounted to 565,044.



TAIF Business Center, Russia



BUILDING WORKS PROJECTS

Krasnoyarsk Sports and Recreation
Complex Project, Russia

Special Projects

TAIF Business Center, Russia

High Technological Multifunctional
Medical Complex (HMMC), Russia

Yandex Headquarters, Russia



Krasnoyarsk Sports and Recreation Complex Project

LOCATION	Divnogorsk, Krasnoyarsk, Russian Federation
OWNER / CLIENT	RN-VANKOR
PROJECT DURATION	December 2019 - July 2023
CONTRACT TYPE	Lump Sum & Unit Price
CONTRACT VALUE	EUR 104 Million

ENKA was awarded the contract for the Krasnoyarsk Sports and Recreation Complex project in the city of Krasnoyarsk in the Krasnoyarsk Krai in the Russian Federation in December 2019.

As of the end of 2021, the overall completion rate on the project was 85%. A total of 599 people were working on the project and 1,526,712 person-hours had been expended without any lost time incident (LTI).

Progress on the mobilization works (Stage A) amounted to 100%. In this context, 362 tons of the steel anchor, 58 tons of the roof truss had been assembled, and a total of 7,310 m² interior wall, 7,899 m² exterior wall had been installed. In addition, 6,831 m² of vinyl floor covering, 1,538 m² of ceramic floor covering, 8,815 m² of ceiling installation, 3,315 m² of rockwool insulation and 4,075 m² ceramic wall covering had been completed. 442 doors and 499 windows had been installed and 2,270 m³ of concrete had been poured.

As for Helipad works (stage B), expertise approved Study-P drawings as well as working drawings are expected to be submitted by the client. Final working drawings on Unmanned Aerial Vehicle Protection System Works (Stage D) are expected to be approved by the client.

Progress on the Building Works (Stage C) amounted to 95%. In this context, 163,088 m³ of hard rock excavation, 13,104 m³ of soft rock excavation, 52,653 m³ of soil excavation, 9,545 m³ of top soil stripping were executed. The expertise approved Study-P projects are expected from the client on the remaining excavation works.

Progress on the construction of service roads (Stage E) amounted to 75%, 132,370 m³ of base preparation and embankment construction, 45,021 m³ of removing of weak soil from construction site, 2,503 m² of geogrid, 4,598 m² of geotextile material covering had been completed. Within the scope of reinforced concrete retaining wall works, 1,528 m³ of B-30 type concrete was poured. Since 3.38% of the entire work volume covers the location of the camp buildings, it can be completed after the mobilization facilities are dismantled.

Special Projects



ENKA has an agreement with Caddell Construction to provide consultancy and project services for construction of special projects. The agreement was reached after a successful collaboration of ENKA and Caddell on the construction of the US Consulate building project in Istinye, Istanbul, which was completed in 2003.

With this understanding, ENKA consulted up to the completion of special projects in Cameroon in 2005, Guinea, Mali and Sierra Leone in 2006, Algeria and Nepal in 2007, Bosnia and Herzegovina in 2010, Djibouti in 2011, Burundi in 2012, Equatorial Guinea in 2013, the Dominican Republic in 2014, Djibouti Camp Lemonnier, Mauritania, Russian Federation and the Netherlands in 2017 and Afghanistan in 2019.

Further projects were awarded to Caddell Construction for 3 more special buildings, and similar works in Asia in 2016, 1 in South America, 1 in North America, 1 in Europe, 1 in Africa in 2017, 1 in North America in 2018 and 2 more in Europe and Asia in 2021. ENKA is currently involved in 11 special building projects, which have a total value of almost USD 2.5 billion.

In the project in Central Asia, design works, concrete works and interior finishing have been completed for all buildings. Taking over, landscaping and completion works of the project continue.

In another Central Asia project, design work has been started. Project is planned to be completed in 2026.

Design and concrete works have been completed for yet another project in Asia, and taking over, landscaping and completion works of the projects are ongoing. Phase 1 of this project is due to be completed in February 2022. Phase 2 is going to be started immediately after the completion of Phase 1.

Apart from those projects in Asia, concrete, mechanical, electrical and architectural works are under way on two more different projects in Asia and the project in South America. One of these projects in Asia is planned to be completed in December 2021 and the other one in August 2022. The project in South America is planned to be completed in February 2023.

The project located in Europe started in May 2018. Concrete works and interior finishing of the project, which is due to be completed in March 2024, are continuing. Mobilization and material procurement processes have started in another project in Europe. The project is planned to be completed in 2025.

One project in North America started in February 2018. Concrete works and interior finishing of the project, which is due to be completed in July 2023, are continuing. Another project in North America started in May 2019. Concrete works and interior finishing works of the project with a planned completion in May 2023, are continuing.

The project in Africa started in January 2018. Concrete works and interior finishing are continuing. Planned completion date of the project is October 2022.

TAIF Business Center



LOCATION	Kazan, Tatarstan, Russian Federation
OWNER / CLIENT	TAIF PSC
PROJECT DURATION	April 2017 - August 2021
CONTRACT TYPE	Lump Sum
CONTRACT VALUE	USD 163 Million

TAIF Business Center is located in the heart of Kazan, the capital of the Republic of Tatarstan, in the Russian Federation. The project includes the centre covering an area of 47,837 m², which is situated close to the River Kazanka, the historical Kazan Kremlin and several other main government buildings such as the Presidential Palace.

Altogether the centre features 20,996 m² of office space finished to high architectural standards, and 23,092 m² of car parking space.

The centre boasts eight storeys above ground, rising to 33.5 m and faced with an aesthetically pleasing glazed façade, together with four floors underground to a depth of 15 m.

The contract of the project had been awarded in April 2017 and was completed in August 2021.

A total of 6,340,519 person-hours had been expended without a lost time incident (LTI) during the course of the project.

High Technological Multifunctional Medical Complex (HMMC)



LOCATION	St. Petersburg, Russian Federation
OWNER / CLIENT	LLC MMC SOGAZ Medical Technologies / LLC "Constructiv"
PROJECT DURATION	Phase 1: October 2019 – June 2020 Phase 2: October 2020 – July 2021 Phase 3: May 2021 – April 2023
CONTRACT TYPE	Phase 1: Lump Sum Phase 2: Unit Price Phase 3: Lump Sum

The High Technological Multifunctional Medical Complex consists of main hospital building covering an area of 112,000 m²; 15,000 m² oncology building with an area of 15,000 m², underground carpark with an area of 22,000 m², diesel fuel tank, collector, galleries which provide connection of all buildings to each other and working design responsibilities are also included in the scope of works.

The complex will have a world-class range of modern diagnostic and medical equipment. It will operate its own ambulance substation, polyclinic, accident and emergency unit, trauma center and hospital.

High Technological Multifunctional Medical Complex includes operation rooms, intensive care units, VIP rooms, own laboratory which will also serve other hospitals, children polyclinic, MRI device room, tomography device rooms, X-Ray rooms and proton therapy room which is only available in a few medical buildings all over the world.

In addition to the civil and structural works of the underground carpark, the Multifunctional Medical Complex (MMC), the oncology building and the collector, architectural, mechanical, electrical and façade works of the MMC building and the underground carpark have just commenced.

The mechanical works of the oncology building have also commenced and the structural works of the underground carpark have been completed in 2021.

In the period between October 15th and May 15th, a temporary heating system was installed for the MMC building of approximately 35,000 m² and the area was closed for the continuity of architectural works at this period.

Some areas near the existing structure require deep excavation. Berliner wall method is used in these areas and a total length of the wall is 400 m.

HMMC Project is currently under way with 2,008 employees from 10 different countries and a total of 266 construction equipment working as a part of HMMC Project works.

During the Phase 3 period 600,000 person-hours were expended without a lost time incident (LTI). Phase 3 works were commenced in May 2021 and reached 16% overall progress.

Construction works are planned to be completed by the end of December 2022. Following that testing and commissioning works will be completed and the project will be fully handed over to the client at the end of April 2023.

Yandex Headquarters



LOCATION	Moscow, Russian Federation
OWNER / CLIENT	Yandex LLC
PROJECT DURATION	December 2021 – Q2 2024
CONTRACT TYPE	Working Design and Construction Contract
CONTRACT VALUE	EUR 500 Million

On December 13th, 2021, ENKA signed a contract for the construction of an innovative new headquarters for Yandex, the global technology leader, in the Gagarinsky District of Moscow, the Russian Federation.

The new project of ENKA, Yandex Headquarters, sits on a prominent site near the Moscow River, a short distance from the some of the city's leading research institutions and the company's first office. The headquarters, the total above-ground area of which will be approximately 162,000 m², will enable staff to have a healthy and sustainable place for seamless work and recreation.

The above-ground part of headquarters will be combined into a single complex by three multi-height wings with the highest one up to 75 m and the central atrium with the transparent roof. Light-weight and constructible façade will be clad with metal panels.

The building is to be lifted up to reveal a ground floor that will step up across the site to connect a large, open plaza and green spaces on one side with neighboring streets on the other. This continuous space will be open to the public and will include restaurants, cafes, along with the Yandex Museum highlighting the company's cultural and technological growth since the early 1990s.

ENKA is responsible for preparation of the working documentation at LOD-500 level and all of the following construction and installation works:

- ▶ External utilities,
 - ▶ Reinforced concrete works,
 - ▶ Steel works,
 - ▶ Mechanical works,
 - ▶ Electrical and weak current works including automation,
 - ▶ Firefighting systems,
- ▶ Architectural, façade and roofing works,
 - ▶ Internal finishing works,
 - ▶ Vertical transportation,
 - ▶ Technological systems such as parking & parking management and façade maintenance,
 - ▶ Landscaping.



1915 Çanakkale Suspension Bridge Project, Türkiye



GROUP COMPANIES

Çimtaş Çelik İmalat Montaj
ve Tesisat A.Ş.

Cimtas Boru İmalatları ve
Ticaret Ltd. Şti.

Cimtas Ningbo Modular
Skids & Pipe Spools

Çimtaş Hassas İşleme
Sanayi ve Ticaret Ltd. Şti.

Çimtaş Gemi İnşa Sanayi ve
Ticaret A.Ş.

Kasktaş Kayar Kalıp Altyapı
Sondaj Kazık ve Tecrit A.Ş.



Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş. (Çimtaş Steel) - Türkiye



Çimtaş Steel has new achievements in terms of product range and sizes, in addition to its high tonnage production in 2021. 1915 Çanakkale Bridge deck blocks, with a total weight of 53,000 tons, were successfully completed within this year and shipped on time. Çimtaş increased its production capacity in the renewable energy sector with its new facility established in Gölcük. The 8.8 m diameter column manufactured for the Pemex Dos Bocas Refinery has become one of the largest pressure vessels produced in Çimtaş's history. The platforms named "DP1 & DP2 Jackets", completed within this year, were among the important projects in the offshore structures business line. Arctic LNG 2 project SPMT supports, which requires special manufacturing processes and precision machining operations, has been successfully completed. Levee Crossing Girders project, which will be shipped to the USA, has also been awarded to Çimtaş by the client of the Arctic LNG 2 project. The pride of Azerbaijani flag, waving from one of the world's highest flagpole in Baku, will be shared by Çimtaş as the fabricator of the pole.

Following the fabrication of 1915 Çanakkale Suspension Bridge deck panels completed by Çimtaş Steel in 2020, Çimtaş Module & Shipyard has successfully completed the panel formation,

segment formation, block formation, paint, trial assembly and shipment works of the deck in 2021. Transportation of 153 deck blocks with a total weight of 53,000 tons, were performed via GMK-1, a special service vessel with dynamic positioning capability alongside with automatic heel and trim control systems, which was designed and fabricated by Çimtaş for the delivery of tower and deck blocks of Osmangazi Bridge Project. 1915 Çanakkale Suspension Bridge, which will connect the Europe and Asia sides of Dardanelles Strait, will receive the title of "world's longest main span suspension bridge", when completed.

After completing deck blocks fabrication of the 1915 Çanakkale Bridge Project, Çimtaş was awarded with fabrication and delivery of the "Tower Top Enclosure", the last permanent steel component of the project. The fabrication of this monumental structure, each weighs 68 tons and 16 m tall, located on the top of all four towers, symbolizing the cannonball carried by Seyit Onbaşı, one of the heroes of the Çanakkale War, started in October 2021. Fabrication and trial assembly of those structures are being carried out by Çimtaş Steel. They will be shipped to the construction site in March 2022 via Çimtaş's own vessel, GMK-1.



Regarding the wind tower business line, in addition to meeting the demands of the Turkish market in the renewable energy sector, Çimtaş has managed to raise the bar even higher in 2021 with 71,750 tons, by breaking the production record of 2020. The total number of wind tower parts produced in the two fabrication shops located in Gemlik and Gölcük are increased to 1,050 pieces. 80% of the production was exported to various European countries. Çimtaş Gemlik also renewed its own tower production record with 38,500 tons, thanks to the improvement works carried out. 120 wind turbine towers, consist of 545 pieces, were manufactured at the Gemlik facility for the German companies Nordex and Enercon. The new facility within Çimtaş Module & Shipyard, located in Kocaeli Free Zone, which became operational in the 3rd quarter of 2020, made a significant contribution to this record with its full capacity and tower production of 30,350 tons.

The production of precisely machined 2,900 tons of rotor & stator components needed for "Direct Drive" technology in renewable energy sector continued in 2021, reaching a total of 260 sets on the 9 m diameter EP3 platform. Çimtaş Steel will continue its production with a new business volume of 75 sets of 6 m diameter EP2 platform for the next year, due to its processing competence in the qualified heavy machinery industry.

In the pressurized equipment business line, Çimtaş has completed eight of the twelve process columns which was started in the last quarter of 2020 and delivered to company Pemex in December 2021 for the Pemex Dos Bocas Refinery Project in Mexico where Çimtaş is the main pressure vessel supplier. In the project, Cr-Mo alloyed steel with large thicknesses has been used intensively. Çimtaş has increased its furnace capacity with the investment for the expansion of mobile heat treatment furnace to 12 m x 12 m x 81 m, so that the process column with 8,8 m diameter which included in the scope of supply has become possible as the largest diameter pressure vessel fabricated in the history of Çimtaş.



Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş. (Çimtaş Steel) - Türkiye



Within the scope of the project, the delivery of the four process columns, the production of which continues rapidly, to Pemex will be carried out in the first half of 2022.

By signing contract with the company Ica Fluor in 2021, Çimtaş has become the supplier of Relief Gas Scrubber process column with hydrofluoric acid service which is to be used in the Dos Bocas Refinery. This is the first direct contract which was signed with company Fluor. The production of the column will start in January 2022 and the delivery will take place in the second half of 2022.

Çimtaş has been awarded by Bechtel Peru S.R.L for the production of autoclave and flash vessel equipment to be used in the Minera Yanacocha gold mine, thanks to the experiences gained in titanium coating and titanium welds in Outotec Project (autoclave equipment) completed in 2020. Due to the restrictions on the route of transportation, autoclave and flash vessels will be fabricated in three pieces and each piece will be transported to the Yanacocha Gold Mines at an altitude of 4,200 meters in the Cajamarca Region, Peru in the second half of 2022. Autoclave and Flash Vessels will be delivered to Bechtel Peru S.R.L. after last weld seams are completed by Çimtaş on site.

By the contract signed with Tübitak Sage in the first half of 2020, Çimtaş has become the supplier of the air storage system, which

is one of the most critical part of the Supersonic Wind Tunnel Project, located in Ankara. Çimtaş's scope of work includes mechanical design, transportation analysis, purchasing, manufacturing, transportation and installation of air storage system that consist of 15 pressure vessels. For the Supersonic Wind Tunnel, which will be the first wind tunnel that exceeds the speed of sound in Türkiye, Çimtaş will complete all the manufacturing phases of the air storage system tanks by the end of 2022. After on-site assembly and necessary testing, air storage system will be delivered to Tübitak Sage, in the first quarter of 2023.

Yet another record-breaking landmark project undertaken by Çimtaş Steel in 2021 is the Republic of Azerbaijan's new flagpole to stand at the existing "National Flag Square" in the capital city Baku. With 191 m height above its platform, the flagpole will be one of the tallest in the world and bring the competition in this regard to a next level. The unique design due to extreme wind conditions in Baku, as known by its literary name "City of Winds", as well as aesthetic preferences of the project brought unique challenges to the fabrication to its scale. With a diameter variation from 5.7 m at its base to 2.0 m at top, the pole structure is composed of 9 conically tubular steel sections, with a wide range of weights from 13 to 230 tons each and a rotating truck assembly at the top. The total weight of the superstructure is 1,275 tons



and the dimensions of Azerbaijan flag that it will proudly carry is 35x70 m. Fabrication works commenced in September 2021 and the sections outfitted with its so called "internals" are planned to be dispatched from Çimtaş Gemlik Works in April 2022, with a door-to-door delivery operated by Çimtaş, on a marine route via Volga-Don Canal into the Caspian Sea. The capital city's new landmark is planned to be inaugurated by 9th November 2022, being the "national flag day" of Republic of Azerbaijan.

Fabrication and delivery of 114 beams for Gravity Based Structures (GBS) of Arctic LNG 2 Project in with a total weight of 4,000 tons made from high quality S690QL steel, which were awarded to Çimtaş Steel in 2020, successfully completed and the goods were transported to Russia in 2021.

After timely completion of GBS Beams, Mammoet Europe BV awarded another challenging part of the project to Çimtaş. 840 pieces SPMT Supports were completed within 40 days with fully automated robotic welding processes. The feature of the parts is that they are being used for the transportation of modules weighing more than 10,000 tons, one of the most critical operations of the project.

Another project awarded to Çimtaş Steel within 2021 is the fabrication, trial assembly and delivery of 24 pieces bridge girders named as Levee Crossing Girders Project with a 1,500 tons of S690QL high grade steel materials in total. In this project very precise machining, trial assembly and heavy welding operations will be performed and also 6 pcs bridge girders will be trial assembled 68 meter long in total as a single piece with strict tolerances. The bridge girders will be transported to Texas, USA in 2022.



Cimtas Boru İmalatları ve Ticaret Ltd. Şti.
(Cimtas Pipe) - Türkiye



Located in Gemlik, Türkiye, Cimtas Pipe is a leading provider of Integrated Piping Solutions (IPS) for top-tier global customers in power, oil and gas, petrochemicals, mining, metal, nuclear and offshore industries worldwide.

Cimtas Pipe engineers, fabricates, assembles and installs high pressurized piping systems, pressure vessels, process skids and pre-assembled units for power and petrochemical plants as well as conducting material procurement and manufacturing longitudinally submerged arc welded (LSAW) pipes, butt weld fittings, induction bends, flanges and branch connections to the highest international standards.

In 2021, Cimtas Pipe fabricated over 4,700 tons of process and power pipe spools including pressurized equipment and manufactured 800 tons of butt weld fittings, induction bends, flanges, branch connections and 7,500 tons of LSAW pipes for 46 projects. In addition to its fabrication and manufacturing activities, Cimtas Pipe provided 135,000 person-hours of multi-disciplinary engineering services and procured 16,650 tons of steel piping material including supports for the following projects:



Oil & Gas Projects:

- ▶ OCP - Morocco - Jorf Lasfar Fertilizer Complex (JESA) Project (Fittings, Pipe Spools)
- ▶ Kinetics Technology SpA - Rijeka Refinery Project (LSAW Pipe, Pipe Spools)
- ▶ General Electric (GE) Oil & Gas - Desuperheaters
- ▶ Petkim - Equipment (Heat Exchanger) Fabrication
- ▶ Petkim - Ethylene Factory C7 Modularization Project
- ▶ Forain - Umid Babek Gas Field Compressor Station (Fittings, Pipe Spools)
- ▶ Maire Tecnimont - Haydar Aliyev Oil Refinery (HAOR)(LSAW Pipe)
- ▶ Buhlmann - Taurus Project (LSAW Pipe, Fittings)
- ▶ Buhlmann - Husum Project (LSAW Pipe, Fittings)
- ▶ TEKFEN - Silivri Slug Catcher Project (LSAW Pipe, Fittings)
- ▶ PAC SpA - LASA Hydropower Plant (LSAW Pipe)
- ▶ Yıldırım Holding - Gemlik Fertilizer Project (LSAW Pipe)
- ▶ TAL SpA - Arctic LNG Project (LSAW Pipe)
- ▶ Kingisepp Ammonia Production Plant (LSAW Pipe)
- ▶ Cunado - SASA Project (LSAW Pipe)

Power (Fossil, Nuclear and Renewable Energy) Plant Projects:

- ▶ GE - Turbine Piping (6B, 6F, 9E, 9F, 9FA and 9HA)
- ▶ GE - Orot Rabin CCPP (Fittings, Spools)
- ▶ GE Power - Dolna Odra 1.4 GW Power Plant (Spools)
- ▶ GE - Hinkley Point C Nuclear Plant – L40 HP Spool Fabrication, HP Turbine Inlet Piping, IP & LP Piping and Cross Under Pipes
- ▶ Baker Hughes Türkiye - TPAO Casing Kits Manufacturing
- ▶ ENKA - Tripoli West 671 MW Simple Cycle Power Plant (LSAW Pipe, Fittings, Spools)
- ▶ ENKA - Misurata 650 MW Simple Cycle Power Plant (LSAW Pipe, Fittings, Spools)
- ▶ ENKA - West Qurna 1 Produced Water 2 Facility (Spools)
- ▶ ENKA - Kazan 250 MW Combined Cycle Power Plant (Spools)
- ▶ ENKA - Zainskaya 858 MW Combined Cycle Power Plant (Spools)
- ▶ ENKA – Hinkley Point C Nuclear Plant – IP/LP Spool Fabrication for Turbine Piping
- ▶ MHPS Europe - Wolfsburg West Unit 306 MW Coal-Fired Power Plant (Spools)
- ▶ MPW Europe – Lowman, Newman and Barry Power Plants External Piping
- ▶ Tüpraş - Aliağa Refinery Spherical Tank Fabrication
- ▶ AKSA – P91 Boiler Steam Line Supply and Installation

Cimtas Boru İmalatları ve Ticaret Ltd. Şti. (Cimtas Pipe) - Türkiye



At the end of 2020, Cimtas Pipe was awarded a contract to provide material procurement, fitting manufacturing, pipe spool and support fabrication for the Jorf Lasfar Fertilizer Complex, owned by OCP-Morocco.

In 2021, Cimtas Pipe has fabricated and supplied over 900 tons of pipe spools with its-own 2,386 pieces of fittings consisting of elbows, laterals, reducers, tees and supports within the scope of the project. Remaining 570 tons of pipes spools will be fabricated and delivered in 2022.

Cimtas Pipe was awarded the Rijeka Refinery Upgrade Project, located in Croatia, by Kinetics Technology SpA to fabricate 1,810 tons of pipe spools and 250 tons of supports. The fabrication and delivery of P11 and P5B carbon and stainless steel pipe spools have been started. The project is planned to be completed by the end of 2022. Furthermore, as part of integrated piping solutions approach, Cimtas Pipe manufactured 80 tons of 30" and 32" LSAW Pipes at the CP LSAW Pipe Works for the same project.

During 2021, Cimtas Pipe and GE Power have continued their business relationship with various projects and ongoing works of turbine piping and desuperheater fabrication. Since 2002, Cimtas

Pipe has fabricated over 6,500 tons of pipe spools for turbine piping of GE's 6B, 6F, 9E, 9F, 9FA and 9HA turbines. In 2021, 111 tons of pipe spools for GE steam turbine and gas turbine piping were fabricated and delivered worldwide.

In 2021, under the bulk material supply scope of the Hinkley Point C Project, awarded in 2020 in Somerset, England, Cimtas Pipe manufactured 590 tons of LSAW pipes and 216 tons of elbows and tees in alloy, stainless and carbon steel material grades to be used in steam turbine piping of two units in the Hinkley Point C Nuclear Plant, which will produce 3,200 MW with two EPR reactors.

Additionally, for the "L40 high pressure (HP) Spool and HP turbine inlet piping, low pressure piping and cross under pipe fabrication" of the same project, Cimtas Pipe is to fabricate 2,750 tons of spools and secondary steel support in carbon and alloy steel material grades including its own pipes and elbows. The fabrication is planned to continue from the beginning of 2022 and until the end of 2023.

Furthermore, Cimtas Pipe will fabricate medium and low-pressure piping systems weighing 2,400 tons for ENKA within the scope of the contract signed for all piping systems of the power island at

Hinkley Point C Nuclear Power Station. As a part of the integrated piping solutions approach Çimtaş products consisting of 590 tons of LSAW pipes, 216 tons of elbows and tees in alloy, stainless and carbon steel material grade, will be used in this scope.

In July 2021, Cimtas Pipe completed the deliveries of remaining 219 tons of pipe spools for the Balance of Plant Piping of the Orot Rabin Power Plant in Israel, awarded by GE Power. The total project scope of 386 tons consisted of 290 tons of P91 and 96 tons of P22 piping.

The Dolna Odra Power Station in Poland consists of 8 units, with capacities ranging from 215 to 232 MW. In March 2020 PGE placed a turbine order with GE to increase the plant's capacity to 1,434 MW.

Cimtas Pipe has received two purchase order packages from GE to provide 816 tons of L10 and L42 pipe spools in carbon, stainless and alloy steel pipes including material supply service for the Dolna Odra Power Station.

Completing 100 tons of piping manufactured in accordance with EN 13480 standard in 2021, Cimtas Pipe will continue production in 2022.

Cimtas Pipe, which has supplied more than 55,000 tons of pipe spools for power plants around the world to date, continues to support ENKA with its own butt weld fittings and piping systems manufactured for use in ENKA's power plant projects.

In 2021, Cimtas Pipe has delivered 522 tons out of total 1,293 tons of pipe spools to ENKA's ongoing fast track projects Misurata 650 MW Simple Cycle Power Plant and Tripoli West 671 MW

Simple Cycle Power Plant in Libya, and Kazan 250 MW Combined Cycle Power Plant in Russia. The balance is planned to be completed in the first quarter of 2022.

In addition to these projects, Cimtas Pipe has been fabricating 320 tons of pipe spools including material supply for ENKA - Exxon Mobil West Qurna I Produced Water 2 Facility to be completed in 2022.

In 2022, Cimtas Pipe will procure raw materials and fabricate 416 tons of P92 pipe spools for the Zainskaya 850 MW Combined Cycle Power Plant located in Zainsk, Tatarstan Republic, the Russian Federation, which is to be constructed by ENKA for JSC Tatenergo.

Cimtas Pipe received an order from Mitsubishi Power to supply 460 tons of piping for the VW Wolfsburg Combined Cycle Power Plant in September, 2020. The fabrication of pipe spools, started in January 2021, was completed in November 2021.

Mitsubishi Power Americas has awarded Cimtas Pipe with external piping works for Lowman, Newman and Barry Power Plants. In 2021, with a successful project implementation, 85 tons of pipe spools were fabricated and delivered to the Lowman and Newman Power Plants. In addition to this, fabrication of 59 tons for the Barry Project started in November 2021, is planned to be finished in February 2022.



Cimtas Boru İmalatları ve Ticaret Ltd. Şti. (Cimtas Pipe) - Türkiye



Within the scope of the 177-ton pressurized equipment package consisting of 9 different types of equipment, Cimtas Pipe has reached an agreement with Petkim to provide 3 steam air heaters, 2 shell tube heat exchangers, 1 air-cooled heat exchanger, 1 safety condenser, 1 column and 1 tube bundle for Petkim Petrochemical Plant in İzmir. In addition to the fabrication scope, Cimtas Pipe has also provided detail engineering and material supply services. While the deliveries of air-cooled heat exchanger, steam air heater, safety condenser, column and tube bundle were completed as of end of December 2021, the rest of the equipment package will be completed in 2022.

On the other hand, Cimtas Pipe started engineering and procurement of the Petkim C7 Cold Box Modularization Project, awarded as part of the modernization of the Petkim Ethylene Plant at the end of 2021.

Within the scope of the works planned to be completed in August 2022, Cimtas Pipe provides engineering, material supply, 194 tons of fabrication consisting of pipe spool, structural steel and secondary steel support scope, as well as a complete assembly of the piping systems inside the module, testing, inspection, insulation, electrical & instrumentation works, and transportation.

LSAW pipe fabrication was completed in 2020, the production of 306 tons of carbon steel pipe spools and 48 tons of fittings for the Umid Babek Gas Field Compressor Station Project, awarded by Forain Türkiye, was completed at the CP Spool Works and delivered to the project site at the end of June 2021.

In 2021, Cimtas Pipe LSAW Pipe and Fitting Works Business Units have continued to support various national and international projects such as Gemlik Urea, Tekfen Kuzey Marmara Silivri Slug Catcher, SASA Polyester, Tüpraş-Aliağa Refinery Spherical Tank Fabrication, LASA Hydropower Plant, and Haydar Aliyev Oil Refinery, with providing LSAW pipes, butt weld fittings including cold and hot-formed stainless, carbon and alloy steel elbows, tees, reducers and laterals with diameters ranging from ½" to 60", and induction bends.

In the light of TPAO's aim to localize offshore technologies, Cimtas Pipe, Türkiye Petrolleri Anonim Ortaklığı's (TPAO's) and Baker Hughes (BH) have mutually agreed to cooperate in producing casing kits, used in high volumes in sea operations, at the Cimtas Pipe Facilities. As a result of this agreement, Cimtas Pipe has received its first casing kit manufacturing order from Baker Hughes, containing LSAW conductor pipes and connectors, to be used at the TPAO wells during its offshore drilling activities.

Within the scope of the first order, Cimtas Pipe started fabrication of 250 casing kits in 2021 and will complete the deliveries of the products in batches during 2022.

After proven success of the first delivery for the Haydar Aliyev Oil Refinery (HAOR) Project in Azerbaijan, Cimtas Pipe has been awarded 10 different LSAW sour service pipe packages containing 528 tons in total for the same project from 4 different customers. In 2021, Cimtas Pipe manufactured 256 tons of the scope equivalent to 6 orders and will continue production in 2022.

Petroleum Pipeline Corporation (BOTAS), a subsidiary of Türkiye Petrolleri Anonim Ortaklığı (TPAO) undertakes the expansion of the Kuzey Marmara Facility in Türkiye.

The project is carried out to increase the production capacity of the North Marmara-Değirmenköy Storage Facility in Silivri, İstanbul. Cimtas Pipe is to manufacture 500 tons of pipes and 100 tons of fittings with a thickness reaching up to 43 mm upon an order from Tekfen İmalat ve Mühendislik A.Ş., the shipments will be made in 2022.

In March 2021, Cimtas Pipe was awarded a contract to provide LSAW Pipes for the Italy Lasa Hydropower Project. With a successful project execution, 1,400 tons of welded pipes were manufactured and transported to the job site.

SASA, one of the leading companies in the petrochemical sector has a new petrochemical project investment that will be the first PTA (Purified Terephthalic Acid) production facility built in Türkiye with a capacity of 1.5 mtpa. PTA is used in the pharmaceutical and textile industries, as well as for extending the service life and packaging of food products. In 2021, Cimtas Pipe was recognized as the local partner for the supply of welded carbon and stainless steel pipes of the prestigious project and produced 676 tons LSAW pipes.

Towards the end of 2021, Cimtas Pipe received the first release of material supply for Bechtel's Pluto LNG Train 2 Project in Western Australia, which has been postponed for two years due to the pandemic.

The integrated piping solutions of this scope consists of manufacturing of 200 tons of butt weld fittings, 815 tons of LSAW pipes and 191 tons of material supply in carbon, low temperature carbon and stainless-steel.

A total of project scope estimated to be 16,000 tons and pipe spool fabrication is planned to start in the middle of 2022.



Cimtas Ningbo Modular Skids & Pipe Spools (Cimtas Ningbo) - China



Cimtas Ningbo is a market-leading company that provides high-quality spool fabrication and rigorously assembles skids, jigs and modules. The company established in 2002 in China and enlarged its capacity via custom-designed manufacturing technologies in 2019. Cimtas Ningbo serves the market with 55,250 m² of land and 31,680 m² of covered area with approximately 500 employees.

In 2021, Cimtas Ningbo delivered 265,000 diameter-inches of gas turbine, boiler, steam turbine piping, quick-disconnect clamp assembly components and assembled skid and turbine auxiliary module systems to its customers. In addition, Cimtas Ningbo has successfully renewed AS9100D, ISO 3834-2, PED 2014/68/EU MODULE H, SEL0-GC1, ISO14001:2015 certificates. Furthermore, Cimtas Ningbo has been awarded by the local government for the successful implementation of "Performance Excellence Model" in September 2021. The company has reached 1,000 days without any lost time incident (LTI) as of December 2021.



With strong commitment and preventive measures, Cimtas Ningbo completed the year 2021 with no Covid-19 cases and all the projects were delivered on time without any delay.

Cimtas Ningbo successfully completed deliveries of gas turbine piping with jig assemblies and skids/modules for the following projects of Mitsubishi Power Japan and America in 2021.

- ▶ Marlim Azul Energia Project, Brazil
- ▶ Tamazunchale II Project, Mexico
- ▶ Lowman Energy Center Project, USA
- ▶ Fujairah F3 Unit 1 & 2 Project, UAE

Cimtas Ningbo has been given the highly prestigious global "Best partner of the year 2021" award and "Certificate of Appreciation" by Mitsubishi Heavy Industries (MHI) for its excellent performance in 2021. Additionally, Cimtas Ningbo also received "Excellence in Performance Award" from Mitsubishi Power Americas.



Cimtas Ningbo has been a long-term global solution partner of General Electric in the energy market, supporting different activities and locations. In 2021, Cimtas Ningbo supplied piping systems to the power plants listed below:

- ▶ KDHC Yangsan Project, China
- ▶ Sewa Hamriyah IPP Project Unit 3, UAE
- ▶ CPV Three Rivers Project, USA
- ▶ Crist Reliability Project, USA
- ▶ TVA Colbert Project Units 1, 2 & 3, USA
- ▶ Munich South GUD1 Project, Germany
- ▶ Etgal GL44/GL45 Project, Israel
- ▶ Orot Rabin Power Station Hadera Project Units 1 & 2, Israel
- ▶ Csepel II Power Plant Project, Hungary
- ▶ Castle Peak Power Station Project, Hong Kong

Cimtas Ningbo is cooperating with Siemens China and Germany for Zhoushan Island Project Unit 2 & 3 (China), BD1060 Saidpur Project (Bangladesh) in GT piping scopes and got awarded for its first order of modular "Auxiliary Integrated Packages" for SGT6-9000HL Sun Ba II Project located in Taiwan.

Moreover, Cimtas Ningbo produced steam turbine pipelines for Toshiba for Matarbari Project Unit 1 (Bangladesh) coal-fired power plant, successfully met all conditions and deadlines. For Baker Hughes, Cimtas Ningbo completed 4 units of Thai Oil project (Thailand) and 1 unit of Sinopec Zhenhai plant (China) interconnecting piping.

In last quarter of 2021, Cimtas Ningbo received 2 sets of turbine pipe spool orders from Longjiang GH Turbine Co. Ltd. (GHGT), a member of the CSIC Group, which will localize Mitsubishi Power's H25 (42C) gas turbines for China market.



Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti. (Çimtaş Precision Machining) - Türkiye



Çimtaş Precision Machining Industries and Trading Ltd. Co., manufactures structural and rotating gas turbine components for the power and aviation industries in its state-of-the-art facility at the Bursa Free Trade Zone in Türkiye, conveniently located within 3 km of 4 separate international deep seaports.

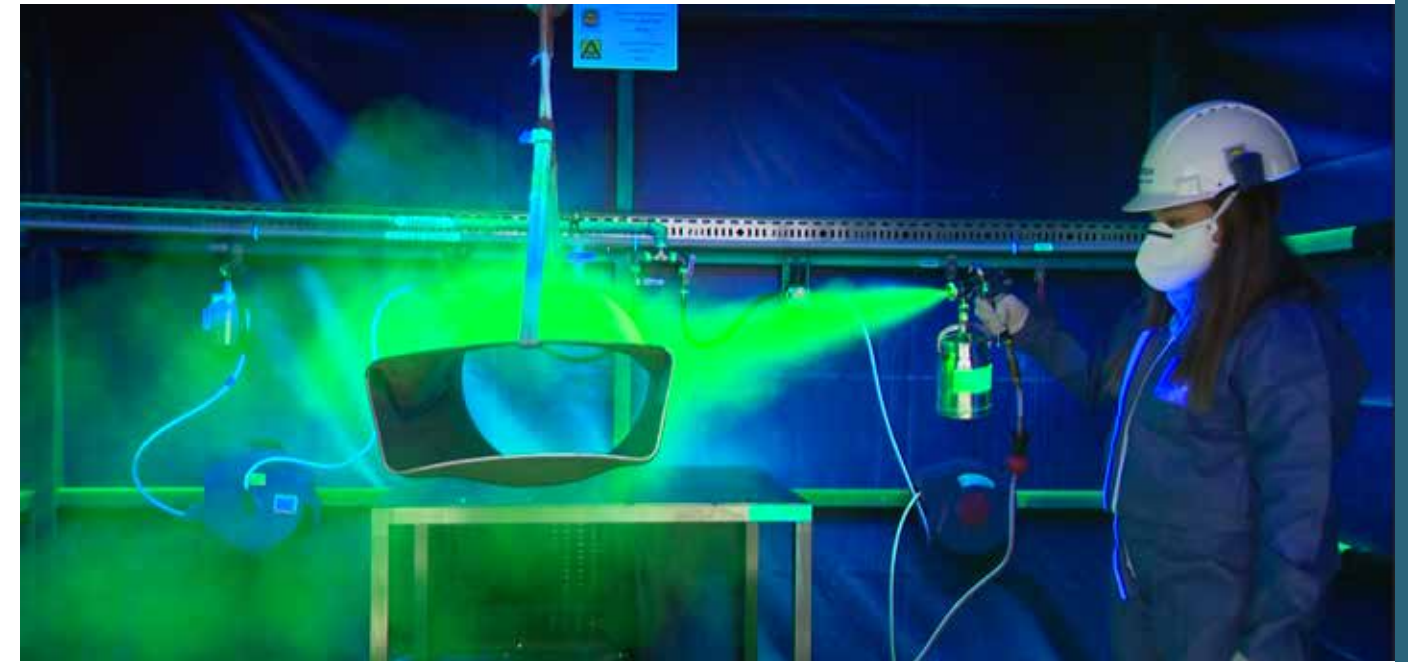
The company delivers value-added products to the world's leading Original Equipment Manufacturers (OEM) with its qualified personnel, strong engineering know-how, digitally integrated new generation multi axis machines and Nadcap approved special processes.

During 2021, Çimtaş Precision kept enhancing and developing its customer base, supply chain and manufacturing systems in order to improve its efficiency and services provided.

Çimtaş Precision continued to grow in the power combustion components business via its high level of new product introduction (NPI) capability and expanding its product portfolio with a steady influx of parts built around new generation heavy-duty gas turbine technologies.

Çimtaş Precision kept contributing to the aviation sector by manufacturing parts for engine and airframe platforms for multiple OEM's, adding manufacturing approvals from GE Aviation & Rolls-Royce, renewing its Nadcap accreditations and adding a new one bringing the total to 6, one which has gained 18-month Merit status.

In 2021, Çimtaş Precision is on track of its power and aviation strategy for expanding its market coverage by initiating the Long-Term Agreement (LTA) renewal discussions with various OEM's.



Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş. Türkiye



After the completion of 1915 Çanakkale Suspension Bridge deck panel fabrication by Çimtaş Steel in 2020; Çimtaş Module & Shipyard has successfully completed the panel formation, segment formation, block formation, paint, trial assembly and shipment works of the deck in 2021. Transportation of 153 deck blocks with a total weight of 53,000 tons, were performed via GMK-1, a special service vessel with dynamic positioning capability alongside with automatic heel and trim control systems, which was designed and fabricated by Çimtaş for the delivery of tower and deck blocks of Osmangazi Bridge Project.

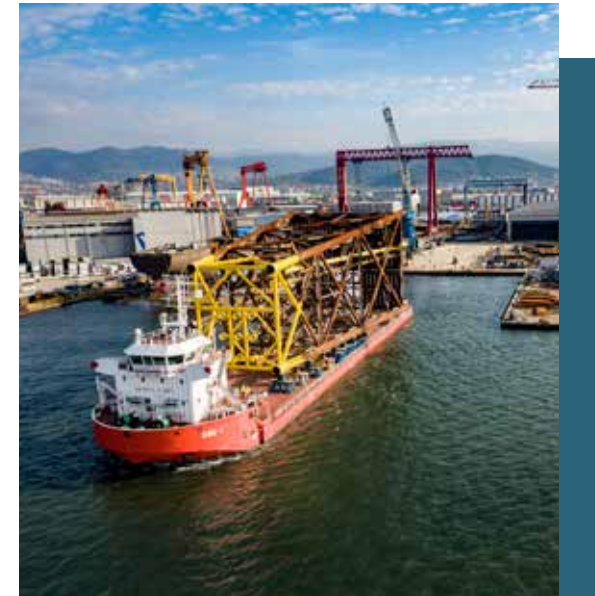
Deck site works, welding and NDT operations were awarded to Çimtaş via a separate contract and the work was commenced in August 2021. Çimtaş Steel completed Deck Site Welding Works of 86 Deck Joints successfully without Lost Time Incident (LTI) with almost zero weld defect (0,2 %) in less than 80 working days.

The new tower production facility, which became operational in the third quarter of 2020, made a significant contribution to break the 2020 Çimtaş wind tower production record with 30,350 tons.

Çimtaş Module & Shipyard, which is the first certified company by BOTAŞ for the fabrication of offshore structures in Türkiye, completed the fabrication of the Kuzey Marmara Underground Gas Storage Expansion (Phase III) Project with a total weight of 3,100 tons consisting of two Jacket platforms named DP1 & DP2 Jackets

with their loose members, boat landing, piles and conductors as well as the shipments of DP1 & DP2 Jackets to the job site by GMK-1 in the first quarter of 2021. The project has been completed without Lost Time Incident (LTI) and in accordance with project technical and quality requirements within the project schedule.

Within the same year, Çimtaş Module & Shipyard has also completed fabrication, slipway assembly and launching works of the chemical tanker named Selena ATK with a capacity of 5,700 DWT.



Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş. - Türkiye



Kasktaş started ground engineering and foundation works in 1957 as an internal department of ENKA and was transformed into an individual company in 1975. By the end of 2021, with a total of 470 personnel including 65 technical and 42 administrative personnel, Kasktaş offers high-quality and economical solutions through its personnel experienced in geotechnical design and all types of soil engineering, and its special geotechnical machinery and equipment. In addition to a large and modern machinery park, it continues to add new machinery and equipment to its fleet in order to meet the current requirements in the area of soil engineering.

Moreover, having successfully completed third party inspection of the ISO 9001 Quality, ISO 14001 Environmental and ISO 45001 Occupational Health & Safety Management System, administered by BSI in 2021, Kasktaş maintains its activities without compromising on quality. The Environmental and Occupational Health and Safety System, which had been established in the company headquarters and the main workshop earlier in 2007, have been extended within the first half of 2009 in order to include all construction sites both in Türkiye and abroad. Its affiliate located in Saudi Arabia also implemented the ISO 14001 Environmental and ISO 45001 Occupational Health & Safety Management Systems, which was certified by BSI in 2009.

Kasktaş entered 2021 with a total of 11 on-going projects and other 18 new projects were also undertaken. The major projects completed by Kasktaş in 2021 are as follows:

Türkiye

- ▶ Akkuyu Nuclear Power Plant Slurry Wall Works
- ▶ Akkuyu Nuclear Power Plant 10UQA & 20UQA Pump Stations and 11, 12 & 22 UZP Structures
- ▶ Akkuyu Nuclear Power Plant 00UQU Marine Discharge Structure Blast Drills
- ▶ Akkuyu Nuclear Power Plant 00UGD Building and Siphon Wells Soil Improvement Works
- ▶ Akkuyu Nuclear Power Plant UBG & UGD TAM Grouting Works
- ▶ Akkuyu Nuclear Power Plant Tower Crane Foundation Bored Pile Works
- ▶ Akkuyu Nuclear Power Plant Pump Stations Disassembly Works
- ▶ 1915 Çanakkale Bridge Temporary Pier Bored Pile Works
- ▶ TOGG Manufacturing Facility Construction Soil Improvement Works
- ▶ Filyos Port and Natural Gas Operation Facility Soil Improvement Works
- ▶ CSS Metro Project S21B Structure Diaphragm Wall Works
- ▶ Ferrero Düzce Nut Cracking and Selection Facility Soil Improvement Works

Morocco

- ▶ Nador West Med Port Project Diaphragm Wall and Barrette Pile Works

Saudi Arabia

- ▶ Jabal Al Ka'aba Phase-3 Slope Stabilization Works
- ▶ NCMS Tower Shoring Works
- ▶ Masar Project Shoring Works Package A & B
- ▶ Qiddiyah City Rock Stabilization Works
- ▶ Thakher City Project Mini Pile Works
- ▶ Neom City Project

Russian Federation

- ▶ ICITY Tower Project Shoring Works
- ▶ Kutuzovsky Complex Project Phase 1 & 2
- ▶ Barrikadnaya Kinoteatr Project Shoring Works
- ▶ Ust Ilimsk Depot Station Phase 2 Bored Pile Works
- ▶ Simvol Complex Project Phase 2 Bored Pile Works
- ▶ Serdtse Stolitse JD-09 Project Bored Pile Works
- ▶ Ostrov 6 Project Diaphragm Wall Works
- ▶ Victory Park Project Bored Pile Works
- ▶ Ozeraya Mine Project Bored Pile Works

Iraq

- ▶ Umm Qasr BMT Container Terminal Bored Pile Works

Bahamas

- ▶ Prince George Wharf Nassau Port Project



Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş. Türkiye

Akkuyu Nuclear Power Plant Slurry Wall Works

The contract was signed with IC-TSM JV for the Slurry Wall Works within the scope of the Akkuyu Nuclear Power Plant Project, which is under construction in Mersin. The project consists of 11,800 m² of slurry wall and 10,000 m of jet grout works. When completed, the power plant will be comprised of four power units with VVER-1200 reactors with a total capacity of 4,800 MW.

The project was started in 2019. In 2021, 3,500 m² of slurry wall and 1,500 m of jet grout works were executed and all works were completed within the scope of the project.



Akkuyu Nuclear Power Plant 10UQA & 20UQA Pump Stations and 11, 12 & 22 UZP Structures

The contract was signed with IC-TSM JV for the 10UQA and 20UQA Pump Stations Shoring System and Soil Improvement Works within the scope of the Akkuyu Nuclear Power Plant Project. Besides, an addendum was signed for the execution of the works at the UZP Structures. The project includes a total of 29,000 m² of diaphragm wall, 179,000 m of jet grout and 45,000 m of SBMA anchor works.

The works within the scope of the project were started in 2020. 10,000 m² of diaphragm wall, 15,000 m of jet grout and 17,000 m of anchor works were completed in 2021, the remaining works are planned to be completed by July 2022.



Akkuyu Nuclear Power Plant UBG & UGD TAM Grouting Works

The contract for the UBG and UGD Structures Tube-a-Manchette Works within the scope of the Akkuyu Nuclear Power Plant was signed with IC-TSM JV. The project consists of 9,700 m of drilling and 6,600 m³ of grouting work.

In the project, which was started in December, 400 m of drilling was completed by the end of the year. The remaining works are planned to be completed by April 2022.

Akkuyu Nuclear Power Plant Tower Crane Foundation Bored Pile Works

Within the scope of the Akkuyu Nuclear Power Plant Project, tower cranes foundation piles were executed in seven different areas for four companies. Within the project, 900 m of bored piles were completed between March and December.



Akkuyu Nuclear Power Plant Pump Stations Disassembly Works

The contract was signed with IC-TSM JV for the removal of the walls connecting 10UQA and 20UQA Pump Stations and UZP Structures within the scope of the Akkuyu Nuclear Power Plant.

The executions of the project will start in January and will be completed by August 2022.

1915 Çanakkale Bridge Temporary Pier Bored Pile Works

The contract for the Temporary Pier Bored Pile Works within the scope of the 1915 Çanakkale Bridge; which will be the longest central span bridge in the world when completed; located in the Dardanelles, was signed with DLSY JV. The project consists of 600 m of Bored Pile installation works. Within the content of the project, Kasktaş had also completed other major important projects such as European Anchor Block, Asian Anchor Block and European Soil Improvement Works in 2019 and 2020.

All bored pile works were completed in March.



Akkuyu Nuclear Power Plant 00UGD Building and Siphon Wells Soil Improvement Works

The agreement has been reached with IC-TSM JV for the 00UGD Building and Siphon Wells Soil Improvement Works within the scope of the Akkuyu Nuclear Power Plant Project. The contract covers 29,000 m of jet grout work.

Construction was started in September and all works were completed by December 2021.



Akkuyu Nuclear Power Plant 00UQU Marine Discharge Structure Blast Drills

The contract for the 00UQU Marine Discharge Structure Blast Drills within the scope of the Akkuyu Nuclear Power Plant was signed with Cengiz Construction. The contract consists of 18,000 m of blast drills.

All blast drills within the project were completed between March and June 2021.



Thakher City Project Mini Pile Works

Thakher City Project is an urban development, located in Makkah. The idea is to develop lodging neighbourhood a few kilometres away from the Holy Mosque of Ka'aba. The contract for the Thakher City Project Mini Pile Works was signed with Ishada Contracting & Maintenance Co. The contract consists of 900 m of mini pile work.

The works within the scope of the project will start in 2022, and are planned to be completed by May 2022.

Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş. Türkiye

TOGG Manufacturing Facility Construction Soil Improvement Works

The contract was signed with İksa Mühendislik for the DSM Columns within the scope of the Türkiye's Automobile Joint Venture Group Inc. (TOGG) Manufacturing Facility Soil Improvement Works, located in Gemlik, Bursa. TOGG, Türkiye's Automobile Joint Venture Group Inc., was established to create a brand that has national intellectual property rights and compete in the global arena. As TOGG, electric, autonomous capable and connected vehicles will be developed with a mobility ecosystem that encompasses these technologies. With the ecosystem, it is aimed to contribute to a clean future and facilitate the lives of large masses by not producing any harmful emissions. Within the scope of the project, Kasktaş has completed a total of ground improvement works consisting of 50,000 m of DSM Columns.

DSM column work was started in 2020, and all works within the scope of the project were completed as of March. 29,000 m of DSM column work were executed in 2021.



Filyos Port and Natural Gas Operation Facility Soil Improvement Works

The contract for the Soil Improvement Works within the scope of the Filyos Port and Natural Gas Operation Facility, located in Zonguldak, was signed with Kolin İnşaat. The port is the location where the natural gas discovered in the Black Sea will be landed. Within the scope of the contract, there are 157,000 m of vertical drain and 3,500 m of bored pile works.

In the project, which started as of July, 126,000 m of vertical drain and 3,500 m of bored pile works were completed by the end of 2021. The remaining works are planned to be completed by February 2022.



Çekmeköy - Sancaktepe - Sultanbeyli Metro Project S21B Structure Diaphragm Wall Works

The contract for the CSS Metro Project S21B Structure Diaphragm Wall Works, located in İstanbul, was signed with Doğuş - Yapı Merkezi - Özaltın JV. The scope of this metro project, which is an extension of Üsküdar-Ümraniye-Çekmeköy Metro Project, includes 10,400 m² of diaphragm wall.

The project was started in September and all works will be completed by January 2022.



Ferrero Düzce Nut Cracking and Selection Facility Soil Improvement Works

The contract for the Ferrero Nut Cracking and Selection Facility Soil Improvement Works, located in Düzce, was signed with Tepe İnşaat. The contract covers 69,000 m of DSM column, 23,000 m of stone column and 4,000 m of bored pile works.

In the project, which started in October, 22,000 m of DSM column, 2,000 m of stone column and 500 m of bored pile works were completed. The remaining works are planned to be completed by March 2022.



Jabal Al Ka'aba Phase-3 Slope Stabilization Works

The contract was signed with Abdul Latif Jameel Real Estate Investment for the Jabal Al Ka'aba Phase-3 Project Slope Stabilization Works, located in Makkah. The scope of the project includes 4,600 m of rock bolt, 4,000 m² of shotcrete and 400 m of mini pile works.

Within the scope of the project, which started in 2020, 3,000 m of rock bolt, 1,900 m² of shotcrete and 400 m of mini pile works were completed in 2021. The project, which has been delayed for different reasons, will be restarted in the beginning of 2022 and the remaining works are planned to be completed within 3 months.



NCMS Tower Shoring Works

Two towers are planned to be built for the National Company for Mechanical System in Riyadh, Saudi Arabia. The contract covering shoring works had been signed with Mafaheem Al-E'mar in order to excavate the construction pit of the towers' foundations safely. The shoring project, which was designed by Kasktaş, includes 8,000 m of secant pile and 5,600 m of anchor works.

The project was started in 2020, all works consisting of 4,500 m of bored pile and 5,600 m of anchor were completed in 2021.



Masar Project Shoring Works Package A & B

The Masar Project, which is under construction in Makkah City of Saudi Arabia, is a mega project that aims to enable visitors coming through the Haramain Train, connecting Medina-Jeddah-Makkah, to reach the Harem via the subway system. A contract for the shoring works of 6 parcels within the project was signed with Umm Al Qura for Development & Construction Company. The project, designed and implemented by Kasktaş, includes 3,900 m of bored pile, 4,600 m² of Berliner wall, 8,200 m of temporary anchor, 3,400 m of tie-back anchor, 3,000 m of soil nail and 1,000 m² of soil nail works.

Started in January, the project completed 3,900 m of bored pile, 1,000 m² of Berliner wall, 5,500 m of temporary anchor and 800 m² of shotcrete in 2021. The remaining works are planned to be completed by March 2022.



Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş.
Türkiye

Qiddiyah City Rock Stabilization Works

The Qiddiyah City Project, built as an entertainment megaproject 45 km from the city of Riyadh, consists of 3 stages. The contract for the rock stabilization works within the scope of the “Upper Plateau” was signed with El Haif Company. The contract consists of 144,000 m of anchor, 42,300 m of soil nail and 150,000 m² of shotcrete works.

The project, which started with anchor tests carried out in March, has completed 2,000 m of anchors in 2021. The remaining works are planned to be completed by the end of 2022.



Ozernaya Mine Project Bored Pile Works

The contract was signed with East Cons. Tech. for the execution of Bored Piles under the foundations of public housing to be built within the scope of the Ozernaya Mine Project, located in Chita City, Siberia Region. The contract includes 2,800 m of bored piling works.

The execution works were started in the middle of December and 150 m of bore pile works were completed in 2021. The remaining works are planned to be completed by April 2022.

Neom City Project

The contract was signed with Al Wareef for the Dam Expansion Works within the scope of the Neom City Project, which is planned to be built on the Red Sea coast. Within the scope of the dam expansion project, there are 1,300 m of mini pile and 3 pile tests in order to verify the design. Neom City Project will not only be one of the most complex infrastructure projects in the world with a length of 170 km but also have the feature of working with 100% renewable energy.

3 tests were completed within 2021. Mini piles in the project are planned to be completed between January and February 2022.



ICITY Tower Project Shoring Works

A complex of two skyscrapers in the Moscow City Region is planned to be built. The test piles of the ICITY Tower Project consisting of these two skyscrapers were previously executed and tested by Kasktaş. Afterwards, a contract covering Bored Pile, Soil Improvement and Excavation works, was signed with MR Group. There are 10,000 m of pipe pile, 14,000 m of bored pile, 2,500 m of jet grout, 150 m² of Berliner wall and excavation works within the scope of the project.

In the project, which started in February, 12,000 m of bored pile, 7,000 m of pipe pile and 1,500 m of jet grout works were completed in 2021. The remaining works are planned to be completed by June 2022.



Kutuzovsky Complex Project Phase 1 & 2

The contract for the Bored Pile Works within the scope of the Kutuzovsky Complex Project, located in the Moscow City, was signed with Antteq. There is 4,800 m of bored pile within the scope of the project.

Bored pile executions, which were performed by passing 5 floors of parking lot over the platform, started in 2020. All works within the scope of the project, with a total of 1,600 m bored pile work, were completed in November 2021.



Barrikadnaya Kinoteatr Project Shoring Works

The contract was signed with Antteq for the construction of Best House Hotel and Culture Centre, located in Moscow Barrikadnaya metro area. There are 10,000 m of secant pile and 5,000 m of bored pile within the scope of the contract.

In the project, which started in January, 10,000 m of secant pile and 2,500 m of bored pile works were completed in 2021. The remaining works are planned to be completed by April 2022.



Ust Ilimsk Depot Station Phase 2 Bored Pile Works

By the decision of the Council of Ministers of the USSR in 1973, Ilim Group started the construction of the Forest Industry Complex, located in the city of Ust Ilimsk (Irkutsi Oblast), Siberia. Ilim Gorup meets 75% of the annual cellulose requirement of the Russian Federation and is ranked in the top 10 of the world's largest paper mills. The construction of the Additional Cardboard Factory in the Forest Industry Complex is ongoing.

The contract was signed with Esta Construction for the Phase 2 Bored Pile works within the scope of the Depot Stations planned to be built within the Additional Cardboard and Paper Mill Factory, where Kasktaş completed the Phase 1 works in 2019. The contract consists of 2,700 m³ of bored pile work.

In the project, which started in May, all works were completed by December.



Simvol Complex Project Phase 2 Bored Pile Works

The contract was signed with Ant Yapı for the Phase 2 Bored Pile works within the scope of the Simvol Complex Project, which is located in Moscow and whose Phase 1 works were completed by Kasktaş in 2020. The project includes 3,300 m of bored pile works.

Test pile construction works and preliminary pile load test were completed in May. The production of the piles was completed between July and August.



Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit A.Ş.
Türkiye

Serditse Stolitse JD09 Project Bored Pile Works

Multifunctional Complex Building and Social Facilities are planned to be built in Moscow. The contract was signed with Ant Yapı for the shoring works within the scope of the project. The project consists of 5,300 m of bored pile, 4,400 m of pipe pile and 2,900 m of anchor.

All works on the project were executed between June and December.



Umm Qasr BMT Container Terminal Bored Pile Works

The Port of Umm Qasr is the largest sea port and the only deep-water port in Iraq. The contract was signed with an ENKA subsidiary for the Bored Pile constructions within the scope of the Port of Umm Qasr Basra Multi-Purpose Container Terminal Yard. The project consists of 4,300 m of bored pile.

In the project, which started in 2020, 1,300 m of bored piles were executed and the project was completed in the middle of February 2021.



Victory Park Project Bored Pile Works

The contract was signed with Antteq for the Bored Pile Works of the Victory Park Project, a multi-functional elite residential complex being built in Moscow. The project includes 2,500 m of bored pile works.

In the project, which started in November, 400 m of bored pile works were completed by the end of the year. The remaining works are planned to be completed by the mid-January 2022.



Ostrov 6 Project Diaphragm Wall Works

The contract for the Diaphragm Wall Works for the Ostrov 6 Project, located in Moscow, was signed with Ant Yapı. The project consists of 6,200 m³ of diaphragm wall.

In the project, which started in December, 300 m³ of diaphragm wall was completed by the end of the year 2021. The remaining works are planned to be completed by April 2022.



Nador West Med Port Project Diaphragm Wall and Barrette Pile Project

The contract was signed with SSN (STE STFA SGTM NADOR S.A.) for the Diaphragm Wall and Barrette Pile works of the Nador West Med Port Project, which is under construction in Morocco. The project includes 13,900 m³ of diaphragm wall and 6,000 m² of barrette pile works.

In the project, started in 2020, 13,900 m³ of diaphragm walls and 6,000 m² of barrette piles were executed in 2021 and all works within the project were completed.



Prince George Wharf Nassau Port Project, Bahamas

The contract for the execution of Sheet Pile, Pipe Driving and Soil Improvement was signed with ENKA Construction and Development B. V. Bahamas Branch, that undertook the marine construction works within the scope of the Nassau Cruise Port Improvement and Expansion Project in the Bahamas. The project includes 133 of tubular of anchor sheet pile, 133 of tie-rod and 146,000 m³ of vibro compaction works.

The project was started in December 2020 with the combi wall installation. A 335 m long new berth was constructed, it was formed from hydraulic fillings by dredging. As of September 2021, ground improvement of hydraulic fill by vibro compaction technique was started. With the completion of vibro compaction, all works in the project were accomplished as of November 2021.



ENKA İzmir Power Plant, Türkiye



POWER GENERATION

Gebze Elektrik Üretim Ltd. Şti.

Adapazarı Elektrik Üretim Ltd. Şti.

İzmir Elektrik Üretim Ltd. Şti.



Gebze Elektrik Üretim Ltd. Şti.
Adapazarı Elektrik Üretim Ltd. Şti.
İzmir Elektrik Üretim Ltd. Şti.



Gebze	: 1,540 MW
Adapazarı	: 770 MW
İzmir	: 1,520 MW
Total	: 3,830 MW

In 1997, a partnership between ENKA by 40% and InterGen by 60% was awarded by the General Directorate of Turkish Electricity (TEAŞ) and the Ministry of Energy and Natural Resources to carry out the turnkey construction and operation of three natural gas combined cycle power plants in Gebze, Adapazarı and İzmir with a total installed capacity of 3,830 MW under the Build-Own-Operate (BOO) scheme.

The turnkey construction of the Gebze, Adapazarı and İzmir natural gas combined cycle power plants was awarded to the Bechtel-ENKA Joint Venture (BEJV), in which ENKA had a 50% share. The projects were launched in 2000. The Gebze and Adapazarı plants were commissioned in 2002 and the İzmir plant in 2003. Thus ENKA, together with its partner InterGen, became the largest private sector electricity producer in Türkiye.

During operation period, ENKA acquired the shares of its partner InterGen and became the sole owner of the power generation companies. The ENKA power plants generated circa 450 billion kilowatt-hours of electricity during the 16 year period of operation. The Electricity Sale Agreements and the Natural Gas Sale Contracts expired at the end of the BOO period.

Following the BOO period, the power plants have been issued generation licenses and commenced operation in the merchant electricity market.

In 2021, the ENKA power plants have generated circa 10.5 billion kWh of electricity. With an annual production capacity of 32 billion kilowatt-hours, ENKA power plants have the potential to meet 10% of Türkiye's total energy consumption.

During operation period, ENKA has improved the infrastructure at the plants and invested in state-of-the art technology with the "Advanced Gas Path and DLN2.6+ Upgrade". With this industry-leading technology, ENKA has improved fuel efficiency, lowered its emission footprint and enhanced the operational flexibility and reliability of the power plants.

The ENKA power plants have certificates of ISO 45001 Occupational Health and Safety Management System, ISO 14001 Environmental Management System, ISO 27001 Information Security Management System, ISO 9001 Quality Management System, ISO 50001 Energy Management System and necessary audits are carried out regularly related to these certificates.

The Energy Market Regulatory Authority (EPDK) has issued ENKA Enerji Ticaret A.Ş. with an electricity supply license and a natural gas import (spot market) license. Under the licenses, ENKA Enerji may engage in wholesale/retail activities in both electricity and gas markets.



The Naberezhnaya Tower, Russia



REAL ESTATE

ENKA TC

City Center Investment B.V.

ENKA Invest

LLC MosENKA

LLC Moskva - Krasnye Holmy

LLC Otel Moskva - Krasnye Holmy,
Swissotel Krasnye Holmy

LLC ENKA Flex Office



ENKA TC

www.enkatc.com

Leasable Area : 400,000 m²



ENKA TC, formerly known as RamENKA, was established in Moscow in 1997 as an equal partnership between ENKA and Migros for the purpose of developing shopping centers and a supermarket chain in the Russian Federation.

In November the same year, the company launched its first Ramstore hypermarket and shopping center in the Kuntsevo District of Moscow. The complex was constructed by ENKA and covered a total area of 19,400 m².

In spite of the economic crisis in the Russian Federation, the company continued its growth. In 1998, it opened its second hypermarket and shopping center in Maryina Roshcha.

ENKA had completed the construction of the 32,500 m² Maryina Roshcha shopping center in a remarkably short time while simultaneously maintaining its highest quality standards.

ENKA TC went on to open 23 new stores between 1999 and 2003, increasing the number of its stores to 25 and the number of its shopping centers to six.

The company started to expand to regions outside of Moscow, with stores opened in Krasnoyarsk, Kazan and Nizhniy Novgorod the same year. Despite some closures between 2004 and 2007, the total number of stores increased to 53, and the number of shopping centers to 10.

For its investments, the company made use of International Finance Corporation (IFC) and commercial bank loans in addition to its own resources. A total of USD 170 million in loans was provided by the IFC between 1998 and 2006. All of these loans were repaid in 2008, ahead of their maturity dates.

In addition to retail space in shopping centers, the company started to rent out office space on a large scale with the Vernadskogo complex in 2007.

ENKA became the sole owner of the company in 2007 by having acquired the 50% share held by Migros and renamed the company "ENKA TC".

In order to focus on real estate operations as its main line of business, ENKA TC transferred the hypermarket operations and the shopping centers to AUCHAN through rental agreements. Upon the completion of this operation, the leasable area of ENKA TC increased from 167,000 m² to 227,000 m².

The shopping malls owned by ENKA TC which operated under the "Ramstore" brand name were rebranded "Kapitoliy" in 2009. In January 2010, the supermarket brand name "Ramstore" was changed to "Citystore".

In line with the company's plan to exit the retail business and focus on real estate operations, the retail assets of ENKA TC were sold off to OOO "BILLA" and OOO "BILLA REALTY" in April 2012. Following that, ENKA TC had completely exited the retail sector by the end of 2012.

The rental revenues of the company continued to grow, reaching USD 104 million in 2021.

Meanwhile, in 2006 and 2007, two of ENKA TC's most important shopping mall developments won "Best Shopping Centre" awards from the Commercial Real Estate Committee (CRE) of the Russian Federation. The Kapitoliy Shopping Mall in St. Petersburg was honored with the "St. Petersburg's Best Shopping Centre" award in 2006, while the Kapitoliy Vernadskogo Shopping Mall in Moscow received the "Moscow's Best Large-Scale Shopping Mall" award in 2007.

The Kapitoliy Vernadskogo Shopping Mall was also selected among more than 60 nominated projects as "Best Project in the Sphere of Investment and Construction in Moscow in 2012" by the Moscow Local Administration. Later, it was chosen as the "Best Shopping Complex" at the "100 Best Office and Retail Centers in Russia" awards ceremonies held in St. Petersburg in both 2017 and 2018.

The Kapitoliy Sevastopolsky Shopping Mall in Moscow was named the "Most Convenient Shopping Centre in the South-West Administrative District of Moscow" by Moscow Municipality in 2009.

In line with investments made for redevelopment of existing assets, ENKA TC finished the project development phase during the 2nd quarter of 2011, and commenced the redevelopment of the Kuntsevo Plaza, which had been originally opened in 1997.

Under this project, the existing building covering an area of 19,400 m² was demolished and a new, modern complex with a total area of 245,000 m² was constructed.

The complex consists of a shopping mall, office buildings and a small number of apartment units. The shopping mall opened its doors upon the completion of construction works at the end of 2014, while the construction of the office buildings was completed in the 2nd quarter of 2015. The shopping mall has a net leasable area of 61,000 m² and the office building a net leasable area of 29,094 m². There is an underground parking lot with capacity for 2,028 cars. The total investment cost was USD 484 million.



ENKA TC

The Kuntsevo re-development project was presented with several awards:

- The 2012 "Cityscape Future Retail Award in Emerging Markets" at the International Conference for Global Real Estate, which took place in Dubai and at which 36 nominated projects from 13 different countries were showcased.
- The "Best Shopping Centre" award of the Russian Council of Shopping Centers (RCSC) was received in April 2015.
- The "Best Retail Architecture Russia", "Best Retail Development (5 Stars) Russia" and "Best Retail Development Europe" awards at the International Property Awards were received in 2016.
- The "Best Office Complex" and "Best Shopping Complex" awards were received at the "100 Best Office and Retail Centers in Russia" award ceremony held in St. Petersburg in both 2017 and 2018.

The Kuntsevo Plaza also became one of the Russia's 37 certified green investment projects by having received a green building certificate (Green Standard – GOLD) in April 2013.

In the 2nd quarter of 2013 the construction of a shopping mall at Sergiev Posad in the Moscow Region was commenced. This mall was opened for retail operations at the beginning of September 2014. It has a total area of 36,750 m², a leasable area of 24,883 m², and a car park with capacity for 696 cars. This project involved an investment of USD 59 million.

In the 4th quarter of 2015, construction work began on the construction of the new Kashirskaya Shopping Mall, replacing the existing mall, which had been demolished to make way for it. The new building has a total area of 196,750 m² and a leasable area of 70,000 m². The total investment cost, including construction, design, infrastructure works, approvals, road works etc., amounted to USD 232 million. The new shopping mall began operations in March 2018.

In spite of its short history, the Kashirskaya Plaza has been honored with several important awards:

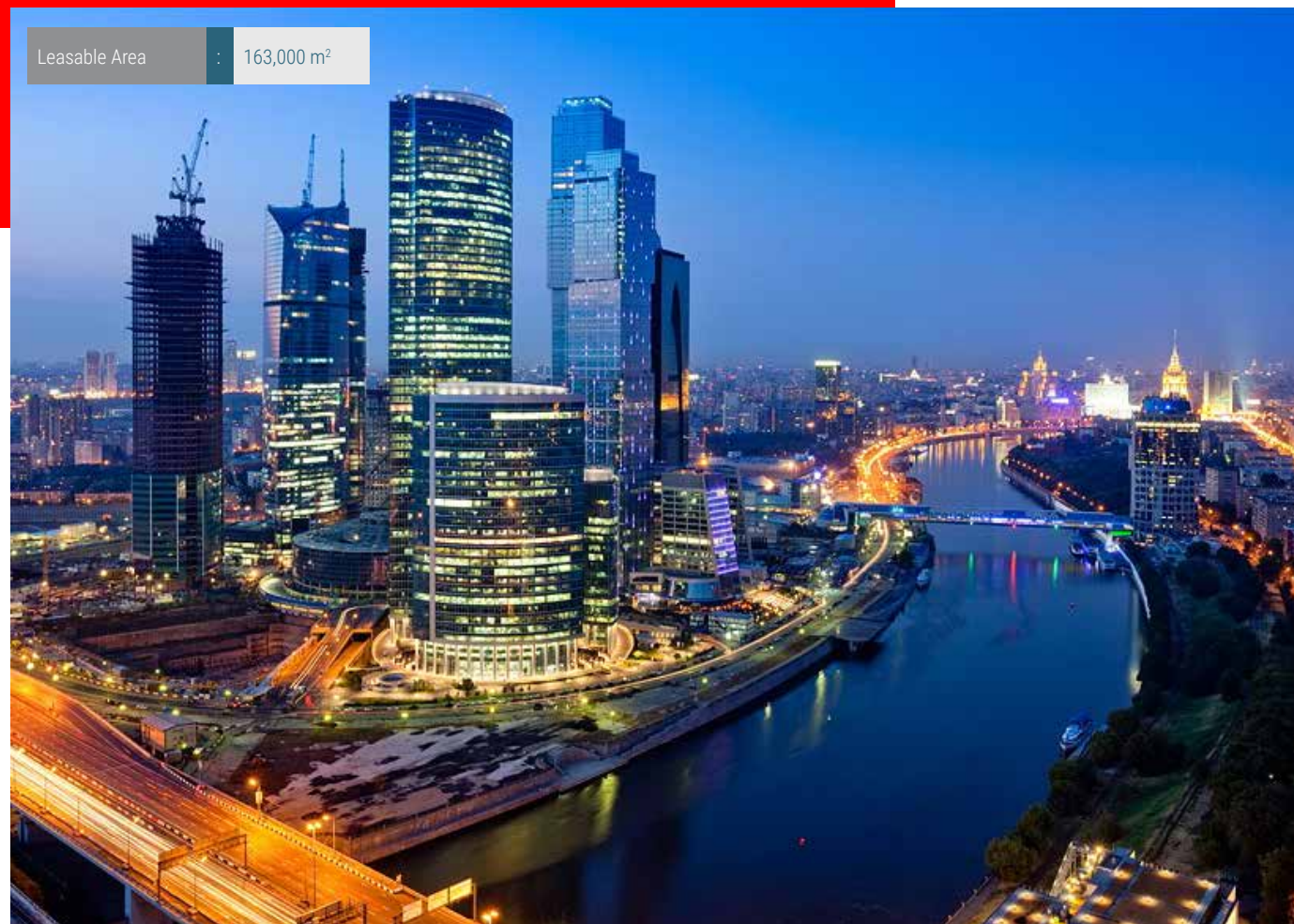
- The "Best Shopping Centre" among projects at the implementation stage in the "Large Shopping Centers" category at the RCSC Awards in 2018.
- Winner of the prestigious international European Property Awards in two nominations (Retail Architecture, Moscow, Russia; Retail Development, Moscow, Russia) simultaneously in 2018.
- The "Best Large Shopping Center" in the Commercial Real Estate Moscow Awards in 2019.
- The "Best Implemented Project in the Field of Construction of Multi-functional Shopping Centers and Complexes" in the awards ceremony organized by the Department of Urban Policy in 2019.
- "Global Best Project" in the Retail / Mixed Use Development Category in Engineering News-Record (ENR) 2019 Global Best Projects Competition.



City Center Investment B.V.

www.ccioffices.ru

Leasable Area : 163,000 m²



City Center Investment B.V. (CCI) was established in 2003 for the development of the Naberezhnaya Tower complex. Naberezhnaya Tower is one of the most prestigious business centers in Moscow, with a Commercial Real Estate Award for the best Class-A business center. Located in Moscow's international business center, it is a model of inspiring architecture and state-of-the-art innovative design. CCI has been able to build long term relationships with its tenants thanks to its competitive advantages in the commercial real estate market.

Naberezhnaya Tower complex consists of three blocks with a total leasable area of 163,000 m². At present, 109 staff are employed in office leasing, the management and operation of the facilities and the supply of fit-out works.

During 2021, as the previous year, the global Covid-19 pandemic negatively affected the office market and forced the tenants to request for rental abatements, shrink their office size and also impaired their capabilities to fulfil payment obligations described in the lease agreement. Notwithstanding, through the constructive and professional approach and the correct planning implemented

since the beginning of the pandemic, the occupancy rate of the building has reached the historical level of 99%. With this strategic approach, CCI managed to extend contracts with existing tenants with a total rentable area of more than 29,000 m², as well as to conclude new lease agreements with a total area of more than 28,000 m².

In addition to the comprehensive regular maintenance of the complex, the CCI operations team continued to pay utmost attention and care for the conservation of health and safety in the complex through improved measures against the spread of Covid-19. Besides, 23,000 m² of office fit-out works were carried by the team during 2021.

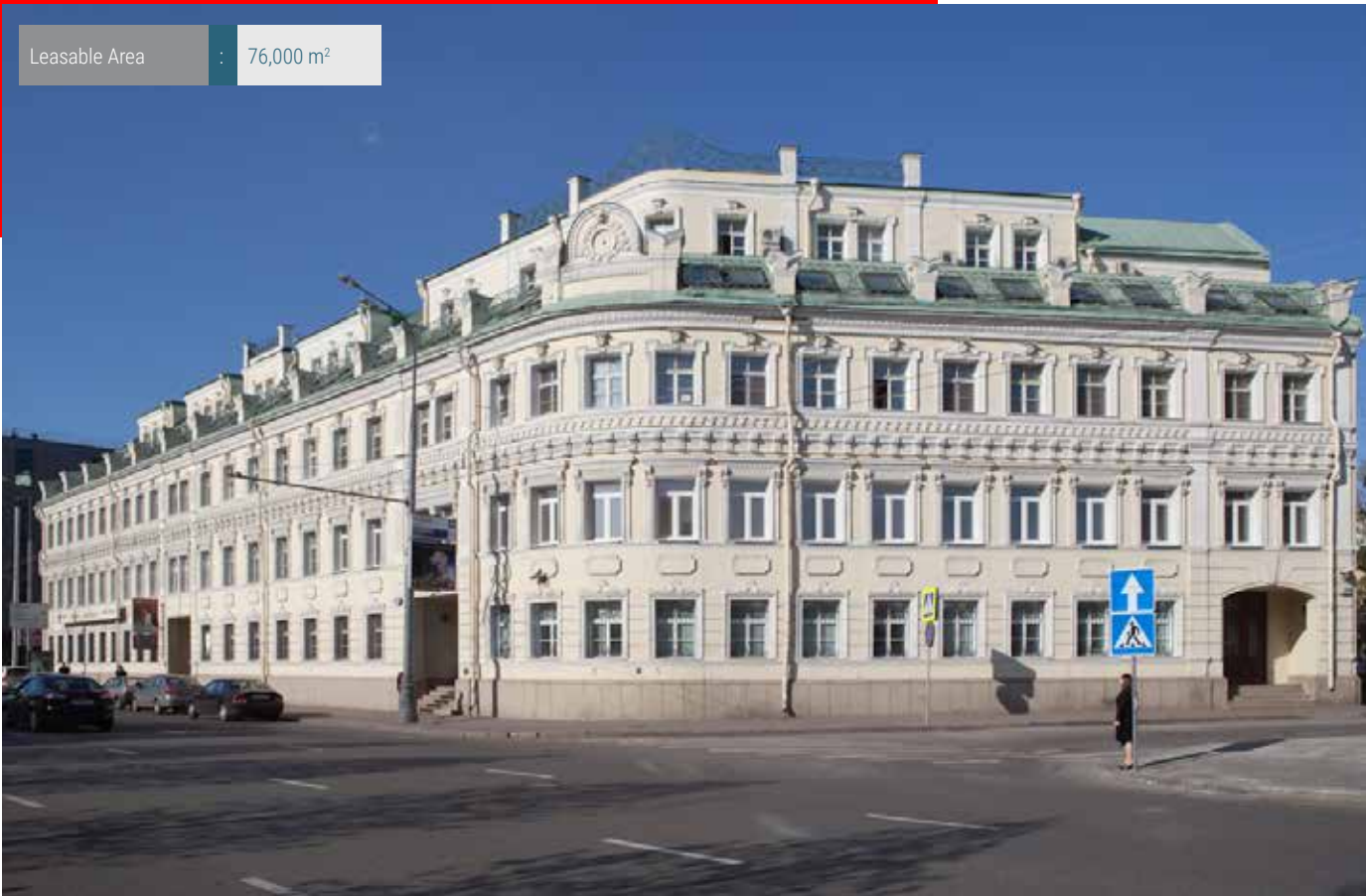
Existing CCI tenants include reputable corporations such as Alibaba, Arconic, Berlin Chemie, CMS Cameron McKenna, Dell, Eli Lilly, Elanco, Fortinet, Fortum, General Electric, GlaxoSmithKline, IBM, Inditex, Juniper Networks, KPMG, Marie Tecnimont, Medtronic, Merz Pharma, Mitsui & Co, Mubadala, Ozon, Pfizer, Qualcomm, Renaissance Capital, Richemont, SMS Group, Universal Pictures, VTB Group, Unipro and Segezha.



ENKA Invest

www.paveletskayaplaza.ru

Leasable Area : 76,000 m²



ENKA Invest began operating in 1994 as a part of ENKA’s real estate investment division, which has been active in Moscow since the early 1990s. It has 4 complexes located in the centre of Moscow with a total leasable area of 76,000 m². Paveletskaya Plaza, Tsvetnoy Palazzo, Sretenka Complex and Chaplygina House are all built, owned, developed and operated by ENKA Invest.

The company employs a staff of 64 in the areas of office and residential leasing, and building and facility management. It also provides construction services for tenants’ fit-out works. Its exceptional facilities and services have enabled it to build long-term relationships with its tenants.

ENKA Invest team keeps a close watch on effects of Covid-19 pandemic in the commercial real estate industry and adjusts its marketing strategy accordingly. Despite the negative effects of the pandemic on the market, a total of 8,000 m² lease agreement was extended and by signing a new agreement of approximately 5,000 m² (among them the new project within ENKA portfolio “Flexity” which propose tenants fitted out and furnished premises with full scope of service operation), it has managed to increase the occupancy rate to 84%.

The ENKA Invest team, which prioritizes the health and safety of its employees and tenants, has provided a safe working environment by taking comprehensive additional measures with the Covid-19 pandemic.

In 2021, approximately 3,000 m² of renovation work was undertaken for new and existing tenants and delivered on time without compromising on quality.

ENKA Invest allocates resources for the common areas of the buildings in its portfolio and performs renovation works continuously in line with its sustainability projects.

As of the end of 2021, ENKA Invest’s tenants included major multinational firms such as Accenture, Bulgari, Cleary Gottlieb Steen & Hamilton, Equinor, Ernst & Young, Hays, HSBC, IATA, La Prairie, LG Electronics, Linklaters, Lundbeck A/S, National Oilwell Varco, Nestle, Nintendo, Plantronics, RN BVK, Setra Lubricants, UBS, Corteva, Club “Valdai” and Wheely.





Leasable Area : 46,500 m²

In 1991, ENKA took advantage of its good business relations in Russia, as well as the country's steady economic progress, to found LLC MosENKA as its first investment company in Moscow, together with a group of Russian partners. The company aimed to meet the growing demand for office space in the Russian capital and acquaint the country with real estate services delivered to western standards.

Now 100% owned by ENKA, MosENKA continues to develop and rent out office space. It has reconstructed 6 historic buildings with a total construction area of 46,500 m² and converted them into modern office buildings.

M1 and M5 buildings were restored and handed over in 2012 and 2019 respectively.

As of 2021, the company is operating 4 modernized buildings. The occupancy rate for its buildings was 76% at the end of 2021.

Tenants of MosENKA include well-known local and international companies such as Accor, Becton, Caspian Pipeline Consortium, Claas, Dickinson, Ipsen, Lego, Lexmark, Lufthansa, MGCom, Saipem, Seaco, Tecnicas Reunidas ve Varian Medical System.

The company employs a staff of 79 and its turnover in 2021 was about USD 10 million.



Leasable Area : 25,000 m²

ENKA Real Estate Group launched Flexity in March 2021 as its own managed office solution.

Flexity provides businesses with an office space that drives business development and acts as a part of firms' growth strategy. Flexity focuses on creating a smooth work process and removes distractions from the core business process which hinder many firms' potential growth and development.

Special attention is paid to the interior, which has been developed for Flexity by a "WELL" certified international architectural bureau. The company's approach is based on detailed data research and takes into consideration important aspects such as adaptability, ergonomics, lighting, zoning, personal space and biophilic design. In addition to rational planning of the interior, Flexity is thoughtful in choosing

locations of its office buildings and adjacent infrastructure, so that the working routine of Flexity residents is supported by the most comfortable and productive environment.

Currently, Flexity's portfolio includes 2 locations over 4,000 m² in Paveletskaya Plaza and 20,000 m² at Ovchikovskaya embankment building, giving a total area of almost 25,000 m² of flexible office space. Within a short period of the company's existence, Flexity managed not only create a market positioning strategy from scratch and prepare premises for leasing based on the highest standards, but also attract large global firms such as TBWA, Citibank and Ozon. The small initiative of the ENKA Real Estate Group grew into one of the largest providers of Flexible Office Spaces in the Russian Capital within six months.

LLC Moskva - Krasnye Holmy

www.mkh.ru



Moskva - Krasnye Holmy (MKH) commenced operations in the summer of 1995. Fully owned by ENKA, it had been established following an investment agreement with a number of Russian partners, including the Municipality of Moscow, for the development of the Russian Cultural Center on a seven-hectare plot of land in central Moscow, based on a 49-year lease.

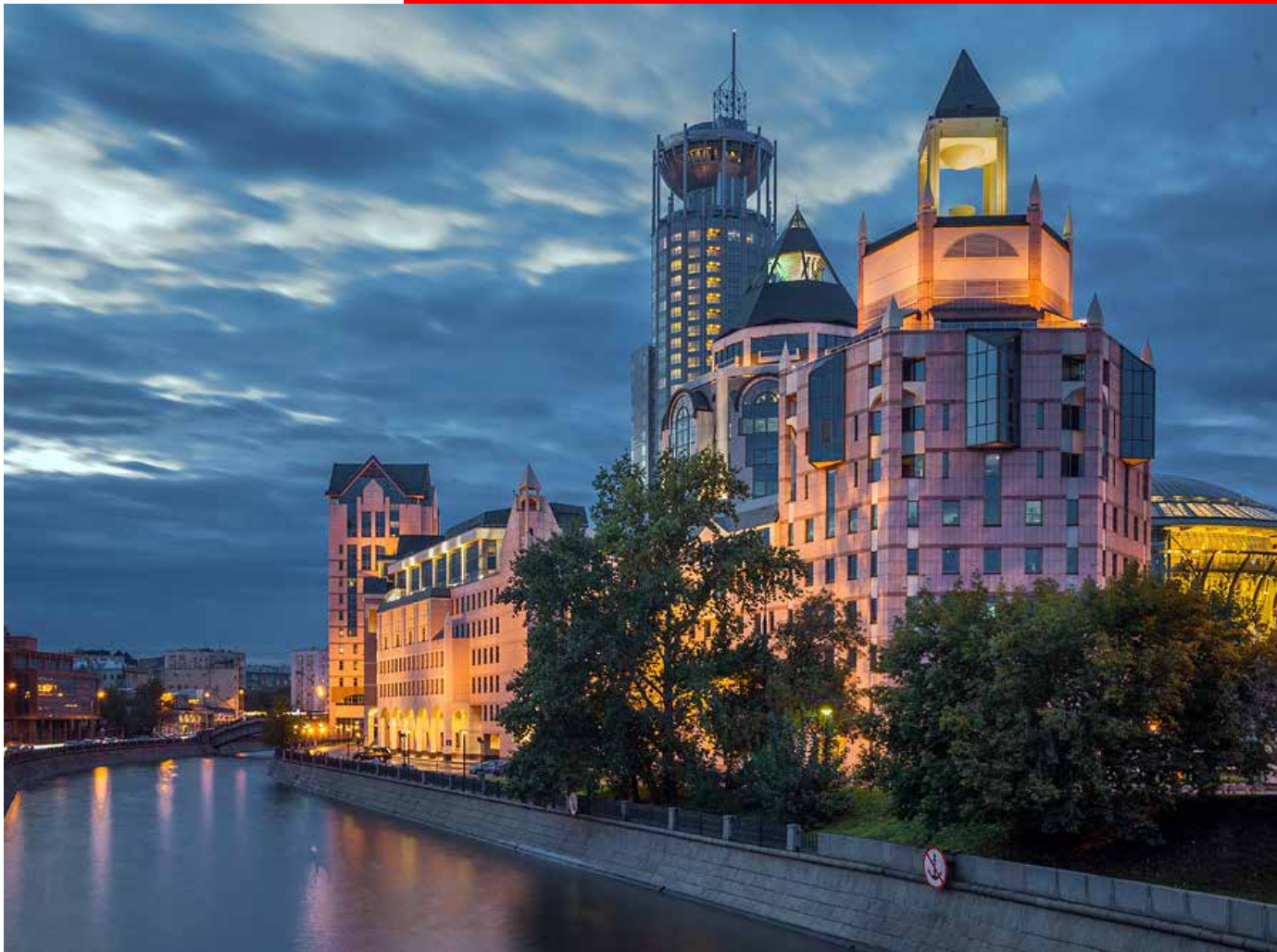
The center, featuring commercial, cultural and sporting facilities as well as office buildings, was to be developed in five stages. To date, offices, a hotel, a conference center, an art gallery and a parking lot have been completed with a total area of 156,000 m².

As of the end of 2021, the office buildings had an occupancy rate of 83%. Existing tenants of LLC Moskva - Krasnye Holmy include reputable corporations such as ADV, AHI Carrier, Air Liquide, Avaya, BSI, Energoprom, Givaudan, Keysight Technologies, Nissan, SAP and Sephora.

The corporate policy of the company puts a strong emphasis on institutionalization and aims to increase productivity and profitability by employing the finest local staff and the best local subcontractors alongside a core Turkish management team. The total number of company employees has reached 101.

The company's turnover in 2021 was about USD 27 million.

LLC Otel Moskva - Krasnye Holmy,
Swissotel Krasnye Holmy



Swissotel Krasnye Holmy was established in 2005 as a 5-star hotel with 234 rooms. It is operated by Accor group.

Swissotel Krasnye Holmy Moscow brings to the heart of the Russian capital unsurpassed service and luxury combined with the most breathtaking views of the city. The hotel is situated very conveniently in Moscow's business district. Surrounded by major office complexes and financial institutions including the Paveletskaya Tower, the Aurora Business Park and the Vivaldi Plaza, it is also very close to Paveletsky railway station, which offers business travelers a significant advantage when transferring to Domodedovo Airport.

Swissotel Krasnye Holmy Moscow was presented with several awards:

- ▶ Russia World Travel Awards - Russia's Leading Luxury Business Hotel 2021
- ▶ Top 15 - Top 100 Best Venues in Russia 2021

- ▶ World Travel Awards - Europe's Leading luxury Business Hotel 2021
- ▶ World Travel Awards - Russia's Leading Hotel Suite 2021 - Penthouse Suite
- ▶ World Travel Awards - Russia's Leading Luxury Business Hotel 2021
- ▶ Russian Hospitality Awards - Best Wedding Hotel 2021
- ▶ Luxury Lifestyle Awards - Best Luxury Hotel in Northern Europe 2021
- ▶ Tripadvisor - 2021 Travelers' choice Award Winner

The bars and restaurants of the hotel host various Moscow and international gastronomic festivals and master classes of world-class bartenders. Its trendy roof bar, City Space Bar & Restaurant, is considered one of the world's top bars. This highly popular venue has also received accolades in the World Travel Awards. It is the ideal place to drink a cocktail while enjoying breathtaking 360-degree views of Moscow.

The turnover of the hotel in 2021 was about USD 9 million and it has 165 employees.



TRADE

ENKA Pazarlama İhracat İthalat A.Ş.

ENTAŞ Nakliyat ve Turizm A.Ş.

AirENKA Hava Taşımacılığı A.Ş.

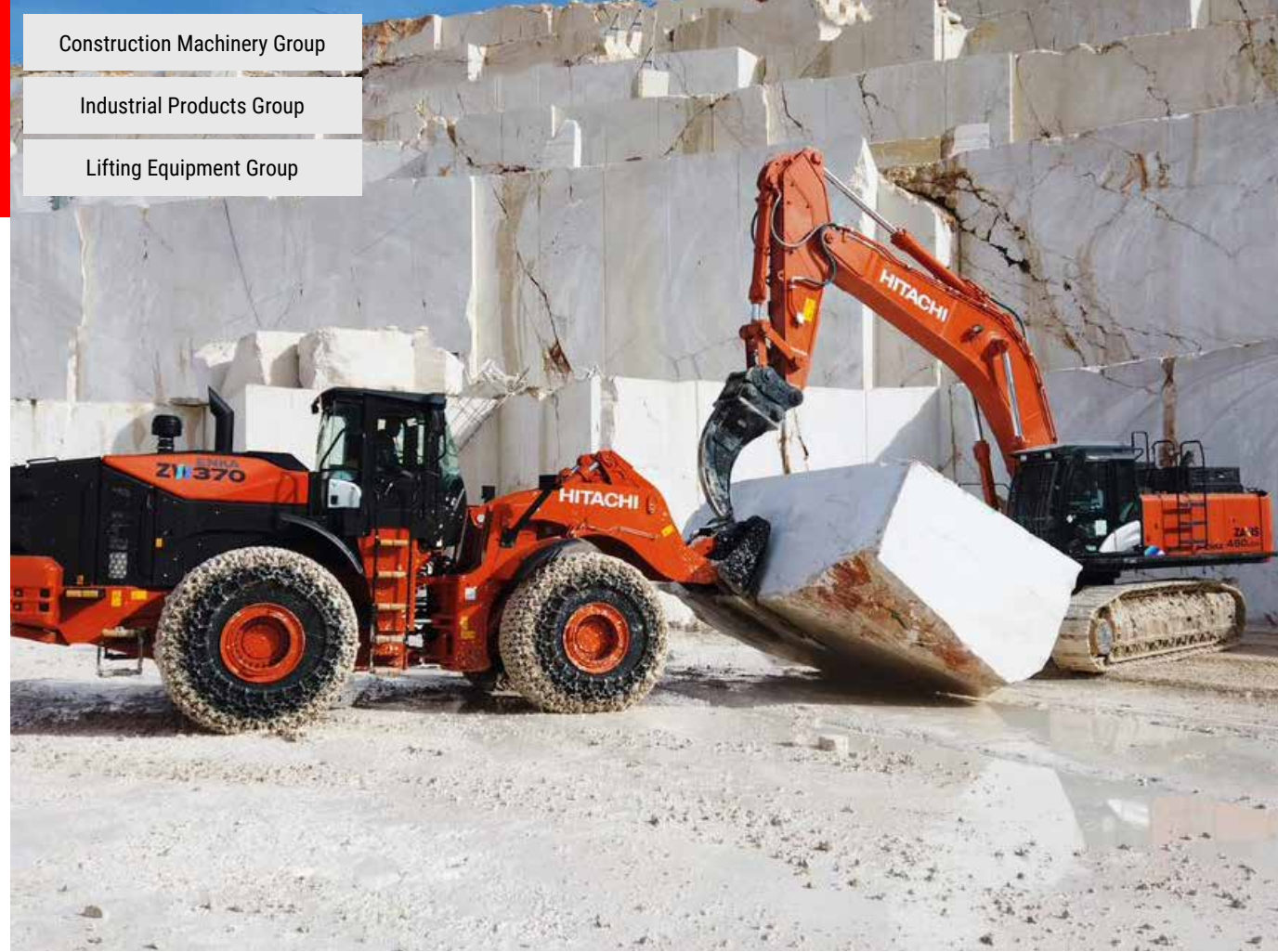
ENKA Systems Yazılım A.Ş.



Construction Machinery Group

Industrial Products Group

Lifting Equipment Group



Established in 1972, ENKA Pazarlama entered the Turkish construction market through the sale and servicing of Hitachi excavators and wheel loaders. From day one, it adopted the strategy of representing only the best known and most highly regarded global brands.

ENKA Pazarlama is a leader in the supply of heavy construction and lifting equipment and machinery and industrial machinery. It provides sales and aftersales to the whole of Türkiye through its five regional branches, one sales office, one liaison office, 57 sub-dealers and authorized service providers.

ENKA Pazarlama provides sales and after-sales support to customers through five TSE approved service centres, all of which possess ISO 9001:2015 quality certificates, and with its stated mission of being "reliable solutions partners".

ENKA Pazarlama owns and operates open and covered vehicle and equipment parks in İstanbul, Ankara, İzmir, Adana cities and Mersin Free Zone.

With its advanced technical know-how and customer satisfaction-oriented approach, ENKA Pazarlama is one of the leading companies in its field in Türkiye.

Aware of its responsibilities to its stakeholders and more broadly to the environment and humanity, during 2021, ENKA Pazarlama undertook a number of initiatives aimed at boosting the sustainability of its operations.

ENKA Pazarlama continues to provide high quality, economical solutions to its customers through the updated 9001:2015 Quality System and by closely following the latest technological developments.



As a distributor of the world's leading manufacturers of construction and industrial machines and equipment, ENKA Pazarlama markets and distributes the following product groups:

Construction Machinery Group:

- ▶ Hitachi: Hydraulic excavators, wheel loaders, mining hydraulic excavators and rigid dump trucks
- ▶ XCMG: Graders, rollers and asphalt equipment
- ▶ Bell: Articulated dump trucks
- ▶ Dynapac: Soil, asphalt, double drum and single drum rollers, pavers and planers
- ▶ Tana OY: Landfill compactors and shredders
- ▶ Shantui: Dozers

Industrial Products Group:

- ▶ Mitsubishi: Marine engines and industrial engines
- ▶ Shanghai Diesel: Marine engines and generators
- ▶ SDMO: Generators and lighting systems

Lifting Equipment Group:

- ▶ TCM: Forklift and warehouse equipment
- ▶ Tailift & CT Power: Forklift equipment by Toyota Group
- ▶ HSC – Sumitomo Heavy Industries Construction: Crawler cranes
- ▶ Tadano: Rough terrain and all terrain mobile cranes and crawler cranes
- ▶ Palfinger: Truck mounted loading and recycling cranes, on truck forklifts, hydraulic ramps and crawler mobile cranes
- ▶ XCMG: Soil drillers, telehandlers, skid steer loaders and aerial platforms

Despite the extraordinary conditions brought by the pandemic economy and the disruptions in the supply chain in 2021, ENKA Pazarlama has managed to increase its turnover to over Euro 200 million, further reinforcing its difference, reliability and superiority in the sector.





ENTAŞ was established in 1976 and became a member of the International Air Transport Association (IATA) in 1982. ENTAŞ is also a member of the American Society of Travel Agents (ASTA) and the Universal Federation of Travel Agents Associations (UFTAA), as well as national organisations such as the Association of Turkish Travel Agents (TÜRSAB) and the Association of İstanbul Travel Agents (ISAD).

ENTAŞ offers national and international customers a wide range of cultural and business travel alternatives for both individuals and groups. With its emphasis on high-quality service, it has secured a lasting position in the sector.

ENTAŞ has made its mission to understand requirements accurately, to improve the quality of its services constantly, and most importantly to maintain its wide range of products and longlasting collaborations by ensuring full customer satisfaction. It also aims to contribute to the development of the sector, keeping close watch on global best practices with a view to implementing them in Türkiye.

ENTAŞ has repeatedly pioneered the use of the latest online international reservation systems in Türkiye, including Amadeus, Galileo and Troya.

The services offered by ENTAŞ include:

- ▶ Worldwide airline ticket sales, hotel reservations, transfers and rent-a-car services
- ▶ Private or business trips and holidays

- ▶ Luxury packages for individuals and groups
- ▶ "Blue Voyage" yacht expeditions and special rail and cruise packages
- ▶ City tours with or without a professional tour guide
- ▶ Specialist cultural, religious, sports, health, adventure and nature tours and holidays
- ▶ Special programmes for education and language schools
- ▶ Private plane rental and VIP services
- ▶ Organization of conferences, seminars, fairs and symposia
- ▶ Dealer conventions and motivational trips
- ▶ Corporate events such as personnel dinners, award ceremonies, anniversaries and launches
- ▶ Contracts with singers and other performers, and supply of technical equipment, stage design and venue decoration services
- ▶ Catering services, visa services and travel insurance

In addition to its call center services, ENTAŞ is able to provide detailed purchasing reports tailored to the wishes of its corporate customers and to forward such reports automatically to the relevant individuals within the requested period of time.

ENTAŞ has sustained its leading position over the years. For more than a decade it has consistently ranked among the top 5 national agencies in airline ticket sales. It has the highest turnover of any agency operating from a single location without any branch offices.

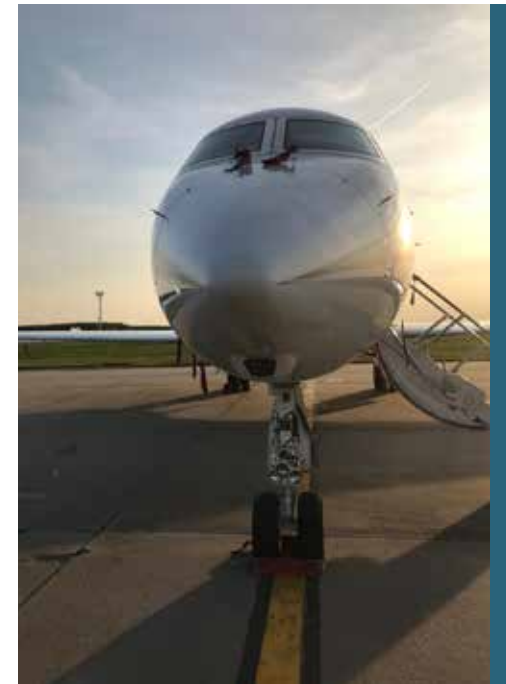


AirENKA Hava Taşımacılığı A.Ş. (AirENKA Air Transport Corp.) was established in 2002 to provide air taxi services on domestic and international routes. The company was granted an Operation License (No. 2002-HT-04) by Türkiye's Directorate General of Civil Aviation starting on 22 April 2002.

AirENKA operates the Gulfstream G450 type jet aircraft manufactured in 2015 with the latest on-board technology.

The highly experienced flight crew regularly undergo refresher training in the USA to comply with international aviation regulations.

In 2021, the company logged a total of 349 flight hours to 41 different cities.





ENKA Systems provides trend-setting technological solutions to meet the requirements of companies, increasing their profitability and preventing lost time through digitalization of business processes.

Contracts signed by ENKA Systems in 2021:

Alsim Alarko & Cengiz İnşaat Joint Venture Kaynarca-Tuzla-Pendik Metro Project

Alsim Alarko & Cengiz İnşaat Joint Venture, preferred EDMS "Global Document Management System" as a data sharing system to be used in Kaynarca-Tuzla-Pendik Metro Project, which was built under the employer of İBB. Within the scope of the data sharing system, project stakeholder İBB İstanbul Metropolitan Municipality, project design PROTA Engineering can access the most up-to-date documents via EDMS and carry out business processes faster and safer.

Contract Date: April 2021

Solution: EDMS

Makyol-İçtaş-Astur Joint Venture Mahmutbey-Esenyurt Metro Project

Makyol-İçtaş-Astur Joint Venture, preferred EDMS "Global Document Management System" as the data sharing system to be used in the Mahmutbey-Esenyurt Metro Project, which was built under the employer of İBB. Within the scope of the data sharing system, the project stakeholders; İBB İstanbul Metropolitan Municipality, consultant EMAY and project design firm TEKFEN Engineering can access the most up-to-date documents via EDMS and carry out business processes faster and safer.

Contract Date: August 2021

Solution: EDMS

Oytaş Yıldız İnşaat – Bursa

Oytaş Yıldız İnşaat is a construction company headquartered in Bursa and operating especially in the field of industrial facility construction. Oytaş Yıldız İnşaat will now manage all its projects with ENKA Systems products as a centralized system. In this scope, a contract was signed between ENKA Systems and Oytaş Yıldız İnşaat on EGPS "Global Procurement System", EGVN "Global Supplier Network", EGFS "Global Finance System", EDMS "Global Document Management System" and EGHR "Global Human Resources Management System" implementations.

Contract Date: December 2021

Solution: EGPS & EGVN & EGFS & EGHR & EDMS

ENKA Pazarlama

Transition works of ENKA Pazarlama business processes from SAP to ENKA Systems solutions has started.



INCO Group – Dubai

INCO is one of the leading contracting companies in the construction and assembly of industrial process plants and petrochemical projects for world-class EPC contractors such as General Electric, US Bechtel and MHI. A contract was signed between ENKA Systems and INCO Group on the implementation of EGHR "Global Human Resources Management System".

Contract Date: October 2021

Solution: EGHR

In 2021, ENKA Systems continued its cooperation with existing customers as well as new customers. In this context, it continued to work with customers whose license agreements (SaaS) and maintenance & support agreements are renewed.

- Türkiye Şişe ve Cam Fabrikaları A.Ş. (EDMS)
- Ziver İnşaat Taahhüt Madencilik Turizm Pazarlama Sanayi Ticaret A.Ş. (EGEM)
- PMO Proje Yönetim Danışmanlık Tic. Ltd. Şti (EDMS, EGPS, EGVN)
- INCO Group of Companies (EGEM, EGWM)
- Power Construction Planet LLC (EGEM)
- IDOM Consulting, Engineering and Architecture, Gaziantep Metropolitan Municipality Gar - Düztepe - Hospital Line Design Project (EDMS)
- Cengiz-Kolin-Kalyon-Özgün Joint Venture, İstanbul New Airport Halkalı Metro Line Construction Project (EDMS)

ENKA Systems leads the continuous improvement of the solutions it offers to ENKA group companies and other customers. In this direction, it continues to implement new features that contribute to the competitiveness of the products in the domestic and foreign markets.

Some prominent improvements

conducted in 2021:

- EGEM - Telegram Integration
- EGEM - Reservation Module
- EGFS - Checks and Notes Module
- EGFS - Stocks and Retail Sales Module
- EGPS - Blanket Agreement Module
- EGPS - Smart Vendor Recommendation Algorithm
- EGWM - Commissioning of API Standards
- EGHR - Performance Based Competency Evaluation

Webinars, conferences and fairs in 2021:

- Participation and speech at the Beykoz University - BIM Seminar
- Participation and speech at the Women in Engineering event
- Participation and speech at the Dynamics 4th Construction Management Summit
- Participation and presentation at the Data Science Conference 2021
- Participation and presentation at the International Conference on INnovations in Intelligent SysTems and Applications (INISTA) 2021

ENKA Foundation, İstinye, İstanbul



SOCIAL ACTIVITIES

ENKA Foundation, İstanbul

ENKA Sports Club, İstanbul

ENKA Schools, İstanbul

ENKA Schools, Adapazarı

Private ENKA Science and
Technology High School, Kocaeli

Private ENKA Vocational and
Technical Anatolian High School,
Kocaeli

ENKA Arts, İstanbul





The ENKA Foundation was founded in 1983 with the idea of preserving the strong tradition of foundations in Turkish culture and sustaining the concepts that are the building blocks of civilisation.

The natural mission of the foundation is to educate individuals with scientific methods, raise them as modern, productive, questioning individuals and unlock their potential in an environment where sports, education, culture and the arts are all blended together.

The Sadi GÜLÇELİK Sports Complex was founded in 1983 on the gentle slopes of İstinye, İstanbul. Its fundamental values include ethics, morality, respect, trust, sincerity, openness and innovation.

Besides the ENKA Sports Club, the ENKA Foundation comprises ENKA Schools and ENKA Culture and Arts. ENKA Schools came into being with the opening of ENKA İstanbul Schools in İstinye in 1996. ENKA Adapazarı Schools were launched in the wake of the 1999 earthquake. The Private ENKA Technical and Vocational Anatolian High School opened its doors in Kocaeli in 2008 and the ENKA Kocaeli Science and Technology High School started teaching in 2014. All the units and members of the foundation are committed to disseminating and sharing the wealth of its heritage with society at large.





As of 2021, ENKA Sports Club has 1,388 licenced athletes and specialised trainers training at ENKA's facilities for national and international competitions in the branches of sport in which it is active and participating in these competitions.

Our club set out with the motto "The Future Belongs to the Youth". To this end, we work to equip thousands of children with superior mental and physical abilities through the quality training system we implement in the club's teams and sports schools, and provide Turkish sport with many young talents.

Our club has a strong potential source of athletes consisting of young talents coming primarily from our sports schools, students of ENKA schools, and many other talented young people from a wider environment.

32nd SUMMER OLYMPIC GAMES – TOKYO

The 32nd Summer Olympic Games took place in Tokyo, Japan, between July 23rd – August 8th 2021.

Of the 108 athletes who represented Türkiye in the Summer Olympics, 21 were athletes from our club.

In Athletics (14), Swimming (5) and Women's Wrestling (2), the branches in which our athletes earned the right to participate, we were the club that sent the highest number of athletes from Türkiye to the Olympics.

The list of athletes who represented Türkiye in the Tokyo Olympics and the branches they competed in is as follows;

ATHLETICS; Abdülislam İmuk (20 km Race Walk) - Ayşe Tekdal (20 km Race Walk) - Emel Dereli (Shot Put) - Emre Zafer Barnes (100 m - 4x100 m) - Eşref Apak (Hammer Throw) - Evin Demir (20 km Race Walk) - Jak Ali Harvey (100 m - 4x100 m) - Kaan Kigen Özbilen (Marathon) - Meryem Bekmez (20 km Race Walk) - Necati Er (Triple Jump) - Polat Kemboi Arıkan (Marathon) - Salih Korkmaz (20 km Race Walk) - Yasemin Can (5,000 m - 10,000 m) - Yasmani Copello Escobar (400 m Hurdles)

SWIMMING; Beril Böcekler (400 m Freestyle - 4x200 m Freestyle) - Defne Taçyıldız (200 m Butterfly Stroke) - Merve Tuncel (400 m Freestyle - 800 m Freestyle - 1,500 m Freestyle - 4x200 m Freestyle) - Viktorya Zeynep Güneş (200 m Mixed Medley - 4x200 m Freestyle) - Yiğit Aslan (800 m Freestyle)

WRESTLING; Evin Demirhan (50 kg) - Yasemin Adar (76 kg)

Of Our Athletes;

- Yasemin Adar won the first Olympic medal for women in Turkish Wrestling history by winning the Bronze Medal at 76 kg.
- Necati Er ranked 6th in the triple jump, the first Turkish athlete to compete in the final since Ruhi Sarıalp who competed 73 years ago.
- Yasmani Copello Escobar won 6th place in the 400 m hurdles, breaking the Turkish Record.
- Our athlete Eşref Apak, who participated in the Olympics for the 5th time this year, went down in history once again by reaching his second Olympic final after a gap of 17 years and ranking 9th in the Olympic Games.
- Yasemin Can completed the 5,000 metres in 8th place and became the first athlete to score points for Türkiye by finishing in the top 8 three times in the Olympic Games.
- Meryem Bekmez ranked 22nd in the 20 km Race Walk, the best-ever performance of a Turkish athlete in this competition.
- Merve Tuncel ranked 11th in the general ranking in the 1,500 m Freestyle with 16:00.51 minutes and 12th in the 800 m Freestyle with 8:25.62 minutes.
- Defne Taçyıldız took 14th place in the 200 m Butterfly Stroke semi-finals with a time of 2:11.27. With this success, Defne became the first athlete in Turkish Swimming History to reach the semi-finals in the Olympic Games in the 200 m Butterfly Stroke.



ATHLETICS

In Athletics, we had a total of 517 active athletes in the 2021 season, 404 of whom are licenced, including 83 who compete in national teams, and 113 of whom are in training.



In Major International Events in 2021;

At the Junior World Athletics Championship held in Nairobi;

- Berke Akçam renewed his Turkish Youth Record in the 400 m Hurdles with 49.38 seconds and became the World Champion,
- Şevval Özdoğan ranked 7th in the world with 10:49.79 minutes in the 3,000 m Steeplechase,
- Büşra Hatun Ekinci won 8th place in the world with 14.29 m in the Shot Put,
- Ece Narttürk ranked 9th in the world with 57.56 m in the Hammer Throw,
- Selma Davulcu ranked 12th in the world with 46.82 m in the Javelin Throw.

At the U23 European Athletics Championship held in Tallinn;

- Tuğba Danişmaz became the European Champion with 14.09 m in the Triple Jump,
- Meryem Bekmez became the European Champion in the 20 km Race Walk with 1:33:08,
- Alperen Karahan ranked 2nd in Europe in the Shot Put with 19.75 m,
- Akın Özyürek ranked 4th in Europe with 3:06.57 minutes in the 4x400 m,
- Ayşe Tekdal ranked 5th in Europe with 1:37:43 in the 20 km Race Walk,
- Evin Demir ranked 6th in Europe with 1:39:10 in the 20 km Race Walk,
- Abülislam İmuk ranked 6th in Europe in the 20 km Race Walk.



At the European U20 Athletics Championship held in Tallinn, the capital of Estonia;

- Berke Akçam became the Junior European Champion with 50.70 seconds in the 400 m Hurdles,
- Şevval Özdoğan achieved her personal best time with 10:07.84 minutes in the 3,000 m Hurdles and ranked 3rd,
- Mevlüt Aras ranked 6th in the 800 m with a time of 1:49.78,
- Umut Uysal broke the Turkish Youth Record with 10.38 seconds in the 100 m qualifiers and ranked 7th in Europe with 10.48 seconds in the 100 m finals,
- Büşra Hatun Ekinci ranked 7th in Europe with 14.65 m in the Shot Put,
- Oğuzhan Usta ranked 12th in Europe with 65.89 m in the Javelin Throw.



Our athlete Tuğba Danişmaz set a new U23 and Senior Turkish Record by jumping 14.04 m in the Triple Jump at the International Jumping Championship held in Greece, as well as becoming the first Turkish female triple jumper to jump over 14 m in Turkish athletics history.

Our Athlete Yasmani Copello Escobar ranked 2nd in the 400 m Hurdles with 48.19 seconds in the Stockholm stage of the Diamond League and achieved the third-best time of his career.



At the European Throwing Cup held in Split, Croatia, our athletes;

- Eşref Apak ranked 1st with 75.99 m in the Hammer Throw.
- Emel Dereli ranked 3rd with 18.29 m in the Shot Put.
- Alperen Karahan ranked 3rd with 19.48 m in the U23 Shot Put.

At the Balkan Indoor Championship held at the Ataköy Athletics Hall;

- Our athlete Tuğba Danişmaz became the Balkan Champion with 13.97 m in the Triple Jump, setting new U23 and Turkish Senior records,
- Emel Dereli became the Balkan Champion in the Shot Put with 18.13 m,
- Mikdat Sevler became the Balkan Champion with 7.77 seconds in the 60 m Hurdles,
- The 4x400 m Relay Team including Akın Özyürek became the Balkan Champions with 3:13.70 minutes,
- The 4x400 m Relay Team including Elif Polat won silver with 3:41.25 minutes,
- Buse Savaşkan won the bronze medal with 1.80 m in the High Jump.

Our athlete Mikdat Sevler, who represented Türkiye in the 60 m Hurdles at the European Indoor Championship, advanced to the semi-finals and became the first Turkish athlete to compete in the



semi-finals in this branch in the history of Turkish athletics. Mikdat completed the championship in 14th place with 7.74 seconds.

At the 74th Balkan Athletics Championship held in the historic city of Smeredovo near Belgrade, Serbia;

- Emel Dereli became the Balkan Champion in the Shot Put and passed the Olympic Threshold for the second time with 18.51 m,
- Eşref Apak became the Balkan Champion in the Hammer Throw with 73.60 m,
- Jak Ali Harvey became the Balkan Champion in the 100 m with 10.33 seconds, as well as becoming the Balkan Champion in the 4x100 m with 39.44 seconds and coming 2nd in the 200 m with 20.66 seconds,
- Mikdat Sevler ranked 2nd in the Balkans with 13.68 seconds in the 110 m Hurdle,
- Mehmet Çelik ranked 2nd in the Balkans in the 800 m with 1:47.91 minutes,
- Tuğba Danişmaz ranked 3rd in the Balkans in the Triple Jump and set a new Turkish record of 14.07 m,
- Buse Arıkan ranked 3rd in the Balkans in the Pole Vault with a leap of 4.40 m jump, improving her own Seniors Turkish Record.



Of our athletes who represented Türkiye at the Balkan Youth Championship held in Sofia;

- Ayetullah Demir became the Balkan Champion with 7.99 in the 60 m Hurdles,
- Şevval Özdoğan ranked 2nd in the Balkans with 4:33.97 minutes in the 1,500 m,
- Ezgi Kol ranked 2nd in the Balkans in 4x400 m Relay,
- Yaren Yıldırım ranked 3rd in the Balkans with 8.48 in the 60 m Hurdles,
- Elif Özelçi ranked 3rd in the Balkans with 3.50 m in the Pole Vault,
- Atilla Göktuğ Taşdelen ranked 3rd in the Balkans with 2.09 m in the High Jump.

At the Youth Balkan Championship held in İstanbul, our athletes;

- Şevval Özdoğan became the Balkan Champion in the 3,000 m Hurdles with a new personal best of 10:17:64 minutes,
- The 4x100 m Male Relay Team including Yasin Sosa and Orçun Ünalın became the Balkan Champions with 42.08 seconds,
- Ayetullah Demir became the Balkan Champion in the 110 m Hurdles with 14.13 seconds,



- Ece Narttürk became the Balkan Champion in the Hammer Throw with 54.04 m,
- Mevlüt Aras became the Balkan Champion in the 800 m with 1:52.20 minutes,
- Oğuzhan Usta became the Balkan Champion in the Javelin with 68.18 m,
- Muhammet Raşit Kalafat ranked 2nd in the Javelin with a new personal best of 66.86 m,
- Bahri Doğru ranked 2nd by running a new personal best of 3:53:02 minutes in the 1,500 m,
- Yaren Yıldırım ranked 2nd in the 100 m Hurdles with 14.04 seconds,
- Hatice Yıldırım set a new personal best time of 4:25.10 minutes and ranked 2nd in the 1,500 m. She also came 3rd in the 3,000 m with 9:48:03 minutes,
- The 4x100 m Female Relay Team including Semanur Deniz came 3rd with 47.34 seconds,

- Simay Özçiftçi won 3rd place in the 200 m with 24.57,
- Büşra Hatun İkinci ranked 3rd in the Shot Put with 14.24 m,
- Beyzanur Bozlak ranked 3rd in the Hammer Throw with 51.56 m,
- Hayriye Nur Arı ranked 3rd with a personal best score of 4,609 in the Heptathlon.

At the Balkan U18 Athletics Championship held in Serbia on August 14th, 2021, where a total of 14 athletes represented Türkiye, our athletes;

- Taha Özal and Orçun Ünalın competed as part of the Turkish 4x100 m National Relay Team. The team became the Balkan Champions with 41.66 seconds and broke the U18 Turkish Record,
- Diyar Ergüven ranked 2nd in the 2,000 m Steeplechase with 6:00.37,
- Cem Özsu ranked 3rd in the 400 m with 49.65,
- Bahri Doğru ranked 3rd in the 1,500 m with 3:59.52,
- Ebubekir Erdoğan ranked 3rd in the Triple Jump with 14.10 m,
- Sıla Bayır ranked 3rd in the Steeplechase with a time of 7:03.72 minutes.

At the 20th Balkan Walking Championships held in Antalya, our athletes;

- Ayle Tekdal became the Balkan Champion with 1:30:12 and qualified for the Tokyo Olympics,
- Abdülislam İmuk, who is in the Olympic rankings in the Senior Men category, came 2nd in the Balkans,
- Elif Özbey, one of our athletes from the youth setup who competed in the Juniors category, completed the 5 km Walk in 1st place with 24:01 minutes, while Ayşenur Buse Günaslan crossed the finish line in 2nd place with 25:18 minutes and won silver.

Our Olympics-quota athlete Meryem Bekmez, who competed in the open competition, reset her own U23 and Seniors Turkish Record with 1:28:48, as well as passing the Olympics threshold for the third time.

Inter-Club Turkish Leagues in the 2021 season;

Race Walking League:

- Our U18 Girls Team became Champions with a total time of 1:39.53,
- Our Senior Female Team became Champions with a total time of 48.34,
- Our Senior Male Team ranked 2nd with a total time of 45.52.

U18 Throwing League: Our U18 Girls and U18 Boys Teams became DOUBLE CHAMPIONS, scoring 6,061 and 6,962 points respectively.

U16 Clubs Championship: Our U16 athletics teams, consecutive champions since 2012 in the U16 Boys and since 2013 in the U16 Girls categories, once again became DOUBLE CHAMPIONS this year.

U18 Clubs League: Our Girls and Boys teams completed the Spor Toto U18 Clubs League as DOUBLE CHAMPIONS.

U20 Clubs League: Our U20 Boys and Girls Athletics Teams completed the Turkcell U20 Inter-Club Athletics League as DOUBLE CHAMPIONS.

Super League: ENKA won the championship cups in the Turkcell Athletics Super League. With this final DOUBLE CHAMPIONS title, ENKA completed victories in all the track leagues in the 2021 season.

ENKA won the men's championship with 294 points, earning the 11th title in the club's history. Fenerbahçe completed the league in second place with 287 points and Galatasaray finished 3rd with 193 points.

Meanwhile, in the women's championship, ENKA won its 18th league title with a total of 303 points at the end of two stages. Fenerbahçe came 2nd with 269.5 points and Beşiktaş ranked 3rd with 216.5 points.



Records Set by Our Athlethes in the 2021 Season:				
Name & Surname	Branch	Time/Points	Competition/Venue	Record
Tuğba Danışmaz	Triple Jump	13.80	Indoor Olympics Auditions/09-10 January/İstanbul	U23STR-STR
	Long Jump	6.31	Indoor Olympics Auditions/23-24 January/İstanbul	U23STR
	Triple Jump	13.80	Indoor Olympics Auditions/30-31 January/İstanbul	U23STR-STR Equiliser
	Triple Jump	13.83	Ukrainian Indoor Championship/09-11 February/Ukraine	U23STR-STR
	Triple Jump	13.97	26 th Balkan Indoor Championship/20 February/İstanbul	U23STR-STR
	Triple Jump	14.04	International Jumping Cup/26 May/Athens	U23TR-TR
	Triple Jump	14.04	Turkcell Seniors Türkiye Championship/04-06 June/Bursa	U23TR-TR Equiliser
	Triple Jump	14.07	74 th Balkan Seniors Championship/26-27 June/Serbia	TR
	Triple Jump	14.09	U23 European Championship/08 July/Estonia	U23TR-TR
Mikdat Sevler	60 m Hurdles	7.78	Indoor Olympics Auditions/23-24 January/İstanbul	STR
	50 m Hurdles	6.61	Indoor Olympics Auditions/30-31 January/İstanbul	STR
	60 m Hurdles	7.72	Selahattin Yıldız Türkiye Seniors Indoor Championship/05-07 February/İst.	STR
	110 m Hurdles	13:54	Olympic Auditions/22-23 May/Bursa	TR
	110 m Hurdles	13.42	89 th Turkcell Seniors Türkiye Championship/04-06 June/Bursa	TR
Berke Akçam	400 m	46.99	Selahattin Yıldız Türkiye Seniors Indoor Championship/05-07 February/İst.	U20STR
	400 m Hurdles	49.73	U20 World Championship/18 August/Kenya	U20TR
	400 m Hurdles	49.38	U20 World Championship/18 August/Kenya	U20TR
	110 m Hurdles	13.67	Olympics Auditions/28-30 May/Bursa	U20TR
	50 m Hurdles	6.75	Indoor Olympics Auditions/11 December/İstanbul	U20STR
Ayetullah Demir	110 m Hurdles	13.62	Turkcell U18 Türkiye Championship/02-04 July/Kütahya	U18TR
	60 m Hurdles	7.60	Turkcell U18 Athletics Championship/08 March 2021/İstanbul	U18STR
	50 m Hurdles	6.74	Indoor Olympics Auditions /11 December/İstanbul	U18STR
Meryem Bekmez	10 km Walk	43:23	Spor Toto Türkiye Walking Championship/06 March/Antalya	U23TR-TR
	20 km Walk	1:28.48	20 th Balkan Walking Championship/27 March/Antalya	U23TR-TR
Elif Polat	300 m	39.73	Indoor Olympics Auditions /14 February/İstanbul	U23STR
	300 m	39.25	Indoor Olympics Auditions/27 February/İstanbul	U23STR
Salih Korkmaz	20 km Walk	1:18.42	Spor Toto Türkiye Walking Championship/Antalya	TR
	10 km Walk	39:11	Spor Toto Türkiye Walking Championship/Antalya	TR
Yasmani Copello Escobar	400 m Hurdles	48.35	Istvan Gyulai World Athletics Gold Tour/06 July/ Budapest	MEETING RECORD
	400 m Hurdles	47.81	2020 Summer Olympic Games/30 July/Tokyo	TR EGALE
Orçun Ünalın	50 m	6.01	Indoor Olympics Auditions/30-31 January/İstanbul	U18STR
	50 m	5.94	Indoor Record Trials/25-26 December/İstanbul	U18STR
İlkay Aydemir	Heptahtlon	5578	Complete Athletes Indoor League 1 st Stage/30-31 January/İstanbul	STR
	Heptathlon	5530	Indoor Olympics Auditions/10 January/İstanbul	STR
Alperen Karahan	Shot Put	19.45	26 th Balkan Indoor Championship/20 February/İstanbul	U23STR
	Shot Put	20.07	27 th Nurullah İvak Throwing Championship/17-18 April/Bursa	U23TR
Ömer Faruk Çanakçı	Decathlon	6870	Multiple Branch Türkiye Championship/04-06 June/Bursa	U23TR
	Heptathlon	5311	Multiple Branch Indoor Auditions/25-26 December/İstanbul	U23TR
Umut Uysal	100 m	10.39	Turkcell Seniors Turkish Championship/04-06 June/Bursa	U20TR
	100 m	10.38	European U20 Athletics Championship/15-18 July/Estonia	U20TR
Akın Özyürek	4x400 m	3:08.49	U23 European Championship/11 July/Estonia	U23TR
	4x400 m	3:06.57	U23 European Championship/11 July/Estonia	U23TR
Evin Demir	10 km Walk	45:56.54	TAF Walking Cup/04-06 June/Bursa	U23TR
Ayşe Tekdal	5,000 m Walk	21:00.97	Türkiye Indoor Walking Championship/17 January/İstanbul	U23STR-STR
Yaren Yıldırım	50 m Hurdles	7.19	Indoor Olympics Auditions/30-31 January/İstanbul	U20STR
Buse Arıkazan	Pole Vault	4.40	74 th Balkan Seniors Championship/26-27 June/Serbia	TR Equiliser
Edanur Tulum	300 m	39.88	Turkcell Türkiye U16 Championship/17-18 August/Mersin	U18TR
Cem Özsu	300 m	34.80	Indoor Olympics Auditions/23-24 January/İstanbul	U18STR
Diyar Ergüven	2,000 m Steeplechase	5:56.43	Spor Toto U18 Inter-Club League Finals/26-27 August/Mersin	U18TR
Emre Karataş	Long Jump	7.35	Indoor Record Trials/25-26 December/İstanbul	U18TR
Mevlüt Aras	800 m	1:48.78	Indoor Record Trials/25-26 December/İstanbul	U18STR-U20STR-STR
Emre Gökürk	4x100 m	39.92	6 th International Sprint & Relay Cup/12-13 June/Erzurum	U23TR
Ecenaz Kara	4x100 m	47.11	6 th International Sprint & Relay Cup/12-13 June/Erzurum	U23TR
Edanur Kılıç				
Orçun Ünalın	4x100 m	41.66	Juniors Balkan Championship/15 August/Kraljevo	U18TR
Taha Özal				
Berke Akçam	4x400 m Relay	3:17.65	6 th International Sprint & Relay Cup/12-13 June/Erzurum	TR
Büşra Yıldırım				
Elif Polat				
Berke Akçam				
Büşra Yıldırım				
Elif Polat	4x400 m Relay	3:14.80	International Relay Races/27 June/Erzurum	TR
Yasmani Copello Escobar	Swedish Relay	2:13.90	Spor Toto U18 Inter-Club League Finals/26-27 August/Mersin	U18TR
Semanur Deniz				
Zeynep Olur				
Ecenur Alakaş				
Edanur Tulum				



SWIMMING

In swimming, we have 527 active athletes, 74 of whom are still in training and 453 of whom are licenced. 21 of our athletes compete in the Turkish national teams.

At International Events in the 2021 Season;

At the LEN European Short Course Swimming Championship held in Kazan, Russia between 01-07 November 2021;

- **Viktoria Zeynep Güneş;**
 - Became the European Champion with 4:30.45 in the 400 m medley and improved her own Turkish Record,
 - Ranked 3rd in Europe in the 200 m Medley final with 2:07.67.
- **Merve Tuncel;**
 - Ranked 4th in Europe in the 1,500 m Freestyle with 15:50.36,
 - Ranked 6th in Europe in the 400 m Freestyle by setting new Turkish Records in the Age 15-16, 17-18 and 19+ categories with a time of 4:02.47 minutes,
 - Ranked 6th in Europe in the 800 m Freestyle by setting new Turkish Records in the Age 15-16,17-18 and 19+ categories with 8:17.12 minutes.
- **Beril Böcekler;**
 - Ranked 8th in Europe in the 800 m Freestyle final with 8:31.28.

Viktoria Zeynep Güneş, had successful results in the international competitions within the scope of the European Short Course Championship preparations. She won the gold medal with 2:22.23 in the 200 m Breaststroke at the FINA World Swimming Cup held in Budapest between 07-09 October 2021 and the bronze medal in the 200 m Medley with 2:08:94. She won the silver medal with 2:06.72 in the 200 m Medley at the FINA World Swimming Cup held in Russia between 28-30 October 2021 and renewed her Turkish record. In addition, she won the bronze medal in the 400 m Medley with 4:32.64 and reset her own Turkish record.

At the European Swimming Championship held in Budapest, our athletes;

- Beril Böcekler ranked 5th in Europe with 4:08.23 in the 400 m Freestyle,
- Merve Tuncel ranked 7th in Europe with 4:10.97 in the 400 m Freestyle and 7th in Europe with 7:44:02 in the 4x200 m Free Medley,
- Yiğit Aslan reset his “Age 17-18 Turkish Record” with 3:50.59 minutes in the 400 m Freestyle.
- Sudem Denizli reset her “Age 15-16, 17-18 Turkish Record” with 1:02.07 minutes in the 100 m Backstroke.
- The 4x100 Medley Relay National Team including our athletes Viktoria Zeynep Güneş and Ekaterina Avramova set the new 19+ Turkish Record with 4:04:01.



At the European Youth Championship held in Rome between 06-11 July in Rome, in which 9 of our athletes competed;

- **Merve Tuncel;**
 - ▶ Became the European Champion by breaking new Turkish records in the 15-16, 17-18 and open age categories with 4:06.25 minutes in the 400 m Freestyle,
 - ▶ Advanced to the finals in 1st place in the 800 m Freestyle by setting a new Championship Record with 8:28.03 minutes. With her 8:21.91 minutes in the final, she became the European Champion by setting new Turkish records in the Age 15-16, 17-18 and 19+ categories.
 - ▶ Advanced to the finals in the 1,500 m Freestyle series by breaking the Championship record with 16:10.28 minutes. In the finals, she became the European Champion by setting the new European Junior Record with 15:55.23 minutes as well as becoming the new holder of the Age 15-16, 17-18 and 19+ Turkish records. She ranked 5th in Europe in the 200 m Freestyle with 2:00.11 minutes.



- **Yiğit Aslan;**
 - ▶ Became the European Champion in the 800 m Freestyle by breaking the Championship record with 7:51.20 as well as breaking the Age 17-18 and open-age Turkish records,
 - ▶ Ranked 3rd in Europe with 15:05.08 in the 1,500 m Freestyle,
 - ▶ Ranked 7th in Europe with 3:53.62 in the 400 m Freestyle.



- **Beril Böcekler;**
 - ▶ Ranked 2nd in Europe with 8:33.52 minutes in the 800 m Freestyle,
 - ▶ Ranked 3rd in Europe with 1:59.73 minutes in the 200 m Freestyle,
 - ▶ Ranked 4th in Europe with 4:14.38 minutes in the 400 m Freestyle.



- **Sudem Denizli;**
 - ▶ Ranked 5th in Europe with 2:14.61 minutes in the 200 m Backstroke.
- **Merve Tuncel and Beril Böcekler;**
 - ▶ The Turkish Freestyle Relay National Team, including Merve and Beril, came 3rd in Europe with 8:09.11 minutes in the 4x200 m.

Our athletes swam to records and medals in the Multinations Junior Swimming Meet competitions held in Ukraine between 17-18 April 2021 were as follows:

- ▶ Merve Tuncel ranked 1st in the 200 m Freestyle with 2:01:69, in the 400 m Freestyle with 4:08.22 and in the 800 m Freestyle with 8:31.11 and she set a new Multinations Record in all three branches and became the FIN point leader in girls.
- ▶ Merve Tuncel and Nisagül Serdar ranked 1st in the 4x100 m Freestyle with 3:49.85 and set a new Multinations Record.
- ▶ Our athlete Sudem Denizli came first in the 200 m Backstroke with 2:14.45 and set a new Multinations Record, as well as ranking 2nd in the 100 m Backstroke with 1:03.78.
- ▶ Yiğit Aslan ranked 1st in the 400 m Freestyle with 3:51.44 and 2nd in the 4x100 m Freestyle with 3:25.65.
- ▶ Yiğit Aslan and Muharrem Batu Servi came 1st in the 4x200 m with 7:34.82.
- ▶ Merve Tuncel and Nisagül Serdar came 1st in the 4x200 m Freestyle with 8:14.99.
- ▶ Muharrem Batu Servi ranked 1st in the 1,500 m Freestyle with 15:39.99.
- ▶ Our relay team consisting of athletes Sudem Denizli, Defne Coşkun, Zeynep Ağa and Nisagül Serdar ranked 2nd in the 4x100 Medley Relay with 4:19.5.

- ▶ Defne Coşkun ranked 2nd in the 200 m Breaststroke with 2:32.84 and 3rd in the 100 m Breaststroke with 1:13.93.
- ▶ Kerem Kardeş came 3rd in the 200 m Backstroke with 2:12.48.
- ▶ Zeynep Ağa came 3rd in the 100 m Butterfly with 1:04.62.

At National Events in the 2021 Season;

In the Türkiye Şehitkamil Arena Inter-Club Short Course Junior and Open Age Swimming Championship and Junior Individual Swimming Championship competitions held over five days in Gaziantep between 24-28 December, ENKA Sports Clubs'

- ▶ Open Age Girls Swimming Team were the Champions,
- ▶ Open Age Boys Swimming Team won 3rd place,
- ▶ Junior Men's Swimming Team won 2nd place,
- ▶ Junior Girls Swimming Team won 2nd place.

Individual records set at the Türkiye Şehitkamil Arena Inter-Club Short Course Junion and Open Age Swimming Championship and Junior Individual Swimming Championship were as follows:

Results in the Open Age category:

Turkish Champions;

- ▶ Ekaterina Avromova with 29.94 seconds in the 550 m Freestyle,
- ▶ İlknur Nihan Çakıcı with 55.80 seconds in the 100 m Freestyle,
- ▶ Merve Tuncel with 4:08.71 minutes in the 400 m Freestyle,
- ▶ Merve Tuncel with 16:06.63 minutes in the 1,500 m Freestyle,
- ▶ Ekaterina Avramova with 27.02 seconds in the 50 m Backstroke (Open Age TR),
- ▶ Ekaterina Avramova with 58.00 seconds in the 100 m Backstroke,
- ▶ Ekaterina Avramova with 2:06.26 minutes in the 200 m Backstroke,

- ▶ Defne Taçyıldız with 2:10.39 minutes in the 200 m Butterfly,
- ▶ Viktoria Zeynep Güneş with 2:22.71 minutes in the 200 m Breaststroke,
- ▶ Viktoria Zeynep Güneş with 59.36 seconds in the 100 m Medley (Age 19+ TR),
- ▶ Viktoria Zeynep Güneş with 2:12.06 minutes in the 200 m Medley,
- ▶ Viktoria Zeynep Güneş with 4:36.44 minutes in the 400 m Medley,
- ▶ Yiğit Aslan with 3:43.87 minutes in the 400 m Freestyle,
- ▶ Ekaterina Avramova-Nihan Çakıcı-İmge Roza Erdemli-Viktoria Zeynep Güneş with 1:40.06 minutes in the 4x50 m Freestyle Relay (Age 19+ TR),
- ▶ Ekaterina Avramova-İlknur Nihan Çakıcı-İmge Roza Erdemli-Viktoria Zeynep Güneş with 3:39.73 minutes in the 4x100 m Freestyle Relay,
- ▶ Viktoria Zeynep Güneş-Merve Tuncel-Beril Böcekler-Ekaterina Avramova with 7:58.72 minutes in the 4x200 m Freestyle Relay,
- ▶ Ekaterina Avramova-Viktoria Zeynep Güneş-İmge Roza Erdemli-Nihan Çakıcı with 3:58.94 minutes in the 4x100 Medley Relay (Age 19+ TR).

Results in the Juniors Category

Turkish Champions:

- ▶ Merve Tuncel with 4:08.71 minutes in the 400 m Freestyle,
- ▶ Merve Tuncel with 16:06.63 minutes in the 1,500 m Freestyle,
- ▶ Göksu Doğan with 28.15 seconds in the 50 m Backstroke,
- ▶ Sudem Denizli with 1:00.14 seconds in the 100 m Backstroke (Age 15-16 TR),
- ▶ Sudem Denizli with 2:09.84 minutes in the 200 m Backstroke,
- ▶ Mehlika Kuzeh Yalçın with 2:11.81 minutes in the 200 m Butterfly,
- ▶ Defne Coşkun with 2:24.57 minutes in the 200 m Breaststroke,



- Defne Tanığ with 1:03.62 minutes in the 100 m Medley (14 Yaş TR),
- Sudem Denizli-Mehlika Kuzeh Yalçın-Defne Coşkun-İpek Burcu Aydınır with 4:08.94 minutes in the 4x100 m Medley,
- Yiğit Aslan with 1:46.58 minutes in the 200 m Freestyle,
- Yiğit Aslan with 3:43.87 minutes in the 400 m Freestyle,
- Yiğit Ekşioğlu-Yiğit Aslan-Doğukan Arsen Tombul-Efe Hacısalihoğlu with 1:30.33 minutes in the 4x50 m Freestyle Relay (Age 17-18 TR),
- Doğukan Arsen Tombul-Yiğit Ekşioğlu-Mark Gabriel Polos-Efe Hacısı-lihoğlu with 1:39.99 minutes in the 4x50 m Medley Relay.

Results in the Youth Category;

- Belis Şakar ranked 1st in Türkiye with 2:17.09 minutes in the 200 m Butterfly,
- İpek Burcu Aydınır ranked 1st in Türkiye with 33.06 seconds in the 50 m Breaststroke,
- Defne Tanığ equalled the Age 14 Turkish record in the 100 m Medley with 1:04.21 minutes and came 1st in Türkiye,
- Belis Şakar ranked 1st in Türkiye with 2:18.46 minutes in the 200 m Medley,
- Belis Şakar ranked 1st in Türkiye with 4:44.55 minutes in the 400 m Medley (Age 14 TR),
- Tolga Temiz came 1st in the 800 m Freestyle with 8:08.57 minutes,
- Uluç Emre Cantürk ranked 1st in Türkiye with 2:01.89 minutes in the 200 m Backstroke.



At the Youth, Juniors and Open Age Long Course Individuals Türkiye Championship held in İstanbul between 26-28 July:

Turkish Champions

- Belis Şakar with 2:20.00 minutes in the 200 m Medley (Age 14 TR),
- Defne Coşkun with 2:33.90 minutes in the 200 m Breaststroke,
- İmge Roza Erdemli with 1:00.84 minutes in the 100 m Butterfly,
- Mark Gabriel Polos with 2:19.58 minutes in the 200 m Breaststroke,
- Erge Can Gezmiş with 1:51.25 minutes in the 200 m Freestyle.

At the Juniors Long Course Türkiye Championship held in Gaziantep between 09-11 July:

Turkish Champions

- Yavuz Ömer Ağa with 27.06 seconds (Age 13 TR) in the 50 m Butterfly,
- Toprak Dursun-Yoel Deniz Hayon-Yavuz Ömer Ağa-Selim Tüfekçibaşı with 4:26.77 minutes in the 4x100 m Medley Relay,
- Toprak Dursun-Yoel Deniz Hayon-Yavuz Ömer Ağa-Selim Tüfekçibaşı with 1:59.40 minutes in the 4x50 m Medley Relay,
- Demir Alp Keler-Yoel Deniz Hayon-Yavuz Ömer Ağa-Selim Tüfekçibaşı with 1:48.27 minutes in the 4x50 m Freestyle Relay.

New Turkish Records set by our Swimmers in 2021					
Name & Surname	Branch	Time	Pool	Competition/Date/Place	Record
Merve Tuncel	200 m Freestyle	2:11.54	50 m	2 nd Turkcell Edirne Cup/18-21 February/Edirne	Age 15-16 TR
	200 m Freestyle	2:01.69	50 m	Multinations Junior/17-18 April/Ukraine	Multinations Record
	200 m Freestyle	1:58.17	25 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 15-16 TR
	400 m Freestyle	4:06.25	50 m	European Junior Swimming Championship/06-11 July/Rome	Age 15-16/17-18/19+ TR
	400 m Freestyle	4:08.22	50 m	Multinations Junior/17-18 April/Ukraine	Multinations Record
	400 m Freestyle	4:02.47	25 m	European Short Course Swimming Championship/02-07 November/Russia	Age 15-16/17-18/19+ TR
	800 m Freestyle	8:27.38	50 m	2 nd Turkcell Edirne Cup/18-21 February/Edirne	Age 15-16/17-18/19+ TR
	800 m Freestyle	8:28.03	50 m	European Junior Swimming Championship/06-11 July/Rome	European Jun. Chmp. Rec.
	800 m Freestyle	8:21.91	50 m	European Junior Swimming Championship/06-11 July/Rome	European Junior Record European Jun. Chmp. Rec. Age 15-16/17-18/19+ T
	800 m Freestyle	8:31.11	50 m	Multinations Junior/17-18 April/Ukraine	Multinations Record
	800 m Freestyle	8:26.06	50 m	Junior Youth and Open Age National Team Selections/22-25 April/Edirne	Age 15-16/17-18/19+ TR
	800 m Freestyle	8:17.12	25 m	European Short Course Swimming Championship/02-07 November/Russia	Age 15-16/17-18/19+ TR
Viktoria Zeynep Güneş	1500 m Freestyle	16:10.28	50 m	European Junior Swimming Championship/06-11 July/Rome	European Junior Record European Jun. Chmp. Rec. Age 15-16/17-18/19+
	1500 m Freestyle	15:55.23	50 m	European Junior Swimming Championship/06-11 July/Rome	European Junior Record European Jun. Chmp. Rec. Age 15-16/17-18/19+ TR
	100 m Medley	59.36	25 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 19+ TR
	200 m Medley	2:09.65	25 m	International Swimming League (ISL)/18-19 September/Naples	Age 19+ TR
Sudem Denizli	200 m Medley	2:08.88	25 m	International Swimming League (ISL)/18-19 September/Naples	Age 19+ TR
	200 m Medley	2:06.72	25 m	World Cup/28-30 October/Russia	Age 19+ TR
	400 m Medley	4:32.64	25 m	World Cup/28-30 October/Russia	Age 19+ TR
	400 m Medley	4:30.45	25 m	European Short Course Championship/02-07 November/Russia	Age 19+ TR
	400 m Medley	4:28.93	25 m	International Swimming League (ISL)/18-19 November/Netherlands	Age 19+ TR
	100 m Backstroke	1:02.13	50 m	2 nd Turkcell Edirne Cup/18-21 February/Edirne	Age 15-16/17-18 TR
Belis Şakar	100 m Backstroke	1:02.07	50 m	LEN European Aquatics Championship/17-23 May/Hungary	Age 15-16/17-18 TR
	100 m Backstroke	1:00.14	25 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 15-16 TR
	200 m Backstroke	2:09.73	25 m	Open Age Short Course National Team Selections/23-24 March/Istanbul	Age 15-16 TR
	200 m Backstroke	2:14.45	50 m	Multinations Junior/17-18 April/Ukraine	Multinations Record
	200 m Backstroke	2:13.16	50 m	Juniors, Youth and Open Age National Team Selections/22-25 April/Edirne	Age 15-16/17-18 TR
	200 m Backstroke	2:12.31	50 m	Juniors, Youth and Open Age National Team Selections/27-30 May/Edirne	Age 15-16/17-18 TR
Yiğit Aslan	200 m Medley	2:20.00	50 m	Juniors, Youth and Open Age Long Course Personal Turkish Championship/26-28 July/Istanbul	Age 14 TR
	200 m Medley	2:16.68	25 m	Open Age Short Course National Team Elections/29-31 July/Beylikdüzü	Age 14 TR
	200 m Medley	2:19.44	50 m	Juniors, Youth and Open Age National Team Selections/29-30 December/Gaziantep	Age 14 TR
	400 m Medley	4:54.34	50 m	Juniors, Youth and Open Age National Team Selections/27-30 May/Edirne	Age 14 TR
Ekaterina Avramova	400 m Medley	4:44.55	25 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 14 TR
	400 m Freestyle	3:51.08	50 m	International 2 nd Turkcell Edirne Cup/18-21 February/Edirne	Age 17-18 TR
	400 m Freestyle	3:50.59	50 m	LEN European Aquatics Championship/17-23 May/Hungury	Age 17-18 TR
	800 m Freestyle	7:51.60	50 m	Juniors, Youth and Open Age National Team Selections/27-30 June/Edirne	Age 17-18/19+ TR
Göksu Doğan	800 m Freestyle	7:51.20	50 m	European Youth Championship/06-11 July/Rome	Age 17-18/19+ TR
	50 m Backstroke	27.13	25 m	English Winter Nationals Championship/03-05 December/United Kingdom	Age 19+ TR
	50 m Backstroke	27.06	25 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 19+ TR
	50 m Backstroke	27.02	25 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 19+ TR
Defne Tanığ	100 m Backstroke	1:00.48	50 m	Juniors, Youth and Open Age National Team Selections/27-30 June/Edirne	Age 19+ TR
	50 m Backstroke	27.82	25 m	Türkiye Turkcell Open Age Short Course National Team Selections/23-24 March/Istanbul	Age 15-16/17-18 TR
	50 m Backstroke	27.72	25 m	Türkiye Turkcell Open Age Short Course National Team Selections/23-24 March/Istanbul	Age 15-16/17-18 TR
	100 m Medley	1:04.21	25 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 14 TR EQUALISER
Beril Böcekler	400 m Freestyle	4:06.64	50 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 14 TR
Defne Taçyıldız	200 m Butterfly	2:09.37	50 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 14 TR
Yavuz Ömer Ağa	50 m Butterfly	26.70	50 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 14 TR
Defne Coşkun	200 m Breaststroke	2:29.64	50 m	Turkish Short Course Junior and Open Age Inter-Club Championship/24-28 December/Gaziantep	Age 14 TR
Viktoria Zeynep Güneş	4x50 m Freestyle	1:40.06	25 m	Short Course Youth and Open Age Inter-Club Türkiye Championship/24-28 December/Gaziantep	Age 19+ TR
Ekaterina Avramova					
İmge Roza Erdemli					
İlknur Nihan Çakıcı					
Yiğit Ekşioğlu					
Yiğit Aslan	4x50 m Freestyle	1:30.33	25 m	Short Course Youth and Open Age Inter-Club Türkiye Championship/24-28 December/Gaziantep	Age 17-18 TR
Doğukan Arsen Tombul					
Efe Hacısalihoğlu					
Merve Tuncel	4x100 m Freestyle	3:49.85	50 m	Multinations Junior Swimming Meet/17-18 April/Ukraine	Multinations Record
Nisagül Serdar					
Viktoria Zeynep Güneş					
Ekaterina Avramova	4x100 m Medley	4:04.01	50 m	LEN European Aquatics Championship/17-23 May/Hungary	Age 19+ TR
Viktoria Zeynep Güneş	4x100 m Medley	3:58.94	25 m	Short Course Youth and Open Age Inter-Club Türkiye Championship/24-28 December/Gaziantep	Age 19+ TR
Ekaterina Avramova					
İmge Roza Erdemli					
İlknur Nihan Çakıcı					

TENNIS

ENKA Sports has 384 active tennis players of whom 175 have active licences and 106 are in the training stage. In the 2021 Season, 10 of our athletes played for the Turkish National Teams in the Age 12, 14, 16, 18 and senior categories.

In International Events in the 2021 Season;



At the Davis Cup;

Türkiye competed against Latvia in the Davis Cup World Series II, the national team-level competition in Men's Tennis, hosted by our club between 18-19 September.

In the first singles match of the series, Altuğ Çelikkbilek defeated Robert Strombachs 7-6 and 6-4, giving our national team a 1-0 lead.

In the second singles match of the series, our player Cem İlkel won 6-4 and 6-1 against former World number 10, Ernests Gulbis, bringing the score to 2-0 in the Türkiye-Latvia series.

In the critical doubles match, Altuğ and Cem took the court against Ernests Gulbis and Robert Strombachs. After losing the first set 2-6, the duo won the second and third sets 6-3 and 6-4 and Türkiye won the series against Latvia 3-0.

After Turkish National tennis player Ergi Kırkın won the singles match, Türkiye defeated Latvia 4-0.

With this victory, Türkiye succeeded in qualifying for the Davis Cup World Cup I play-offs for the second time. Our athletes Cem İlkel, Altuğ Çelikkbilek and Yankı Erel participated in the Davis Cup tournament.



ATP & WTA TOURNAMENTS;

Cem İlkel played in the Main Draw at the US Open tournament for the first time in his career.

Altuğ Çelikkbilek and Cem İlkel won two championships and played three finals at the ATP Challenger tournaments.



ITF WOMENS & MENS TOURNAMENTS;

In the W60-W25-W15-M15 tournaments organised by the ITF, İpek Öz, Çağla Büyükakçay, Tuna Altuna, Ayla Aksu, Başak Eraydın, Melis Ayda Uyar, Yankı Erel, Umut Kaan Yenilmez, Zeynep Sönmez, Mert Alkaya, Berk İlkel and Umut Akkoyun won 7 championships and played 9 finals in the singles and doubles categories.

ITF JUNIOR TOURNAMENTS;

In the Junior 1-2-3-4-5 category tournaments held by the ITF, Melisa Ercan, Özlem Uslu, Leyla Nilüfer Elmas, Melis Ayda Uyar, Birtan Duran, Özlem Uslu, Fatih Sarı and Umut Kaan Yenilmez won 7 championships and played 15 finals in the doubles and singles.



TENNIS EUROPE TOURNAMENTS;

Lila Bodur, Kerem Yılmaz, Deniz Turna, İrem Kurt and Ali Sadi Tuğ won 12 Championships and played 7 finals in the U12-U14 and U16 tournaments organised by Tennis Europe.

In International Rankings in the 2021 Season;

Our players in the Top 1,000 as of December 31st, 2021;

WTA Rankings; Çağla Büyükakçay (240th), İpek Öz (301st), İpek Soylu (453rd), Zeynep Sönmez (531st), Ayla Aksu (674th), Başak Eraydın (869th) and Özlem Uslu (911th).



ATP Rankings: Cem İlkel (144th), Altuğ Çelikkbilek (162nd) and Yankı Erel (426th).

Our players in the Top 500 as of December 31st, 2021;

ITF Junior: Melisa Ercan (100th), Özlem Uslu (119th), Leyla Elmas (276th), Birtan Duran (273rd) and Fatih Sarı (455th).

In National Tournaments in the 2021 Season

At the Senior Türkiye Tennis Championship held in Antalya between 08-14 November:

- The women's singles and doubles finals were played between athletes from our club; In the singles category, Ayla Aksu became the Turkish Champion for the second time, defeating Başak Eraydın 6-3 and 7-5. In the doubles category, Ayla Aksu and Melis Sezer beat Melis Ayda Uyar and Başak Eraydın 5-7, 7-5 and 10-7 to become the Turkish Champions.

- We had one finalist in the men's singles while the doubles final was contested between ENKA players; our player Sarp Agabigün defeated Koray Kırıcı from TED Sports Club 1-6, 6-2 and 6-4 in the singles final to become the Turkish Champion. In the doubles, the final was played between ENKA players. Sarp Agabigün and Berk İlkel were the Champions while Umut Akkoyun/Cengiz Aksu were the other finalists.

ENKA player Melis Ayda Uyar was the women's singles and doubles Champion while our athlete Erden Er was men's singles Champion at the Age 18 Türkiye Championship in İzmir.

At the Age 18 Türkiye Team Championship, our girls' tennis team became Champions, while our boys' tennis team came 2nd.

At this championship, our club was represented by Deniz Gürsoy, Umut Kaan Yenilmez, Fatih Sarı, Birtan Duran, Berk Turan Ergin, Kerem Yılmaz, Ege Yavuz Yenilmez, Özlem Uslu, Melis Ayda Uyar, Melissa Yakup Pour, İrem Kurt, Ezgi Çağıl Özçelik, Deniz Turan, Leyla Elmas, İrem Kutluay and Aslı Dalli.

WATER POLO

In Water Polo, ENKA Sports Club has 157 athletes, 131 of whom have active licences and 26 are in the youth setup. In the 2021 Season, 14 of our athletes participated in the Turkish National Teams.

In International Organisations in the 2021 Season;

Our Water Polo A team finished the 2021-2022 Season LEN Champions League 1st Qualification Round Group B held in Podgorica, Montenegro between 22-26 September 2021 in 6th place.

The U15 Boys Water Polo National Team including our athletes Bertan Haskumru and Emir Alp Atam came 8th in Europe.

The Turkish National Team completed the U17 European Championship held in Malta between 13-19 September in 15th place. Our athletes Burak Sarı and Deniz Daşdemir participated in the Championship.

In National Organisations in the 2021 Season;

At the 15 July İstanbul Water Polo Championship, ENKA's U13 Boys team became the İstanbul Champions.

In Federation Cups in the 2021 Season;

Seniors Federation Cup: ENKA's A Team won the Turkish Water Polo Federation 2021-2022 Season Senior Men's Federation Cup held in İstanbul between 19-21 November.

U19 Federation Cup: Our team finished second in the U19 Federation Cup held in the club's water polo pool.

U17 Federation Cup: Our team finished the U17 Federation Cup held in İzmir in second place.

U15 Federation Cup: In the U15 Water Polo Federation Cup held in Adana, our under-15 team became the undefeated Champion.

U13 Federation Cup: Our team ranked second in the U13 Federation Cup held in the water polo pool of our club.

Super League

In the 4th match of the Spor Toto Water Polo Super League Finals held in Kalamış on May 27th, our A Team defeated Galatasaray with a score of 10-9, putting the series at 3-1, and completing the league as the Champion.



WRESTLING

ENKA has 37 active licenced athletes in the wrestling branch, 27 of whom have competed in national teams.

In International Events in the 2021 Season;

Our Athlete Zehra Demirhan ranked 3rd in the 50 kg category at the Junior World Wrestling Championship held in Russia.

Among our athletes at the U23 European Wrestling Championship held in Skopje, Ayşegül Özbege ranked 2nd in Europe in the 76 kg category, Zeynep Yetgil ranked 2nd in 53 kg, Aynur Erge ranked 3rd in 50 kg and Esra Pul ranked 3rd in 55 kg.

Our athlete Büşra Efe ranked 3rd in Europe in the 61 kg category at the Junior European Championship held in Bulgaria.

At the Junios European Wrestling Championship held in Germany, our athletes Zehra Demirhan and Melda Dernekçi came 3rd in the 50 kg and 55 kg categories respectively.

At the International Yaşar Doğu Wrestling Tournament held in İstanbul between 25-27 June, our athletes obtained good results. Mehlika Öztürk was Champion at 55 kg, Elif Yanık ranked 3rd at 59 kg, Merve Pul ranked 3rd at 72 kg, Rahime Arı ranked 3rd at 53 kg and Ayşegül Özbeğe ranked 3rd at 76 kg.

At the U23 World Wrestling Championship held in Serbia;

- Our athlete Zeynep Yetgil beat her Mongolian opponent Munkhgerel Munkhbat, who had advanced by repechage, 8-3 to win the bronze medal at 53 kg.
- Our European bronze medalist Aslı Demir defeated her European silver medalist opponent Elena Esposito of Italy 3-2 to win the bronze medal in the 65 kg.

In National Organisations in the 2021 Season;

Among our athletes at the Senior Camp Qualifiers held in İstanbul, Aynur Erge ranked 1st at 50 kg, Esra Pul ranked 1st at 53 kg, Mehlika Öztürk ranked 1st at 57 kg, Elif Yanık ranked 1st at 59 kg, Cansu Aksoy ranked 1st at 62 kg, Kadriye Aksoy ranked 1st at 72 kg, Ayşegül Özbege ranked 1st at 76 kg, Aslı Demir ranked 2nd at 68 kg, Merve Pul ranked 2nd at 72 kg, Zehra Demirhan ranked 3rd at 50 kg, Emine Çataloğlu ranked 3rd at 50 kg, Rahime Arı ranked 3rd at 53 kg, Yağmur Çakmak ranked 3rd at 65 kg, Meryem Yılmaz ranked 3rd at 76 kg, Nurife Duman ranked 5th at 59 kg, Şule Kabak ranked 5th at 62 kg, Ayşegül Sever ranked 5th at 65 kg and Sevil Alioğlu ranked 7th at 53 kg. ENKA Sports Club ranked 1st in the tournament with 210 points, while Turhal Municipality Sports Club came second with 98 points and Yalova Tersaneler Sports Club ranked third with 93 points.

Among our athletes at the Junior European and World Championship Camp Qualifiers held in Antalya, Melda Dernekçi ranked 1st at 55 kg, Yağmur Çakmak ranked 1st at 65 kg, Neslihan Nur Koç ranked 2nd at 59 kg, Zehra Demirhan ranked 3rd at 50 kg, Sümeyye Yıldız ranked 3rd at 57 kg, Ayşe Gül Sever ranked 3rd at 65 kg, Ceren Türker ranked 3rd at 68 kg and Esranur Eren ranked 5th at 57 kg. Yağmur Aydın represented Türkiye at 62 kg, Hazar Nur Kalal at 62 kg and Yaren Suğra Ünal at 53 kg. ENKA Sports Club ranked 1st in the tournament with 119 points, while Tekirdağ Çorlu Municipal-



ity won second place with 90 points and Ümraniye Municipality came third with 80 points.

Among our athletes at the U15 European and World Championship Camp Qualifiers in Tekirdağ, Duygu Gen ranked 1st at 66 kg, Elif Şevval Kurt ranked 3rd at 62 kg and Selin Orhan represented Türkiye at 57 kg. ENKA Sports Club ranked 3rd in the competition with 48 points.

Among our athletes at the Youth European and World Championship Camp Qualifiers held in Tekirdağ, Cansu Özer ranked 1st at 40 kg, Büşra Efe ranked 1st at 61 kg, Duygu Gen ranked 1st at 65 kg, Yağmur Aydın ranked 3rd at 61 kg and Sevgi Özbege ranked 3rd at 73 kg. Elif Şevval Kurt represented Türkiye at 65 kg, Sümeyye Yıldız at 57 kg, Selin Orhan at 57 kg and Pinar Karaduman at 57 kg. ENKA Sports Club came first in the tournament with 90 points, followed by Antalya Asat Sports Club with 82 points and Ümraniye Municipality with 65 points.

SCHOLARSHIPS

In the 2021-2022 season, scholarships were granted to 252 talented athletes successful in their studies who were in need of financial support.

Summer and Winter Sports Schools;

Our 2021 Summer Sports School was successfully completed with 612 students taking part. The 2021-2022 Winter Sports School activities are currently in progress with 1,115 students.

Activities for Social Members;

Our Fitness Center, our indoor and outdoor tennis courts, our 50-metre outdoor pool which can be covered during the winter and our 25 m and 25x33 m indoor swimming pools, as well as our various sports fields, our indoor sports hall, our international synthetic athletics track and our healthcare centre and clubhouse are all at the service of our 5,001 adult and junior members.



Founded in 1996, and well established within the Turkish educational system, ENKA İstanbul Schools educate a total of 1,221 students at pre-school, primary school, middle school and high school levels.

The ENKA İstanbul Schools are accredited by the Turkish Ministry of National Education (MEB) and are subject to its principles and regulations. In addition, ENKA Schools is internationally accredited by the Council of International Schools (CIS) and the New England Association of Schools and Colleges (NEASC). ENKA Schools are authorized by the International Baccalaureate Organization (IB) to offer the Primary Years Program (PYP), the Middle Years Program (MYP), and the Diploma Program (DP), making it a full K12 IB continuum school. ENKA İstanbul Schools will undergo its re-accreditation and re-authorization by CIS/NEASC/IB in 2023.

ENKA İstanbul Schools are authorized to offer Advanced Placement (AP) courses and became an SAT exam center in 2020. AP courses are offered to 11th and 12th grade students as elective courses.

Due to Covid-19, the ENKA İstanbul Schools AP program was not fully rolled out in 2020-2021. It is now fully implemented and continues to expand. ENKA İstanbul Schools currently provide 11 AP courses.

All ENKA İstanbul High School Students meet the requirements for and receive a Turkish High School Diploma, study a third language from grades 5-12, and receive most of their instruction in English, with 55% of all courses taught in English for Grades 9-10 and 75% of all courses are taught in English for Grades 11-12.

As of the 2019-2020 school year, Grade 10 students select one of the following pathways based on their career targets and academic ability for their 11th and 12th grade curriculum:

- ▶ Option 1: Turkish Diploma + Full IB Diploma
- ▶ Option 2: Turkish Diploma + 3-6 AP courses
- ▶ Option 3: Turkish Diploma only

Class of 2021 IBDP Results

We are proud to report that the 2021 IBDP results include a 90% Pass Rate with a top score of 42. While the world average IBDP result is currently 32.02, ENKA İstanbul High School's average was 35.56, with ENKA students surpassing the world average in 15 subjects.

ENKA İSTANBUL SCHOOLS' FACULTY

The teaching staff at ENKA İstanbul Schools is made up of carefully selected, highly qualified, experienced educators from Türkiye and other countries. The school benefits from the stability

provided by the many members of staff who have been with it for long years as well as from the dynamism and diverse blend of cultures provided by newly-arriving teachers. The recruitment of quality staff from around the world helps to drive continual improvements in the school's programs. As a community of life-long learners, the school thrives on the ideas and energy arising from incoming ideas and new collaborations.

In 2021, ENKA İstanbul Schools employed a total of 254 academic and administrative staff. The teaching staff of 214 included 62 international appointees from 16 countries and five continents. The overall student-teacher ratio is 7 to 1. The average ENKA İstanbul Schools teacher has 15 years of experience. Moreover, 55% of teachers hold a master's degree and 4% have a PhD. The experts on the staff include 14 IB Examiners, 6 IB Curriculum Developers, 6 IB Workshop Leaders, 2 IB Consultants, 4 Apple Distinguished Educators, 4 Microsoft Innovative Educators and 9 curriculum textbook authors.

ENKA İSTANBUL SCHOOLS FACILITIES

ENKA İstanbul Schools boast world-class facilities. The schools occupy an area of more than 33,680 m² within the ENKA Sadi Gülçelik Sports Complex, and the school buildings provide a total of 23,750 m² of usable space. The school facilities are housed in two main buildings. The primary school, middle school and high school buildings consist of four blocks. The pre-school is housed in a separate, specially designed building and has its own separate play area.

The range of facilities exhibits the special importance ENKA Schools place on contemporary education, sports and the arts. In addition to modern, purpose-built classrooms, the school's academic facilities include three full science laboratories, an auditorium, three libraries with 42,000 volumes in all, computer laboratories, two design rooms, and a multimedia room.

The facilities are improved every year. Improvements in 2021 include the following technology advances:

- ▶ Internet speed was upgraded from 500Mbps to 1Gbps.
- ▶ Bring Your Own Device program was launched for Grade 4. Grades 5-12 have already participated in the BYOD program.
- ▶ Zoom conferencing capability was acquired for large meetings up to 500 people.



- ▶ Chromebooks were distributed to all 25 scholarship students.
- ▶ Teacher iPads have been updated to 9th Generation iPads.
- ▶ Comfortable, sound cancelling, cordless bluetooth headphones were provided for better interactions during online meetings/classes.
- ▶ The number of EdTech and other applications was increased to facilitate learning.
- ▶ Facial recognition system was installed in the High School cafeteria.
- ▶ Additional enterprise sized photocopy machine was installed in copy room.
- ▶ Project planning for a new card system for entry/exit was started.
- ▶ Project planning to upgrade the entire Wi-Fi system of the school was started.
- ▶ Project planning to replace all classroom projection devices was started.
- ▶ ENKA İstanbul High School now has fully functional boarding facilities. The residential project which begun last year has been completed. The school has completed construction on a dormitory with a maximum capacity of 48 boys and 64 girls. The school has accepted boarding students from throughout the country and currently have 25 students in residence. To support them, there are 3 residential supervisors joined by one of the full-time teachers. Living on campus gives the boarding students access to the library, the school's extensive sports facilities, admission to the frequent cultural events on campus, etc.

PROFESSIONAL DEVELOPMENT

To maintain high academic standards and keep its teachers abreast of the latest pedagogical research, the school offers a robust program of ongoing professional development. ENKA staff also provide educational leadership in Türkiye and abroad by speaking at international conferences. ENKA İstanbul Schools serve as a certified national training center for Turkish schools wishing to learn how to implement the IB curriculum. For 22 years, ENKA has hosted the Spring Teachers' Conference, a free professional development opportunity for public school teachers nationwide in which ENKA teachers provide training in best practice, latest pedagogy, educational technologies and other topics.

ENKA İstanbul Schools

Converting challenges into opportunity, the biggest benefit of Covid-19 became the school's intensely increased focus on professional development.

Launching distance learning out of necessity became an excellent opportunity to improve our teaching by learning new methods, technology and platforms. In recalibrating the entire curriculum to be able to be delivered online, teachers have discovered exciting, effective learning tools, methods and applications that have now become indispensable. As a school, ENKA İstanbul Schools have developed a deeper culture of peer sharing that encourages faculty to demonstrate to each other new tools they can use to enhance learning:

- ▶ TTT: Teachers Teaching Teachers a volunteer-based peer PD program at least once a month that allows anyone to share a new tool or technique in after school online sessions that anyone can attend.
- ▶ Asynchronous learning materials: Events like TTT and other trainings/ sharings are recorded by the EdTech team and the resource is made available for teachers to learn from whenever they need.
- ▶ 4US Wellbeing Committee: As well as identifying and offering collective PD opportunities for staff, the committee organizes one event a month aimed at increasing morale and supporting staff well being.

Continually responsive to student needs, ENKA İstanbul Schools introduced new courses for students, including a new Turkish Critical Reading Course for Grade 5 and 6 students. For electives, the Middle School now offers Computer Science and Software and Critical Thinking and Debate. In the Computer Science and Software program, students use the power of computational thinking in various disciplines to improve their problem solving skills. Aiming for high-level learning outputs, this course focuses on text-based programming languages (JavaScript, Python etc.), mobile app programming (HTML5, Swift etc.), machine learning and artificial intelligence algorithms. Critical Thinking and Debate is a pivotal addition to the curriculum as a cognitive and meta-cognition development tool. Replacing the 20th century paradigm of control = power and the 1980s paradigm of information = power, we are currently transitioning into the exciting new era of ideas = power, where developing the capacity for thought is



increasingly necessary. The program has a prerequisite of being an active debater in the upper classes, participation in the school debate team and participation in national tournaments.

CLUBS & ACTIVITIES

Clubs, community service activities, extra-curricular activities and school teams all play as important a role as academic pursuits in the program of education. Activities like these emphasize the development of leadership and communication skills, promote a sense of responsibility, and stimulate self-confidence and a taste for discovery. They provide opportunities for students to develop their individual aptitudes and interests and help them prepare for their futures. They also help ensure that ENKA students become responsible citizens sensitive towards populations in need.

While after school activities have been canceled due to Covid-19 this year, there are clubs for each school division, with 26 clubs in High School, 17 in Middle School and 33 in Primary School, including the Model United Nations Chess teams, the debating society, Scientific and Technical Research Council of Türkiye (TÜBİTAK) teams, the student literary magazine (Oceanus) English Drama, Film Production, Dance, Yoga, Ceramics and more. ENKA students represent ENKA Schools throughout Türkiye and abroad via many of these clubs and activities.

Students have achieved both national and international rankings and records in math, chess, golf, archery, basketball, volleyball, football, tennis, swimming, skiing, gymnastics, judo, sailing, fencing, modern pentathlon, rock climbing, water polo and equestrian sports. Some of these international achievements are listed here.

2020-2021 ACADEMIC DISTINCTIONS

- ▶ Our 7 Students took part in the National Academic Teams, 6 of them in the field of chess and 1 in the field of mathematics
- ▶ 2021: Gold Medal - Boys' Category - AMO (American Mathematical Olympiad 2021) now ranked 9th in the world
- ▶ 2021: 3rd Place - Boys' Category- Türkiye Chess Championship (Antalya)
- ▶ 2021: İstanbul Stars Chess Championship
 - » 1st Place - 17 Year Old Girls' Category
 - » 1st Place - 15 Year Old Boys' Category
 - » 2nd Place - 14 Year Old Boys' Category

- ▶ 2021: International Kangaroo Mathematics Olympiad
 - » 1st Place - Grade 9
 - » 5th Place - Grade 9
 - » 6th Place - Grade 10
 - » 6th Place - Grade 8
- ▶ 2021: Commemorative Medal - İstanbul Junior Championships. Grade 2 student was qualified to participate in the Turkish Championship.
- ▶ 2021: Head of HS Science, Derya Koç, participated in the "Inter-High School Game Development and Design Competition" jointly organized by Arel College and the Bahçelievler District of the Ministry of Education with her game "ENKA TEAM". The game, created with the unity game engine, earned Ms. Koç the Arel College special award.
- ▶ 2021: 1st Place and 5th Place - International Kangaroo Mathematics Competition
- ▶ 2021: 3 Gold, 16 of 2nd place, and 8 of 3rd place Medals - URFODU International Science Fundamentals Quiz Competition
- ▶ 2021: Grade 8 student Can E. had two of his puzzles selected to be solved by contestants in the 2021 Italy Sudoku Championship. Can publishes his puzzles on the website of Logic Masters Deutschland (as CanE_Puzzles). His puzzles have attracted the attention of the highly popular YouTube Channel, 'Cracking the Cryptic', where his puzzles were solved live by the presenters.
- ▶ 2021: Our High School Chess Team this year has a number of players who have achieved advanced standing:
 - » Işık C. (IM - International Master) ELO 2405
 - » Adar T. (CM - Candidate Master) ELO 2205
 - » Emre T. (CM - Candidate Master) ELO 1914
 - » Eylül Ç. (WFM - Women Fide Master) ELO 1858
 - » Işıl C. (WCM - Women Candidate Master) ELO 1911
 - » Elif K. (WCM - Women Candidate Master) ELO 1735

**The world's top chess players are ranked around ELO 2800.*

- ▶ 2021: Provincial Directorate of National Education recognized one of our students on all his national and international math successes.
- ▶ 2021: Silver Medal - 38th Balkan Mathematics Olympiad
- ▶ 2021: Turkish Junior and Stars National Chess Championships:
 - » 1st Place - 15 Year Old Boys' Category
 - » 1st Place - 14 Year Old Girls' Category
- ▶ 2021: Bronze Medal - 62nd International Mathematics Olympiad, Russia
- ▶ 2021: 6 Gold, 2 Silver, 2 Bronze Medals - National Antalya Mathematics Olympiad
- ▶ 2021: 6 Gold medals, 9 Silver, 12 Bronze - Singapore and Asian Schools Math Olympiad (SASMO)
- ▶ 2021: Gold Medal - Math, Geometry, Technology division - International Online STEM Olympiad (I-STEM)
- ▶ 2021: İstanbul Science Olympics (ISBO):
 - » Math: 2 Gold, 1 Silver Medal
 - » Computers: 1 Bronze Medal
- ▶ 2021: 2nd, 3rd and 4th Places - TEAMS (Tests of Engineering Aptitude, Mathematics, and Science)
- ▶ 2021: 1st Place and 2nd Place - American Mathematics Competitions 10 (national level)
- ▶ 2021: 2nd Place - Nationals - Turkish Inter Schools Intelligence Games
- ▶ 2021: 1st Place - Regionals - Turkish Inter Schools Intelligence Games
- ▶ 2021: 2 Gold Medals - TÜBİTAK Mathematics Olympics
- ▶ 2021: 2nd Place - U17 division - 9th European Mathematical Cup
- ▶ 2021: Gold Medal - Mathematics Category - 17th International Zhautykov Olympiad
- ▶ 2021: Bronze Medal - Iran's 7th Geometry Olympiad
- ▶ 2020: 1st, 2nd, 5th and 8th Places - U14.5 Category - American Mathematics Competition 8 (national level)
- ▶ 2020: Gold Medal - Mathematics Category - 5th International Olympiad of Metropolises, Moscow
- ▶ 2020: 2nd Place - Men's Under 17 division - World Online Schools Chess Championship.



2020-2021 ATHLETIC DISTINCTIONS

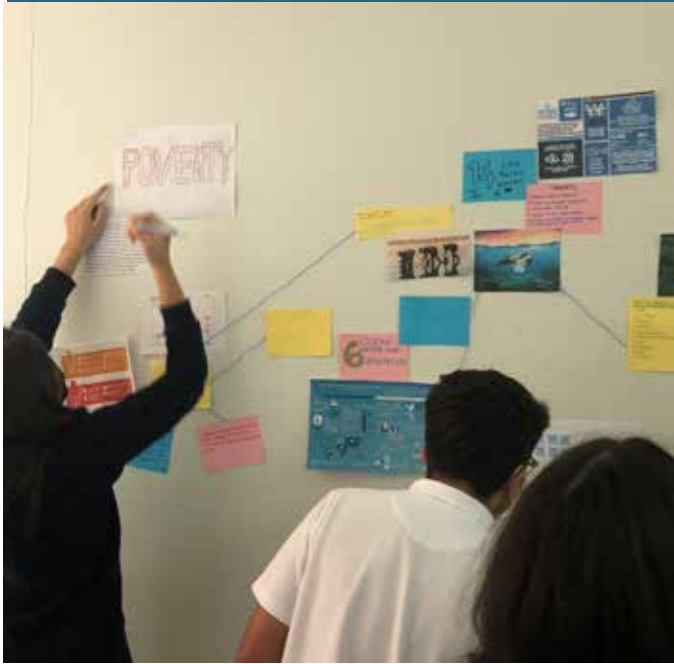
Students on National Athletic Teams:

- ▶ Archery - 1
- ▶ Equestrian - 6
- ▶ Golf - 2
- ▶ Sailing - 1
- ▶ Skiing - 12
- ▶ Snowboard - 3
- ▶ Swimming - 5
- ▶ Synchronized Swimming - 2
- ▶ Taekwondo - 2
- ▶ Tennis - 17
- ▶ Volleyball - 1
- ▶ Water Polo - 9
- ▶ 2019 Graduate - NCAA Volleyball (full scholarship) to UC Berkeley
- ▶ 2021 Graduate - NCAA Swimming (full scholarship) to Oakland University
- ▶ 2021: Course Junior and Open Age Swimming Championships
 - » 2021: 1st Place & National Record - Girls' 14 Year Old 400 m Medley
 - » 2021: 1st Place & National Record - Girls' 14 Year Old 100 m Medley



ENKA İstanbul Schools

- ▶ 2021: 2nd Place – 14 Year Old Girls’ Category 125 cm, Winter League Riding Cup İstanbul
- ▶ 2021: UGP Swimming Türkiye Finals Trabzon
 - » 1st Place - 11 Year Old – 200 m Medley
 - » 2nd Place - 11 Year Old – 100 m Freestyle
 - » 3rd Place - 11 Year Old – 50 m Freestyle
 - » 4th Place - 11 Year Old – 50 m Butterfly
- ▶ 2021: High School İstanbul Swimming Championship
 - » 1st Place - Girls’ Swim Team
 - » 5th Place - Boys’ Swim Team
- ▶ 2021: Türkiye Junior Swimming Championship
 - » 2nd Place - Girls’ 4x50 m – 4x100 m Medley Relay
 - » 4th Place - Girls’ 200 m Breaststroke – 4x50 m Medley Relay
- ▶ 2021: 1st Place - Girls’ Swim Team - High School Junior Swimming İstanbul Championship
- ▶ 2021: U12 Fencing Türkiye Championship
 - » 1st Place – Girls’ Category
 - » 5th Place – Girls’ Category
- ▶ 2021: 3rd Place - U12 Girls’ Épée - 42nd Challenge Wratislavia Fencing Tournament, Poland
- ▶ 2021: 1st Place - Tennis Summer Cup
- ▶ 2021: National Fencing Championships
 - » 1st Place - Girls’ U12
 - » 2nd Place - Girls’ U12 Épée
 - » 3rd Place - Boys’ U14 Épée Team
- ▶ 2021: 3rd Place - U20 Heptathlon - Türkiye Athletics Championships
- ▶ 2021: 1st Place - Doubles - Estonian Junior Open
- ▶ 2021: 2nd Place - U12 - Bellevue Cup Tournament, Montenegro
- ▶ 2021: Multinations Junior Swimming Meet, Ukraine
 - » 2nd Place - 4x100 m Medley Relay
 - » 3rd Place- 100 m Butterfly
- ▶ 2021: 1st Place - 16Year Old Tennis Winter Cup
- ▶ 2021: Turkish National Swimming Team at the International Edirne Cup
 - » 1st Place - 200 m Boys’ Breaststroke
 - » 1st Place - 200 m Boys’ Butterfly
 - » 1st Place - 50 m Boys’ Breaststroke
 - » 2nd Place - 400 m Boys’ Individual Medley
 - » 2nd Place - 200 m Girls’ Individual Medley
 - » 2nd Place - 100 m Boys’ Breaststroke
 - » 3rd Place - 200 m Boys’ Individual Medley
- ▶ 2020: 2nd Place - Junior Optimist division - Republic Day İstanbul Cup (sailing)



ENTRANCE TO UNIVERSITY IN TÜRKİYE AND ABROAD

Typically, 100% of ENKA İstanbul Schools graduates go on to university. Approximately 80% select universities abroad. In 2019, ENKA brought in a Dean of Students to lead the school’s College Counseling services. The school’s college counseling services include: career interest and aptitude testing, career days, one-on-one counseling, parent seminars, university fairs, field trips, a writing center dedicated to developing students’ academic writing for their university applications process, etc., optional intense university preparation classes (770 hours for Grade 11 students, 1,353 hours for Grade 12 students) and more.

ENKA İstanbul Schools produced its first cohort of high school graduates in 2008. Graduates are currently studying at top universities in Türkiye including the Middle East Technical University, Boğaziçi (Bosphorus) University, Özyeğin University, İstanbul Bilgi University, Koç University, İstanbul Technical University and Sabancı University.

Each year, ENKA İstanbul Schools graduates are admitted to leading international universities such as MIT, Harvard, Princeton, Stanford, Dartmouth, Columbia, Brown, Northwestern, Duke, John Hopkins, Oxford, Exeter, Edinburgh, Imperial College, King's College, Manchester, Warwick, Toronto, McGill and British Columbia. ENKA İstanbul Schools graduates are also active in the ENKA Schools Alumni Association, which was established in 2010.

The number of events held in partnership with the ENKA Arts was increased. ENKA is fortunate to share its campus with some very special entities including the ENKA Arts, which hosts international and national artists in the school’s art gallery, and in the school’s theater and in the outside amphitheater. ENKA Arts has opened rehearsals to classes for students to be able to witness the arts up close in action and to interact with professional artists. ENKA Arts also began offering free admission to staff and students for cultural events. In 2021, they gave open admission for three plays and nine concerts.

HEALTH, SAFETY & SECURITY

Hygiene accreditation has been provided by the Turkish Standards Institute. The school underwent an extensive and thorough audit by TSI to ascertain the efficacy of our hygiene practices. The school has been re-accredited as a Clean School following the inspection and review of its cleaning protocols.

First Aid Training and Certification were provided for staff. This is an option the school offers on a regular basis for interested employees and for certain staff members who have specific roles in the Emergency Preparedness plan.

Pandemic procedures that were successfully established after the outbreak of Covid-19 to manage the cases, manage the exposure to those infected, and to identify and manage those deemed to have had close contact to Covid-19 using the Ministry of Health’s contact algorithm. Successful adherence to this process has resulted in zero contamination of campus.

A New Emergency Preparedness Plan was developed. The school’s entire emergency preparedness plan was evaluated by expert consultants, comprehensively revamped, and re-issued. Based upon the new plan, all staff trainings have been held along with emergency drills.



ENKA Adapazarı Schools

www.enka.k12.tr/Adapazari



ENKA Adapazarı Schools were founded by ENKA Foundation on October 24th, 1999 to provide opportunities for a free education to children who lost their parents in the 1999 Marmara Earthquake.

ENKA Adapazarı Schools still give priority to children who have lost their parents for various reasons and provide equal opportunities by covering their educational expenses. Additionally, financial aid is provided to students who cannot afford tuition.

ENKA Adapazarı Schools are subject to the regulation of the Ministry of National Education. The Primary Education Curricula of the Ministry of National Education is considered based on the inquiry within the framework of the International Baccalaureate Organization (IB) Primary Years Program (PYP).

ENKA Adapazarı primary school authorized by the PYP in 2012 had the PYP assessment visits in 2015 and 2020.

As of 2017, when the school had received the IB Middle Years Program (MYP) authorization, educational activities and teacher professional development programs have been carrying out at MYP standards.

Education started in prefabricated buildings within 56,500 m² campus area and continues in permanent structures completed as of 2016.

In addition to the school buildings, the campus offers a wide living area to its staff and students with its indoor swimming pool, sports hall, tennis courts, lodgings, social facility, computer and science labs, three libraries with a total of 59,490 books, dining hall and auditorium.

By offering equal opportunities in education, ENKA Adapazarı Schools aim to raise creative, inquisitive and internationally minded individuals who use critical thinking and communication skills in all disciplines, express themselves in different languages and respect differences.

Technology education in ENKA Adapazarı Schools continue from kindergarten to high school. Students are enabled to practice during education given in smart classrooms and laboratories. Many educational technology tools such as Microsoft SharePoint, K12Net, iTunesU, Seesaw, Google Meet, Britannica School Edition and Turnitin are actively used by both students and teachers.

Students have been using their own iPads as an educational tool for all lessons since 2014. The school teachers have attended training sessions by the authorized Apple educators. Students take basic computer skills, operating systems, computer based graphic web design, programming, coding and technical drawing training courses before graduating high school. The school personnel take professional development sessions in line with developing training technologies. 11 teachers completed the required procedures and were qualified to become Apple Teachers.

ENKA Adapazarı Schools aim to ensure that students feel confident when speaking a foreign language and use it effectively in the learning process and use what they have learned in their daily lives without hesitation.

ENKA Adapazarı Schools send successful students based on their GPAs to a four-week summer camp in the United Kingdom every year in order to encourage students and appreciate their achievements.

Academic staff of the school consists of highly qualified teachers in their fields who are open to development and innovation. Aiming to raise students who are inquirers, critically thinkers, respectful of differences, internationally minded and creative, our teachers follow technological developments in education and adopt an approach centred on students.

ENKA Adapazarı Schools provide education to 658 students with the full-time teaching staff of 94 included 5 international appointees and 10 part time teachers. The overall student teacher ratio is 6 to 1.

ENKA Adapazarı Schools believe that extra-curricular activities are important in terms of improving students' lifelong skills and creative aspects and enabling them to have different hobbies.

The planned arts, sports and cultural activities allow the development of skills and competencies that are essential for social life, and have a positive impact on self-respect and self-control and therefore, on the self-actualisation of students. The extra-curricular activities they choose, help the students develop responsibility,

entrepreneurship, leadership and time management skills. Participation in extra-curricular activities helps them become active individuals both at and out of school and provide them with areas to develop their social skills.

In this context, the school has 73 students clubs such as; MUN (Model United Nations), EYP (European Youth Parliament), Debate, Dance, Chess, Yoga, Swimming, Darts, Tennis, Basketball, Organic Living, ISTA (International Schools Theatre Association), FPSPI (Future Problem Solving Program International), Drama, Short Film, Entrepreneurship (Next Station), Linguistics, Coding, School Magazine (Yazadurmak), English Debate and the TÜBİTAK Project Club.

As ENKA Adapazarı Schools, our main goal in the Higher Education Institutions Examination (YKS) studies is to support our students to continue their education in the most relevant place for them. For this reason, studies are carried out throughout their high school education to create opportunities for students to discover their interests and talents at every grade and to ensure that they are placed in the best higher education programs relevant to them.

Within the academic program of the school, students who aim to get a university education in Türkiye are also offered university courses for the purpose of preparing for the university entrance exams. The program is planned for 11th and 12th grade students and is carried out by experienced teachers in their fields.

The school counseling department organizes promotional activities of various professions with the participation of experts in their fields and graduates. They conduct studies to minimize the effects of the concerns that the exam concept may cause on students, their learning and exam performance. They help the students to apply to the best school and department according to their interests and abilities after the exam.

In addition, students who want to continue their education abroad are supported during university research, application and exam preparation processes.



ENKA Adapazarı Schools



The additional studies organized for students to prepare them for international exams such as TOEFL, SAT, IELTS continue throughout the year with the teachers of Mathematics Department and the native teachers of the Foreign Languages Department.

ENKA Adapazarı Schools produced its first cohort of graduates in 2004 and graduates continue their education at top universities in Türkiye including Boğaziçi (Bosporus) University, Middle East Technical University, İstanbul Technical University, Koç University, Sabancı University, Bilkent University and Bilgi University. During the 2020-2021 academic year, our 5 students decided to continue their education at the universities abroad that they had the acceptance from. 76 out of 646 students, who continue to receive the

support of ENKA Foundation throughout their university education, are also employed by ENKA companies.

ENKA Adapazarı Schools also aim to be a school community committed to life-long learning, to be aware of social problems and to generate solutions for them.

The school was bestowed with the honor of becoming a "TSE White Flag" and "My School is Clean" certified school, indicating the suitability of our preparations in combating Covid-19.

The main accomplishments of ENKA Adapazarı Schools in 2021 are listed below:

1st place in the Youth Basketball School Sports City Tournament,

3rd place for the boys team in the Youth Swimming School Sports Tournament,

In the School Sports Youth Swimming Tournament;

► 2nd place in 200 m Breaststroke

► 1st place in 400 m Freestyle

2nd place for the 15 Year Old Girls' Category in Stars Sakarya City Chess Championship,

1st place for the middle school girls team and 3rd place for the Boys' team in the School Sports Chess City Championship,

1st place in 13 Year Old Girls' Category for our middle school student, Yağmur Görücü in Stars Kocaeli City Chess Championship,

1st place in 14 Year Old Girls' Category for our middle school student, Esma Er in Stars Sakarya City Chess Championship.



One of our students is privileged to continue her education at IB UWC Pearson College with full scholarship after successfully passing the written test and the interview in 2021-2023 UWC application term.

Our 12th grade student, Tutku Çalış received the honorable mention, ranking 5th place in the 13th Atilla İlhan High School Youth Essay Competition organized by the Atilla İlhan Science, Art and Culture Foundation.

1st place for our 2 students in the Robotics and Coding Festival by Sakarya STEM Technology Workshop.

Our 6th grade student, Jack Poyraz, won 1st place in the 10th Fakir Baykurt Story Writing Contest organized by Sarıyer Municipality in 2021.



Private ENKA Science and Technology High School Kocaeli

www.enka.k12.tr/kocaeli



In the Private ENKA Science and Technology High School, established in 2014 with a modern education campus, qualified teaching staff and equipped laboratories, 120 students are currently being educated. Its most important goal is to educate qualified individuals who can navigate Türkiye to its well-deserved place in the future. The school has a five-year program that starts with a one-year English language preparatory class. German is taught as a second foreign language.

The main objectives of ENKA Science and Technology High School are:

- ▶ to provide project-based education,
- ▶ to give students an academic grounding for further study in leading departments of top universities,
- ▶ to provide advanced foreign language education,
- ▶ to provide up-to-date technological education,
- ▶ to improve the intellectual level of students by means of education and activities organized in the fields of culture, arts and social.

The school is located in the same building with Private ENKA Vocational and Technical High School that has a total covered area of 15,000 m² and is situated amid greenery on a 30,750 m² plot in the Kocaeli Machinery Specialized Organized Industrial Zone. The school has its own ten classrooms and students share the dining hall, sports hall, tennis court, football pitch and other campus areas with students of Private ENKA Vocational and Technical Anatolian High School.

All of our students receive full scholarships. All services including education, transport and meals are provided free of charge and preparation classes for the university entrance examination are also offered without any fees.

In addition to the standard science high school curriculum, students who are thinking of studying medicine are offered genetics courses in the genetics laboratory from 10th grade onwards, while those who are inclined to study engineering are taught mechatronics and computer programming languages in the workshops.

A number of students are sent to a language school in the United Kingdom every year to enhance their foreign language skills with the sponsorship of the Directorate of the Machinery Specialized Organized Industrial Zone. Due to the pandemic, this course could not be carried out.

Students are able to follow 16 periodicals in our school library with 14,089 books, including digital sources such as Encyclopedia, Britannica ImageQuest.

In addition to applied sciences laboratories equipped with the latest technology for physics, chemistry and biology, the school has a LEGO robotics studio, a model aircraft/drone workshop, a science center, a visual arts studio and a music studio where the school orchestra and bands rehearse.

Showing a great success, together with ENKA Anatolian Technical High School students, ENKA Science and Technological High School students got the opportunity to be selected with their 18 projects out of 20 in TÜBİTAK research project competitions organized for high school students in collaboration with various universities and companies. In the regional exhibition, 1 project of the school was ranked the 1st, 1 project the 2nd and 2 projects got the 3rd place. 1 of the school's projects was entitled to participate in the final exhibition.

In the 28th National Science Olympiads award ceremony organized by TÜBİTAK, 19 students of ENKA Science and Technology High School achieved great success by winning medals. The students won 1 gold, 1 silver, 5 bronze medals in mathematics, 3 silver and 3 bronze medals in physics, 1 bronze medal in chemistry and 1 gold, 3 silver and 1 bronze medals in biology.

Having attended the Kangaroo Mathematics Competition, 30 out of 55 students passed the 2nd stage and reached the final. 10 of these students managed to enter the top 10 in their age group.

2 of the 45 students of the school who participated in the Waterloo mathematics competition became the 1st, and one of the students got the 32nd place in the world in their age groups.

23 of the students of the school competed in 4 teams in the Purple Comet Mathematics Competition. Teams are made up of mixed STHS and AHS students. Team achievements are:

- ▶ Team 1 - 1st in Türkiye, Honorable Mention, 16th in the World
- ▶ Team 2 - 3rd place in Türkiye, 40th place in the World
- ▶ Team 3 - 4th place in Türkiye, 71st place in the World
- ▶ Team 4 - 7th place in Türkiye, 141st place in the World

Students working on robotics as part of their programming and technical classes placed highly in several of the thematic robotics competitions organized by various universities and institutions.

With the support of the school's teachers, student clubs engage in a wide range of social activities such as Model United Nations events, English drama activities and social responsibility projects. As part of the "Sustainable School Campus" initiative, students from the Science and Technology High School have been

organizing various sustainability projects in conjunction with ENKA Technical School and the other ENKA schools.

ENKA 360 team, formed by ENKA Technical Schools in 2021 and 10 of whose 40 members are from ENKA Science and Technology High School, streamed live broadcasts on "Entrepreneurship and Personal Development" on YouTube, and these broadcasts reached 10,000 views.

In 2021, 3rd graduates of the Science and Technology High School (STHS) achieved tremendous success in the university entrance exams. 14 students featured among the top 1,000 in YKS (Higher Education Institutions Examination). According to the placement results, 11 graduates of ENKA Science and Technology High School were placed in the faculty of medicine, 6 graduates in the faculty of engineering, 1 graduate in genetic engineering, 1 graduate in the faculty of international relations, 1 graduate in the department of business administration, and 1 in the management sciences department.

In order to support the students in making their career choices, the school organizes a careers introduction event with the participation of professional associations, universities and representatives of organized industrial zones. This event gives students the opportunity to find out some information about a wide range of occupations in detail. This event was held online in 2021 due to the pandemic conditions.



Private ENKA Vocational and Technical Anatolian High School Kocaeli

www.enka.k12.tr/kocaeli

**ENKA
SCHOOLS**
ENKA'lı Olmak Ayrıcalıktır



ENKA Vocational and Technical Anatolian High School (ENKA Technical School) is the first private vocational school in Türkiye in which all students study on full scholarships. It was established in 2008 at a temporary building then moved to its main campus in 2010. The school is currently educating 377 students in three major disciplines; industrial automation, machinery technologies and chemical technologies.

ENKA Technical School is established in order to provide training for the required areas of professions using the modern and high technological equipment with the up-to-date methods, to meet both the social and cultural needs of students, and instill a sense of responsibility, work ethic, moral values and sensitivity; to fulfill the objectives of the industrial sectors to raise individuals, with

top level of information and experience, who will take part in R&D units in the future, provide added value to their production and meet the needs of vocational and technical education institutions.

The vision of ENKA Technical School is; with the training to be given in a way worthy of the name "ENKA", being the first in its field in Türkiye, to set a good example for other similar educational institutions by being aware of the responsibility it has undertaken, and to have a say in the field of vocational technical education in our country and in the world.

All of the students in the school study with full scholarships. All services such as education, transport and meals are provided free of charge and the university preparatory course is also given free of charge in the school.





ENKA Arts, the institution responsible for the ENKA Foundation's activities in culture and the arts, broke new ground this year with two important projects in the fields of theatre and classical music, inspired by innovations that match the pace of change and transformation in the arts.

The documentary about the career and artistic life of Genco Erkal, one of the masters of Turkish theatre, for which the ENKA Foundation acted as the Production Sponsor last year, was completed this year and went on show to the public. The script of the documentary was written by Genco Erkal, which lends it a rare autobiographical character. It was produced and directed by Selçuk Metin, with Uğur İçbak as cinematographer. The documentary takes the audience on a journey into the past with Genco Erkal as their guide, telling the story of the artist's life – a life completely devoted to the theatre. The 90-minute documentary offers the audience a visually rich and unique adventure full of documents, photographs and videos from the archives of Genco Erkal and the Dostlar Theatre.

The documentary attracted great interest from culture and arts professionals, artists, the media and theatre lovers. The first teaser was watched by a total of 30,000 people on social media and

was accessed 83,000 times. More than 2,000 people watched the documentary in screenings held throughout the year. Approximately 600 people watched the documentary on screen during the 24th Adana Altinkoza Film Festival. A special screening of the documentary, which is dedicated to future generations, was organised for students and teachers of ENKA Schools. Bursa Nilüfer Municipality also hosted a showing of the documentary watched by 400 people. The production aims to reach wider audiences when it is released on Netflix, one of the world's most important digital broadcasting platforms, in the days to come.

ENKA Arts has long been running incentive, support and scholarship programmes for young talents in different branches of the arts. This year, it launched its new project, ENKA Stage, inspired by the motto "Art and youth for a better future". Cihat Aşkın acted as the project's Artistic Director, while Fazıl Say, Gökhan Aybulus, Dilbağ Tokay, Efdal Altun and Ayşe Deniz Gökçin all served on the Advisory Board. The inspiring performances of eight young artists were selected by the Board and broadcast on YouTube account of ENKA Arts. By making visual and audio recordings of the performances available to countless viewers on digital platforms,

the project aimed to enable the young talents to reach larger audiences. In addition to the financial support provided as part of the project, the musicians were provided with professional recordings – with Selçuk Metin serving as the video director and Can Aykal as the sound engineer – for use in promoting themselves and making applications. Along with four valuable pianists, Beren Gürcüoğlu, Damla Ece Karataş, Buğra Çankır and Arya Su Gülenç, vibraphone artist Ali Aras Özcan, cellist Ali Aras Özcan and violinists Duru Önhon and Doruk Deniz Aksu were the shining stars who took their places on ENKA Stage this year. Academist and pianist Çağdaş Özkan accompanied the violin and cello performances as correpetitor.

By the end of the year, the performances had achieved over 5,000 views. Arya Su Gülenç's performance during the online event of the International Geography Olympics, which was hosted



by ENKA Schools İstanbul this year, was watched by nearly 600 people from 46 countries. Meanwhile, Buğra Çankır performed by special request for nearly 50 people during the online event organised by the Ankara Music and Fine Arts University for the International Day of Persons with Disabilities on December 3rd. Nearly 900 people listened to the young artists during a New Year's Concert broadcast on the Borusan Klasik online radio channel on the first day of the year with the aim of bringing the ENKA Stage performances before a wider audience.

The events organised by ENKA Arts offer art-lovers innovative examples from different branches of the arts. This year, ENKA Arts held its events mostly featuring stage arts and music at the ENKA Open-Air Theatre and ENKA Auditorium under the motto "Çok şey var" ["Lots of things"]. A total of 22 events helped to increase the visibility of 66 performers and to bring their performances to nearly 8,000 viewers from all walks of life. Parallel



events were organised for the teachers and students of all ENKA Schools, so that the new generations can grow up in close contact with the arts, enjoying the pleasure of creative production, meeting artists and being inspired by them. Teachers and students from the İstanbul, Adapazarı and Kocaeli ENKA Schools showed great interest in these activities, which included open rehearsals, discussion sessions and special screenings available on both physical and digital platforms.

ENKA Arts also continued its multi-faceted contributions to art by collaborating with other culture and arts institutions with the goal of making various examples of different branches of art accessible to all segments of society. To this end, ENKA Arts became the Venue Sponsor for the İstanbul 2021 Hybrid Fringe Festival, opening its doors to the child and youth performances, which were watched by nearly 600 families including members of all age groups. On behalf of the ENKA Foundation, ENKA Arts also acted as the Show Sponsor for the "Revolt on Stage" Ufuk & Bahar Dördüncü Concert at the 49th İstanbul Music Festival and as the International Productions Show Sponsor at the 25th İstanbul Theatre Festival.





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CORPORATE GOVERNANCE

SECTION I - STATEMENT OF COMPLIANCE WITH CORPORATE GOVERNANCE PRINCIPLES

The Corporate Governance Committee of the company is elected by the resolution of the Board of Directors dated 30.03.2021 and Board Members Fatih Osman Tar (Chairman) and Erdoğan Turgut (Member) as well as Gizem Özsoy (Member) which has the Capital Market Activities Advanced Level License and the Corporate Governance Rating Specialists License are selected. According to the same resolution it is decided that scope of activities of Nominating and Compensation Committee will be carried out by the Corporate Governance Committee. Principles and responsibilities of the committees are approved by the Board of Directors on 28.05.2012 and have been announced to the public.

On 11.06.2014, the duties and working principles of the committees were revised to ensure compliance with the legislation and were declared on company's official website. There are no compulsory principals, which are stated on the annex to the Capital Markets Board's Corporate Governance Communiqué No. II-17.1 and which are not applied. For the non-compulsory ones, principles 1.5.2, 3.3.8, 4.2.8, 4.3.9, 4.4.7, 4.5.5, 4.6.1 and 4.6.5 are not being applied by our company and the reasons for not applying them are explained in the relevant sections of the Corporate Governance Compliance Report. There is no conflict of interest in our Company due to not fully complying with these non-compulsory principles.

Corporate Governance Committee's main objectives are; to present the proposals for the corporate governance policies of the company, enhance the quality of the corporate governance applications and inform the Board of Directors about the effective pursuit of the legislation of the Capital Markets Board related to the corporate governance principles and the generally accepted corporate governance principles of the international capital markets, and about implementing those principles which it deems applicable. The Corporate Governance Principles Compliance Report and Corporate Governance Information Form of the Corporate Governance Committee has been presented to the review of our stakeholders in the Annual Report and website as well as at the company information page of the Public Disclosure Platform (PDP).

SECTION II - SHAREHOLDERS

2.1. INVESTOR RELATIONS UNIT

The Investor Relations Management was established in 2002 within the structure of ENKA İnşaat ve Sanayi A.Ş., for the purpose of arranging the relations with the shareholders.

The Investor Relations Department reports to İlhan Gücüyener, the Member of the Executive Committee of the company and reports on activities.

The main activities conducted by the unit can be summarized as answering the questions on financial statements, activities of the company, conditions to participate in the company's General Assemblies, announcements to public, capital increases, information on issuance of new share certificates and preparation of the company's annual reports. The numerous applications to the unit and the responses to the investors are generally made through telephone. The members are; Sinan Yavuz Aktürk, Leyla Yüksel, Ali Aslan and the manager Gizem Özsoy of the Investor Relations Unit. Gizem Özsoy holds Advanced Level License (205945) and the Corporate Governance License (700865). The Investor Relations Unit can easily be accessed through the general telephone numbers of our company, which is +90 212 376 10 00.

2.2. AMENDMENTS TO THE ARTICLES OF ASSOCIATION, SHARE CAPITAL AND SHAREHOLDING STRUCTURE

Amendments to the Articles of Association

After the disclosure made at the PDP on January 14, 2021 for the increase of authorized capital from TL 6 billion to TL 10 billion, the Article 6 of the Articles of Association titled "Capital" has been amended to reflect this change and it was published on April 12, 2021 and 10307 numbered Turkish Trade Registry Gazette.

Share Capital

The Ceiling of the Registered Share Capital of the Company is TL 10,000,000,000 (Say: Ten Billion Turkish Liras) which is divided into total 10,000,000,000 shares, each having a nominal value of TL1 (Say: One Turkish Lira). The total emitted Share Capital of the Company amounts to TL 5,600,000,000 (Say: Five Billion Six Hundred Million Turkish Liras) and is fully paid up. The emitted Share Capital of the Company is divided into total 5,600,000,000 Shares, each having a nominal value of TL1 (Say: One Turkish Lira).

Shareholding Structure

The list of the shareholders of ENKA İnşaat ve Sanayi A.Ş. having 5% and above shareholding as of December 31, 2021 is as follows:

SHAREHOLDER	%
TARA HOLDİNG A.Ş.	49.80
VİLDAN GÜLÇELİK	7.99
SEVDA GÜLÇELİK	6.43
ENKA SPOR EĞİTİM VE SOSYAL YARDIM VAKFI	5.87
FREE FLOAT AND OTHERS	29.91
TOTAL	100.00

The details of the changes in the Capital and the Shareholding Structure within the year has been given under the Capital section of the Independent Audit Report.

2.3. DIVIDEND RIGHT

The Profit Distribution Policy of ENKA İnşaat ve Sanayi A.Ş. which has been approved at the General Assembly held on March 27, 2014 is as follows:

The Board of Directors of ENKA İnşaat ve Sanayi A.Ş ("the Company") takes into account the performance of the Company of that year, economic conditions, the finalized projects, investments and the cash flow of the Company as well as Turkish Commercial Code, the relevant articles of Capital Markets Law, regulations and the practices of the Capital Market Board when presenting the profit distribution proposal to the General Assembly.

The principal policy adopted and applied by the company in aspect of profit distribution is to act always in compliance with the applicable criteria as provided in the Capital Markets Legislation while considering a fair balance between the interests of the Company and that of the shareholders thereof. In this manner, at least 20% of the distributable profit which is calculated in accordance with the Capital Markets Board regulations and other relevant legislation is distributed as cash and/or bonus shares.

Under the framework determined by profit distribution policy and the Capital Markets Board, after reserving the 1st dividend pursuant to the provisions of Article 36 of the Articles of Association, dividends are distributed to the Bonus Certificate holders as per the rate stated in the Articles of Association (total 7.5%).

Dividends are distributed equally at once to all existing shares as per their rates regardless of date of issuance and acquisition dates. Distribution of cash dividends is planned to be paid no later than one month after the General Assembly where the date of dividend distribution is resolved by the General Assembly.

The place and date of the profit distribution, agreed upon during the General Assembly in accordance with the relevant legislation provisions, is announced to the shareholders through the Public Disclosure Platform and by the announcement on the website of the Company. The Board of Directors may distribute dividend advance if it is authorized by the General Assembly as well as in compliance with the regulations of the Capital Market. The authorization given to the Board of Directors by the General Assembly is limited with that year in which the authorization is given.

The distribution of profit, which takes place in the Annual Report, is made within the period required by the provisions of the Capital Market Law, as set forth in the Profit Distribution Policy. Until this day, profit distributions have been done without any delays.

The Board of Directors of our Company resolved, as a result of the resolutions of the Ordinary General Assembly for the year 2020 of our Company as held on 30.03.2021 regarding the distribution of the year 2020 profit, it has been resolved to distribute TL 1,120,000,000 dividend starting from April 13, 2021, by taking into account the legal status of the shareholders representing the TL 5,600,000,000 equity, as being 35.714286% gross and 30.357143% net dividend and was distributed thereof.

Additionally, basing on the power vested in the Board of Directors by the Ordinary General Assembly for year 2020 held on March 30, 2021, the Board of Directors resolved to distribute starting from January 05, 2022, a total of TL 1,120,000,000 from the amount that remains after deduction of the relevant reserves as required, pursuant to the provisions of the Turkish Code of Commerce and the Articles of Association, to be set apart from the net profit of the current period as indicated on the financial statements comprising the interim period from 01.01.2021 to 30.09.2021, as Dividend Advances at a rate of 20.00% gross and 18.00% net per share, to the holders of share certificates representing the share capital amounting to TL 5,600,000,000.

2.4. DONATION AND AIDS

In 2021, within the framework of the existing Donation and Aids Policy; ENKA İnşaat ve Sanayi A.Ş. on its own has donated TL 28,214,832 while its subsidiaries have donated TL 7,283,907.

SECTION III - STAKEHOLDERS

Employee Training

Within the scope of ENKA Academy, a total of 5,344 person-hours of training was carried out in 2021 with approximately 410 hours of training.

Personnel Training Hours by Category of Gender at ENKA Headquarters	Woman	Man	Blue Collar	White Collar
Total Hours of Training	16,464	113,562	76,827	53,199
Training Hours Per Employee	27.4	33.4	37.0	26.8

Employee Rights and Employee Satisfaction

- All ENKA employees have the pension rights and rights to maternity/paternity leave specified in the laws.
- All ENKA employees have the right to a 50% discount at ENKA Sports, which is one of Turkey's leading sports clubs.
- All ENKA employees have the right to a 20% discount for events organised by ENKA Culture & Arts, which hosts a variety of well-respected artistic performances.
- One day of volunteer leave right in a month is provided to employees who want to take part in volunteering projects.
- Every year, sailing programmes are organised especially for employees with and without sailing experience, at basic and advanced levels.
- Health services in clinics established at the head office and projects are offered free of charge.
- Suitable menus are being prepared for vegetarians and for employees needing special diets.

SECTION IV - THE BOARD OF DIRECTORS

4.1. STRUCTURE AND FORMATION OF THE BOARD OF DIRECTORS

The target in determining the company's board members is to create a structure which will enable the members to make productive and constructive activities, to take decisions quickly and rationally, and to form committees in order to organize their activities in an effective way. Although the aim is to have one female member at the Board of Directors, the proposal of the Board Members submitted to the General Assembly has been formed in line with the above-mentioned targets. The Board of Directors which is approved by General Assembly consists of 5 members; as two executive members, one non-executive member and two independent non-executive members.

Regarding the independent members, 2 nominees were submitted to Corporate Governance Committee, which undertook authority of Nominating Committee on January 04, 2021 and were approved on the same day by the Board of Directors.

Declaration of Independent Members of the Board of Directors about their independency is as follows:

In the context of my nomination being "Independent Member of the Board of Directors" at ENKA İnşaat ve Sanayi A.Ş.'s ("ENKA") Ordinary General Assembly Meeting of 2020 which will held in 2021;

- No relationship was formed in employment, in capital or in important trading activities, neither by me nor by my spouse, nor by my blood or affinity relatives up to the 3rd degree within last five years did not have any direct or indirect relationship with ENKA, 3rd parties in relation with ENKA or legal entities who have relation with shareholders of ENKA having a share of 5% or more,
- Within the last five years, I have not been a partner (5% or above), employed as an executive having a significant duty and responsibility, or as a member of the board of directors in a company, which is primarily serving as auditing (tax audit, legal audit and including any internal audit), consulting and rating of ENKA, which undertakes material business activities under an agreement, in the period where the services or goods have been purchased or sold,
- As being an independent member of the board of directors, I have the required professional training, knowledge and experience for undertaking the duties of the position,

- I am not working full time in a governmental or public institution,
- I am a resident in Turkey in accordance with the Income Tax Law no 193 dated 31.12.1960,
- I have strong standards of ethics, professional reputation and experience for adding positive contribution in activities of ENKA, for securing my independency about subjects in relation with the conflicts of shareholders and for making independent decisions with taking into account of stakeholders' rights,
- I will be able to spend necessary time for fulfilling the requirements of the position and monitoring processes of the activities of the company,
- I have not been on the board of ENKA for more than six years within the last ten years,
- I am not an independent board member in more than three of the companies which are controlled by ENKA or its controlling shareholders and in more than five companies listed on the stock exchange,
- I am not registered as a board member elected for the legal entity,

I hereby declare my independency within the framework of relevant legislation in force, articles of association of ENKA and criteria mentioned above.

In accordance with the Articles of Association of the company, the Board of Directors is responsible for the management of ENKA İnşaat ve Sanayi A.Ş. and its representation. Validity of all documents to be given by ENKA İnşaat ve Sanayi A.Ş. and all the agreements to be concluded require the names of two persons authorized to represent the company under the official heading and per the signature circular of ENKA İnşaat ve Sanayi A.Ş.. The Board of Directors assembles at the beginning of each fiscal year and divides up the tasks as well as the management and representation authorizations between the board members. With Ordinary General Assembly resolution dated March 30, 2021, the Board of Directors has been resolved to a tenure of one year with a task division as below.

Board of Directors		
Name, Surname	Profession	Position
M.Sinan Tara	Civil Engineer M.Sc	Chairman of the Board
Haluk Gerçek	Industrial Engineer	Vice Chairman of the Board
Erdoğan Turgut	Civil Engineer M.Sc	Member of the Board (Non-Executive Member)
Mehmet Mete Başol	Economist	Member of the Board (Non-Executive & Independent Member)
Fatih Osman Tar	Business and administration professional	Member of the Board (Non-Executive & Independent Member)

Member of the Executive Committee:

Member of the Executive Committee		
Name, Surname	Profession	Position
A.Mehmet Tara	Civil Engineer	President and Chairman of the Executive Committee
Mustafa Gökhan Sağnaklar	Civil Engineer	Vice Chairman of the Executive Committee
Bekir Burak Özdoğan	Civil Engineer	Member of the Executive Committee
Özger İnal	Civil Engineer	Member of the Executive Committee
Zafer Gür	Civil Engineer	Member of the Executive Committee
Salim Oğuz Kırkgöz	Civil Engineer	Member of the Executive Committee
Hasan Fehmi Bayramoğlu	Mechanical Engineer	Member of the Executive Committee
Cem Çeliker	Lawyer	Member of the Executive Committee
İlhan Gücüyener	Certified Public Accountant	Member of the Executive Committee
Hakan Kozan	Civil Engineer	Member of the Executive Committee
Mehmet Ertem	Electrical Engineer	Member of the Executive Committee



Curricula Vitae of Board of Directors, which were also announced at the official internet site prior to the General Assembly, are as follows:

M. SİNAN TARA – Chairman of the Board (Executive Member)

Sinan Tara, born in 1958 at İstanbul, graduated in 1980 from the ETH Zürich, Department of Civil Engineering with Bachelor of Science Degree (B.Sc.) and completed thereafter in 1983 his Master of Business Administration (MBA) Degree Program at the University of Stanford. He is fluent in English and German.

Having joined ENKA in 1980 when he was assigned to ENKA's jobsite in Saudi Arabia as field engineer, Sinan Tara worked thereafter actively in various departments, units and projects of the company in the fields of finance, energy investments, construction projects, project financing and other investment areas. Since 1984, he acted as General Manager, Board Member and Managing Director and Executive of ENKA İnşaat ve Sanayi A.Ş., and since 1994, he acts as the Chairman of the Board of Directors of ENKA İnşaat ve Sanayi A.Ş.

Moreover, in the fields of social activity and social responsibility projects of the company, he acted actively in the organization and operation of the ENKA Foundation and Sadi Gülçelik Sports Center established in 1983 and the ENKA Sports Club under the umbrella of the ENKA Foundation as well as of the ENKA Schools İstinye, founded in 1996, the ENKA Schools Adapazarı, founded in 1999, and the Private ENKA Technical and Industrial Vocational High School Gebze, founded in 2008 as well as of the ENKA Culture and Arts Unit. Besides these, Sinan Tara is a member of the Turkish Contractors Association.

Sinan Tara, being an Executive Board Member within the scope of the Corporate Governance Principles as applied by the Capital Markets Board, is not an Independent Member of the Board of Directors. He was within the last ten years and currently is in charge in the Board of Directors of ENKA İnşaat ve Sanayi A.Ş. and of the affiliated group companies thereof.

HALUK GERÇEK – Vice Chairman of the Board (Executive Member)

Haluk Gerçek, born in 1956 at İstanbul, graduated in 1979 from the Middle East Technical University, Department of Industrial Engineering. He joined ENKA in 1980 when he started to work in the group company ENKA Pazarlama İhracat İthalat A.Ş. in the position of Deputy General Manager. After having worked as Logistic Manager in Tripoli, Libya between 1981 and 1982, he continued to act as Deputy General Manager of ENKA Pazarlama İhracat İthalat A.Ş. until 1983. Between 1983 and 1987 he was assigned as the Deputy General Manager in charge of ENKA İnşaat ve Sanayi A.Ş., and acted between 1986 and 1987 as Project Manager of the Bombah Water Supply Pipeline Project in Libya. He has acted as Management Committee Member in the investment and construction projects in Russia between 1987 and 1991, as Board Member of ENKA İnşaat ve Sanayi A.Ş. between 1991 and 2001, as the General Manager of ENKA İnşaat ve Sanayi A.Ş., between 2006 and 2012. Since 2001 Haluk Gerçek acts as the Vice Chairman of the Board of Directors and he is fluent in English.

Haluk Gerçek, being an Executive Board Member within the scope of the Corporate Governance Principles of the Capital Markets Board, is not an Independent Member of the Board of Directors of ENKA İnşaat ve Sanayi A.Ş.. He was within the last ten years and is currently director in charge in the Board of Directors of ENKA İnşaat ve Sanayi A.Ş. and of the affiliated group companies thereof.

ERDOĞAN TURGUT (Non-Executive Member)

Erdoğan Turgut, born in 1953, graduated in 1977 from the Aegean University, Department of Civil Engineering, and completed thereafter in 1979 his Master of Science (M.Sc.) Degree Program in Soil Mechanics at the London University Kings College, so that he is fluent in English. After having worked as Deputy Project Manager in the company Koray Al Mutamidoon İnşaat A.Ş. in Saudi Arabia between 1981 and 1986 during the construction of the Intercontinental Hotel, Erdoğan Turgut acted between 1986 and 1991 as General Manager

in the company Koray – Turser A.Ş. when the latter constructed the 5 Stars Sheraton Hotel & Karum Shopping Center in Ankara, and between 1991 and 1993 as Board Member of the Kavala Group of Companies, and as the partner in the company PMS A.Ş. between 1993 and 1995. Between 1995 and 2010 he acted as Foreign Relations Manager, Deputy Chairman of the Executive Board and Group Coordinator in and of the company Koray Yapı Endüstrisi ve Ticaret A.Ş. Erdoğan Turgut, being a Non-Executive Board Member within the scope of the Corporate Governance Principles of the Capital Markets Board, is not an Independent Member of the Board of ENKA İnşaat ve Sanayi A.Ş. and acted between 2012 - 2021 as a Non-Executive Board Member.

MEHMET METE BAŞOL (Non-Executive Independent Member)

M. Mete Başol, born in 1957, graduated from Arizona State University, Department of Economics and started his banking career in 1984 at Interbank at the Mid-term Loans department by making economic evaluation of various investment projects as well as preparing sector reports. He has moved to Turkish Merchant Bank which was established as an investment bank jointly by Bankers Trust Co. New York and T. Is Bankası, as the Treasury, Fund Management and Foreign Relations Manager. In 1992 he has also assumed the responsibility of the group of capital markets as Assistant General Manager. In 1995, he was elected as a Member of the Board of Directors and the Credit Committee following the purchase of the entire bank by the Bankers Trust. The name of the bank was changed to Bankers Trust A.Ş. and between 1997 - 2001 he has undertaken the Chairman of the Board of Directors and General Manager task of the bank. Between 2001 and 2003, he became the Managing Director of the joint Board of Directors of the public banks (TC Ziraat Bankası, T. Halk Bankası, T. Emlak Bankası) which was established by the law. After this assignment he established Tridea Consulting with two partners and gave financial and administrative consultancy services to SME's. He continued his consultancy services under his own company after 2009. He was a Member of the Board of Directors at Galatasaray Sportif A.Ş. (2011-2012), at T. İş Bankası A.Ş. (2011-2014), at Dedeman Holding A.Ş. (2008-2014), at Dedeman Turizm Otelcilik Yatırım A.Ş. (2012-2014), at Enerji Yatırım Holding A.Ş. (2015-2021), at Enerya Gaz Dağıtım A.Ş. (2015-2021) and at Enerya Gaz Ticaret A.Ş. (2015-2021). Currently, he is a Member of the Board of Directors at, and Nurol Investment Bank Inc. (2014). He was an Independent Board Member at Coca-Cola İçecek A.Ş. (2012-2018), Anadolu Efes Brewery and Malt Sanayii A.Ş (2012-2018) and at Hacı Ömer Sabancı Holding A.Ş (2018-2021). Currently, he is an Independent Board Member at Kimteks Poliüretan Sanayi ve Ticaret A.Ş (2021-). M. Mete Başol meets the criteria applicable to Independent Board Members within the scope of the Corporate Governance Principles of the Capital Markets Board.

FATİH OSMAN TAR (Non-Executive Independent Member)

Born in 1953, Fatih O. Tar graduated from Robert College and then Boğaziçi University, Department of Business Administration in 1975. His professional life started in 1975 at ENKA Pazarlama İhracat İthalat A.Ş., Foreign Trade Co. and then he worked as Sales Manager at Binex JV Construction Materials Company between 1977 and 1980, Procurement Manager at ENKA Holding between 1979 and 1981, Assistant General Manager for Marketing and Sales at Güney Sanayi Tekstil İşletmeleri between 1981 and 1983, as General Manager at ENKA Dış Ticaret between 1983 and 2003, as Board Member at Pimaş between 1985 and 1987, as Board Member at ENKA Teknik between 2002 and 2010, as Chairman of Azen Oil Company (Netherlands) between 2003 and 2008, as Chairman and CEO of Binagadi Oil Company (Azerbaijan) between 2003 - 2008, as Deputy General Manager of Oyak Holding between 2010 and 2013, as Group Chairman and Managing Director of Ereğli Demir Çelik, İskenderun Demir Çelik & Group of Companies between 2010 and 2013, as Board Member at Yücel Boru Group between 2013 - 2015 and the President and CEO of Yücel Boru Group since 2015. Fatih Osman Tar meets the criteria applicable to Independent Board Members within the scope of the Corporate Governance Principles of the Capital Markets.

4.2. OPERATIONAL PRINCIPLES OF THE BOARD OF DIRECTORS

The Board of Directors which was approved at the Ordinary General Assembly dated March 30, 2021 made 8 meetings until the end of report period and the average of attendance rate is 97.5%. Prior to each meeting, the secretariat of Board Directors personally informs board members about the meeting agenda. Since the IPO of ENKA İnşaat ve Sanayi A.Ş., no divergent views have been suggested by board members. There are no privileged voting rights for any member of the Board of Directors.

The Board of Directors were authorized at the Ordinary General Assembly for execution of written transactions listed in articles No. 395 and 396 of the Turkish Commercial Code and to transactions were done with this authority.

In 2021, there were no administrative and judicial sanctions imposed on the Company's governing body and members due to practices contrary to the provisions of the legislation.

The Board of Directors of the Company had discussed about the Affiliated Company Report and the declaration is as follows: "On such date on which the relevant legal steps as mentioned in the report have been taken, always a proper counteract has been undertaken for/ towards each of such legal steps in accordance with such terms and conditions and circumstances as being to our knowledge. In this aspect, there is neither any measure to be taken or to be avoided to be taken nor any loss to be suffered by the company."

4.3. NUMBER, STRUCTURE AND INDEPENENCE OF THE COMMITTEES ESTABLISHED WITHIN THE BOARD OF DIRECTORS

Three committees officiate in affiliation with the Board of Directors of ENKA İnşaat ve Sanayi A.Ş.. The committees assemble as often as it is necessary. Board of Directors’ resolution dated 30.03.2021 about these committees is as follows:

For the Audit Committee to elect for a tenure of one year:

Fatih Osman Tar (Chairman) and Mehmet Mete Başol (Member)

For the Corporate Governance Committee to elect for a tenure of one year:

Fatih Osman Tar (Chairman), Erdoğan Turgut (Member) and Gizem Özsoy (Member)

For the Early Identification of Risks Committee and to elect for a tenure of one year:

Mehmet Mete Başol (Chairman) and Erdoğan Turgut (Member);

Also, it has been resolved that according to the structure of the Board, the issues falling within the scope of activities of the Nominating Committee and the Remuneration Committee to be carried out by the Corporate Governance Committee and for the working principles of the committees and task fields to be identified by the committee members and to be submitted to the Board of Directors. Purposes of committees as established thereof, have been stated below:

Purpose of the Audit Committee:

It is to ensure the duly supervision of the independent audit of the accounting system and financial data of the company as well as of the functioning and efficiency of the internal control system.

Activities of the Audit Committee:

The Audit Committee convened 5 times during the year. Committee;

- ▶ Review of the options for the independent auditor for the fiscal year 2021 and submitted KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş. to the Board of Directors’ for approval.
- ▶ Reviewed the interim and annual financial reports of the Company and submitted the reports to the Board of Directors for the approval of the Board of Directors after detecting that they reflect the truth.
- ▶ It examined the reports submitted to them as a result of the audits conducted by the Internal Control Unit with the Coporate Quality, Finance, Sustainability & Compliance, Human Resources and HSE departments within the scope of internal audit.

Purpose of the Corporate Governance Committee:

It is to propose suggestions regarding the corporate governance of the Company; to ensure the increase in quality of the corporate gover-nance applications; to pursuit efficiently the legislation of the Capital Markets Board regarding the corporate governance principles and any other corporate governance principles generally accepted on the international capital markets as well as to advise the Board of Directors on the implementation of any applicable ones thereof; to make the necessary workings for the nomination, assessment and training of the proper candidates for the Board of Directors of the Company, and for the determination of the principles of remuneration of the Members of the Board of Directors and top managers of the Company and to propose suggestions to the Board in this aspect.

Purpose of the Early Identification of Risks Committee:

It is to early identify any potential risks that might jeopardize the existence, development and continuation of the Company, and to take and implement the necessary measures and preventive actions for the elimination of such detected potential risks as well as to perform any workings related to risk management and to review at least once a year any applied risks management systems.

Due to the formation of the Board of Directors as being in total 5 people, some of the members of the Board of Directors are assigned in more than one committee.

In 2021 Audit Committee made 5 meetings, Corporate Governance Committee made 2 and the Early Identification of Risks Committee made 6 meetings within the months stated below.

	January	February	March	April	May	June	July	August	September	October	November	December
Audit Committee			✓✓		✓			✓			✓	
Corporate Governance Committee	✓						✓					
Early Identification of Risks Committee	✓		✓		✓		✓		✓		✓	

Moreover, in addition to these committees, Executive Ethics and Compliance Committee, Sustainability Committee, OHS (Occupational Health and Safety) Board, Information Security Committee, Risk Management Working Group under the Executive Committee continue their activities. These committees also report annually to the Board of Directors regarding their activities.

Purposes of the Executive Ethics and Compliance Committee:

The Executive Ethics and Compliance Committee reporting to the Executive Board is formed to ensure the Corporate Values to be sup-ported by the Ethics and Compliance Program. This Committee, furthermore, provides support to the Company in the application of an effective Ethics and Compliance Program, in the determination of the basic principles of such Program as well as in the continuously promotion of creation of a Corporate Culture that attaches importance to ethical business conduct and compliance with laws.

Purpose of the Sustainability Committee:

The Sustainability Committee (the Committee) was formed to assess economic, social and environmental risks and opportunities that may have an impact on ENKA's assets and trading activities, to monitor and analyse relevant sustainability issues, to identify the sustainability strategy and to undertake projects to realise goals. The Committee is led by the ENKA's President and Chairman of the Executive Committee and reports results obtained from all sustainability efforts to ENKA's senior management.

The Sustainability Committee which consists of managers of different units and departments at the Company and subsidiaries repre-senting all main functions, continued its activities in 2021 by reviewing the sustainability strategy, ensuring ownership of sustainability goals and activities at every level and monitoring the sustainability performance.

Purpose of the Information Security Committee:

The Information Security Committee was established to support the execution of the necessary works within the framework of the operation, maintenance and efficiency of the company's information security management system and to report the performance of these efforts to the Executive Committee.

In this context, the Information Security Committee is primarily responsible for; ensuring the confidentiality, integrity and accessibility of information belonging to ENKA and its stakeholders, protecting information assets, satisfying information security requirements within the scope of applicable terms and conditions and international standards, determining and systematically managing information security risks, performing monitoring and measurement activities, improving information security management system performance, and implementing and promoting information security policies and procedures within the company.

The Information Security Committee, which consists of asset and risk owners that may affect the information security, meets once a year.

Purposes of the OHS (Occupational Health and Safety) Board:

The OHS Board, consisting of the Employer Representative, OHS Specialists, Workplace Physician/Nurse, Human Resources Specialist, Administrative Affairs Officer, Employee Representatives and any related experts as to be assigned pursuant to the relevant agenda items, and holding its meetings in 3 months intervals, is formed for the purpose of properly identification and assessment of any po-tential risks related to occupational health and safety at Head Office and accurately determination and assessment of any measures to be taken there against, and reporting the same to the Executive Board.

Besides the OHS Board, in all our projects, also HSE Boards are formed under the guidance of the relevant Project Managements and the Project Health, Safety and Environment (HSE) Departments. These Boards hold regularly on weekly and monthly basis the so-called “Zero Accident Team Meetings” and review the HSE performance of the project and decide on any main actions required to be taken.

4.4 RISK MANAGEMENT AND INTERNAL CONTROL MECHANISM

The Internal Control Unit within the structure of the company, which periodically inspects the projects and the group companies in advance and proposes the necessary solutions for any deviations from the objectives, as well as all of the potential risk factors to the management. The internal control systems and its structure is organized in a way that can eliminate all risks to be encountered by the company, especially the ones which could adversely affect the activities and proactively works for the solution without encountering any problems even in the crisis period. Increasing strength of the company's financial position is an indication of this system working effectively.

Purposes of the Risk Management Working Group:

The Risk Management Working Group is formed in accordance with the Resolution of the Company's Executive Ethics and Compliance Committee dated 28.11.2017 in order to ensure the properly identification of any corporate risks of ENKA, the accurately determination of the applicable risk mitigation methods and the precisely assessment and review of such risks as identified.

Amongst the basic tasks of the Risk Management Working Group is the application of an effective Risk Management Program through-out the Company, the identification of the principles and methods underlying such Risk Management Program, and the assurance of continuous development of Risk Management as a Corporate Culture extending to and through the projects, units and individuals.

The main risks faced by the Company and the policies related to the management of these risks are given in detail under 33rd note of the Independent Audit Report in the following headings.

- ▶ Capital risk management
- ▶ Interest risk
- ▶ Foreign currency risk
- ▶ Credit risk
- ▶ Liquidity risk

4.5. MISSION, VISION AND OBJECTIVES OF THE COMPANY

Our Mission:

To design, build and deliver safe, high-quality and cost-effective construction projects on schedule for our customers while providing quality employment and career growth opportunities for ENKA Employees.

Our Vision:

To be one of the best and innovative engineering & construction companies serving globally.

Our Performance Objectives:

- ▶ To be open to innovations, using advanced technologies and always seeking the better,
- ▶ To be prudent and sensitive about work security and environment protection,
- ▶ To train our young employees in accordance with our culture as creative, hardworking and honest employees and to ensure that our employees work as individuals who have self-confidence, are able to communicate and use discretionary power and take responsibility, and
- ▶ To seek our competitive power and profit in perfecting our management and technical skills.

Pursuit of the Objectives and Achievement of Goals:

The objectives that reflect of our sensitivity about completing the works before the end of the planned time frame and delivering to the client are pursued very diligently at the highest and most detailed level. The members of the Executive Board pursue the objectives and the degree of their achievement in relation to the projects carried out in those countries where they are responsible and periodically resolve in the Executive Board to find out the leading motives of the deviations, whether the deviations affect the result of the project and if it is necessary to create new targets and to take the necessary measures about the personnel who have responsibility in such delay.

4.6. FINANCIAL BENEFITS

For stand-alone ENKA İnşaat ve Sanayi A.Ş.; total wages paid for the members of the Board of Directors is TL 9,215,140 the social security payments is TL 151,329 and the accrued retirement pay provisions as of December 31, 2021 are TL 652,887. The total amount of the fees and similar benefits provided to the top managers such as the general manager, general coordinator and vice general managers is TL 63,019,585 the social security payments is TL 2,163,421 and the accrued retirement pay provisions as of period end are TL 3,907,702. There are no payments made to the members of the Board of Directors and top managers in the way of shares, derivative products originating from shares, share buying options or payments not made in cash such as house or car whose proprietorship bestowed and/or allocated for their use. ENKA İnşaat ve Sanayi A.Ş. is not in any sort of debt relation whatsoever with any of the members of the board or any top managers. The Remuneration Policy Applicable to the Board Members and Administratively Responsible Managers was submitted to the shareholders at the General Assembly dated March 27, 2014 which was published on our internet site is as follows;

1. Objective and Scope

The purpose of the policy described hereunder is to determine, in compliance with and under consideration of such regulations, obligations and principles as specified in the Capital Markets Legislation and the Capital Markets Board’s corporate governance principles, any rules, requirements, principles and modus of implementation applicable to the remuneration of the Board Members and Administratively Responsible Managers of ENKA İnşaat ve Sanayi A.Ş. as approved by the Board of Directors thereof. Any rights, benefits and remunerations to which the Board Members of the Company are entitled to, and any modus of and requirements applicable to the payment thereof are defined in the Articles of Association of the Company, and such rights, benefits and remunerations are concluded and fixed each year by the General Assembly thereof in its annual meeting under a separate item of agenda and the same are published thereafter in the website of the company. The remuneration policy hereunder aims the sustainability and enhancement of the performances of the Board Members and Administratively Responsible Managers of the Company.

2. Principles Applicable to Remuneration

Remunerations Payable to the Members of the Board of Directors

Independent Members and Non-executive Board Members: The Independent Members and Non-executive Board Members of the Board of Directors are entitled to a monthly attendance fee as honorarium in such amount as to be determined each year by the General Assembly. The amount of such monthly attendance fee is not fixed on the basis of the performance of the Company so that the independency thereof is not impacted of the Independent Members thereby.

Executive Board Members: The Executive Board Members are paid a monthly attendance fee in the same amount as payable to the Independent Members as aforesaid, besides such below mentioned bonuses as payable to the same on the basis of their performances and contributions to the company as well as their level of reaching the targets as set.

Remunerations Payable to Administratively Responsible Managers

Remunerations payable to Administratively Responsible Managers include performance determined bonuses besides the fixed pays to be determined and calculated in accordance with the scope of duties and responsibilities thereof under consideration of the requirements and the experiences designated for each position. Executive Committee Members are entitled to a monthly attendance fee as honorarium as well as bonuses and fixed pays.

3. Performance and Remuneration Methods

Fixed Pays:

In the determination of the attendance fees payable to the Members of the Board of Directors as well as of the fixed pays to the Administratively Responsible Managers as aforesaid, the preservation of the company's internal balances and the compliance thereof with strategic targets and the ethical values of the company are always considered. The amount of the fixed pays is determined and calculated for each position in accordance with the scope of duties and responsibilities of the relevant payee under consideration of various factors such as economic conditions in the market, the size of the company, any long-term targets and the level of realization thereof as well as the position and the level of experience of the relevant payee. In the determination and calculation of the remunerations payable to the Board Members and Administratively Responsible Managers of the Company, no short-term performance-based payment plans such as Company's profit or income shall be applicable.

Performance Pays (Bonus Payments):

Also in the determination and calculation of the performance based bonus payments, various factors such as bonus policies applicable in the market to any staff in similar or equivalent position, the level of reaching and realization of the company targets and the individual performances are taken into account, and they are determined and calculated so that the equity of the company is not impacted thereby. Within the scope of this policy, no Board Member or Administratively Responsible Managers of the Company is lent any money or granted any loan or any personal credit by virtue of any third parties or provided any securities or guarantees. Any remunerations and benefits paid to Board Members and Administratively Responsible Managers of our company are disclosed to public in the Annual Report thereof.

SECTION V – FINANCIAL POSITION

As of 31.12.2021, it is concluded that the Company's debt structure is suitable for the continuation of activities in a healthy manner with a debt-to-equity ratio of 0.35.

As of 31.12.2021, the backlog amount and basic ratios are given below and detailed financial information is given in the Independent Auditor's Report

Country	Amount	Ratio (%)	Country	Amount	Ratio (%)
Russian Federation	1,481	35.3%	The Bahamas	119	2.8%
Serbia	494	11.8%	Finland	104	2.5%
Kazakhstan	469	11.2%	USA	75	1.8%
Special Projects	446	10.6%	Türkiye	69	1.6%
England	267	6.4%	Iraq	59	1.4%
Germany	202	4.8%	Others	212	5.1%
Libya	198	4.7%	TOTAL	4,196	100%

BASIC RATIOS (Thousand US Dollars)

	31.12.2021			31.12.2020		
Current Ratio:						
Current Assets	5,106,689	=	290.8%	3,629,554	=	337.6%
Current Liabilities	1,755,791			1,075,033		
Cash Ratio:						
Cash & Cash Equivalents + Financial Investments	5,265,431	=	299.9%	4,405,891	=	409.8%
Current Liabilities	1,755,791			1,075,033		
Leverage Ratio:						
Total Liabilities	2,360,750	=	25.9%	1,683,494	=	19.9%
Total Assets	9,102,333			8,453,623		
Total Equity to Total Assets Ratio:						
Total Equity	6,741,584	=	74.1%	6,770,129	=	80.1%
Total Assets	9,102,333			8,453,623		
Current Assets to Total Assets Ratio:						
Current Assets	5,106,689	=	56.1%	3,629,554	=	42.9%
Total Assets	9,102,333			8,453,623		
Non-current Assets to Total Assets Ratio:						
Non-current Assets	3,995,644	=	43.9%	4,824,069	=	57.1%
Total Assets	9,102,333			8,453,623		
Return on Assets (ROA) Ratio:						
Net Income	609,567	=	6.7%	643,265	=	7.6%
Total Assets	9,102,333			8,453,623		
Net Income to Revenue Ratio:						
Net Income	609,567	=	21.3%	643,265	=	38.8%
Revenue	2,859,411			1,658,761		
Total Liabilities to Total Equity:						
Total Liabilities	2,360,750	=	35.0%	1,683,494	=	24.9%
Total Equity	6,741,584			6,770,129		

	Corporate Governance Compliance Report	Company Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
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 thatwould 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 transac-tions to be presented at the General Shareholders' Meeting.					X	
	1.3.8 - Members of the board of directors who are concerned with specific agenda items, auditors, and other related persons, as well as the officers who are responsible for the preparation of the financial statements were present at the General Shareholders' Meeting.	X					
	1.3.10 - The agenda of the General Shareholders' Meeting included a separate item detailing the amounts and beneficiaries of all donations and contributions.	X					
	1.3.11 - The General Shareholders' Meeting was held open to the public, including the stakehold-ers, without having the right to speak.		X				Although there is no restriction on the participation of stakeholders and media in the General Assembly meetings, stakehold-ers participated in the meeting held in 2021 but the media did not have any request for participation..
1.4.	VOTING RIGHTS						
	1.4.1 - There is no restriction preventing shareholders from exercising their shareholder rights.	X					
	1.4.2 - The company does not have shares that carry privileged voting rights.	X					
	1.4.3 - The company withholds from exercising its voting rights at the General Shareholders' Meeting of any company with which it has cross-ownership, in case such cross-ownership provides management control.	X					
1.5.	MINORITY RIGHTS						
	1.5.1 - The company pays maximum diligence to the exercise of minority rights.	X					
	1.5.2 - The Articles of Association extend the use of minority rights to those who own less than one twentieth of the outstanding shares, and expand the scope of the minority rights.			X			In our company, minority rights are defined in regulated rates in the Turkish Commercial Code (TTK) and there are no plans to change this.
1.6.	DIVIDEND RIGHT						
	1.6.1 - The dividend policy approved by the General Shareholders' Meeting is posted on the company website.	X					
	1.6.2 - The dividend distribution policy comprises the minimum information to ensure that the shareholders can have an opinion on the procedure and principles of dividend distributions in the future.	X					
	1.6.3 - The reasons for retaining earnings, and their allocations, are stated in the relevant agenda item.					X	Our company regularly distributes profit.
	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					
	2.1.4 - The company website is prepared in other selected foreign languages, in a way to present exactly the same information with the Turkish content.	X					
2.2.	ANNUAL REPORT						
	2.2.1 - The board of directors ensures that the annual report represents a true and complete view of the company's activities.	X					
	2.2.2 - The annual report includes all elements listed in Corporate Governance Principle 2.2.2.	X					

	Corporate Governance Compliance Report	Company Compliance Status					Explanation
		Yes	Partial	No	Extemped	N/A	
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					
	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					
3.3.	HUMAN RESOURCES POLICY						
	3.3.1 - The company has adopted an employment policy ensuring equal opportunities, and a succession plan for all key managerial positions.	X					
	3.3.2 - Recruitment criteria are documented.	X					
	3.3.3 - The company has a policy on human resources development, and organises trainings for employees.	X					
	3.3.4 - Meetings have been organised to inform employees on the financial status of the company, remuneration, career planning, education and health.	X					
	3.3.5 - Employees, or their representatives, were notified of decisions impacting them. The opinion of the related trade unions was also taken.		X				The Human Resources have been working as a representative of ENKA, for coordination and relation between the employer and employees of the company. However, there is no trade unionin our company.
	3.3.6 - Job descriptions and performance criteria have been prepared for all employees, an-nounced to them and taken into account to determine employee remuneration.	X					
	3.3.7 - Measures (procedures, trainings, raising awareness, goals, monitoring, complaint mecha-nisms) 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 bargain-ing.			X			Although there is no association or trade union in the company, there is no restrictive practice.
	3.3.9 - A safe working environment for employees is maintained.	X					
3.4.	RELATIONS WITH CUSTOMERS AND SUPPLIERS						
	3.4.1 - The company measured its customer satisfaction, and operated to ensure full customer satisfaction.	X					
	3.4.2 - Customers are notified of any delays in handling their requests.	X					
	3.4.3 - The company complied with the quality standards with respect to its products and ser-vices.	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					
4.1.	ROLE OF THE BOARD OF DIRECTORS						
	4.1.1 - The board of directors has ensured strategy and risks do not threaten the long-term interests of the company, and that effective risk management is in place.	X					
	4.1.2 - The agenda and minutes of board meetings indicate that the board of directors discussed and approved strategy, ensured resources were adequately allocated, and monitored company and management performance.	X					
4.2.	ACTIVITIES OF THE BOARD OF DIRECTORS						
	4.2.1-The board of directors documented its meetings and reported its activities to the shareholders.	X					
	4.2.2 - Duties and authorities of the members of the board of directors are disclosed in the annual report.	X					
	4.2.3-The board has ensured the company has an internal control framework adequate for its activities, size and complexity.	X					
	4.2.4 - Information on the functioning and effectiveness of the internal control system is provided in the annual report.	X					
	4.2.5 - The roles of the Chairman and Chief Executive Officer are separated and defined..	X					

	Corporate Governance Compliance Report	Company Compliance Status					Explanation
		Yes	Partial	No	Extemped	N/A	
	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			Damages caused by the faults of the members of the Board of Directors during their duties in the company are not insured.
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 the aim is to have one female member at the Board of Directors, the proposal of the Board Members submitted to the General Assembly has been formed in line with the above mentioned targets.
	4.3.10 - At least one member of the audit committee has 5 years of experience in audit/account-ing and finance.	X					
4.4.	BOARD MEETING PROCEDURES						
	4.4.1-Each board member attended the majority of the board meetings in person.	X					
	4.4.2 - The board has formally approved a minimum time by which information and documents relevant to the agenda items should be supplied to all board members.	X					
	4.4.3 - The opinions of board members that could not attend the meeting, but did submit their opinion in written format, were presented to other members.					X	In 2021 meetings, The board members that could not attend the meeting, did not submit their opinion in written format.
	4.4.4 - Each member of the board has one vote.	X					
	4.4.5 - The board has a charter/written internal rules defining the meeting procedures of the board.	X					
	4.4.6 - Board minutes document that all items on the agenda are discussed, and board resolutions include director's dissenting opinions if any.	X					
	4.4.7-There are limits to external commitments of board members. Shareholders are informed of board members' external commitments at the General Shareholders' Meeting.			X			The Board Members are able to spend necessary time for fulfilling the requirements of the position and monitoring processes of the activities of the company.
4.5.	BOARD COMMITTEES						
	4.5.5 - Board members serve in only one of the Board's committees.			X			Due to the formation of the Board of Directors as being in total 5 people, some of the members of the Board of Directors are assigned in more than one committee. All committee members ensure adequate participation in the activities of the commit-tee in which they are members.
	4.5.6 - Committees have invited persons to the meetings as deemed necessary to obtain their views.	X					
	4.5.7 - If external consultancy services are used, the independence of the provider is stated in the annual report.					X	
	4.5.8 - Minutes of all committee meetings are kept and reported to board members.	X					
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			Performance evaluation is made within the Board of Directors but not in written format.
	4.6.4-The company did not extend any loans to its board directors or executives, nor extended their lending period or enhanced the amount of those loans, or improve conditions thereon, and did not extend loans under a personal credit title by third parties or provided guarantees such as surety in favour of them.	X					
	4.6.5 - The individual remuneration of board members and executives is disclosed in the annual report.			X			The disclosure is not done individually, but the total amount and the remuneration policy has been provided under the financial benefits section of the Annual Report.

Corporate Governance Information Form		
1.	SHAREHOLDERS	
1.1.	Facilitating the Exercise of Shareholders Rights	
	The number of investor meetings (conference, seminar/etc.) organised by the company during the year	23
1.2.	Right to Obtain and Examine Information	
	The number of special audit request(s)	0
	The number of special audit requests that were accepted at the General Shareholders' Meeting	0
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/en/Bildirim/915484
	Whether the company provides materials for the General Shareholders' Meeting in English and Turkish at the same time	General Assembly Notices and related materials are disclosed at the same time.
	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 transaction in the context.
	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 is no transaction in the context.
	The links to the PDP announcements associated with common and continuous transactions in the context of Article 10 of the Communi- que on Corporate Governance (II-17.1)	There is no common and continuous transactions in the context.
	The name of the section on the corporate website that demonstrates the donation policy of the company	https://www.enka.com/investor-relations/company-policies/
	The relevant link to the PDP with minute of the General Shareholders' Meeting where the donation policy has been approved	https://www.kap.org.tr/tr/Bildirim/198439
	The number of the provisions of the articles of association that discuss the participation of stakeholders to the General Shareholders' Meeting	Article 24
	Identified stakeholder groups that participated in the General Shareholders' Meeting, if any	Company employees
1.4.	Voting Rights	
	Whether the shares of the company have differential voting rights	Hayır (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	49.8%
1.5.	Minority Rights	
	Whether the scope of minority rights enlarged (in terms of content or the ratio) in the articles of the association	Hayır (No)
	If yes, specify the relevant provision of the articles of association.	-
1.6.	Dividend Right	
	The name of the section on the corporate website that describes the dividend distribution policy	https://www.enka.com/investor-relations/company-policies/
	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.	Dividend distribution was made.
	PDP link to the related general shareholder meeting minutes in case the board of directors proposed to the general assembly not to distribute dividends.	Dividend distribution was made.

General Assembly Meetings									
General Meeting Date	The number of information requests received by the company regarding the clarification of the agenda of the General Sharehold- ers' 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
30/03/2021	0	76%	0%	76%	Investor Relations / General Assembly / General Assembly Meetings	-	16	0	https://www.kap.org.tr/en/Bildirim/915484 https://www.kap.org.tr/en/Bildirim/921867

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.	About Us / CompanyProfile, Investor Relations, Sustainability
	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 /Corporate Articles and Documents / Shareholding Structure
	List of languages for which the website is available	Turkish - English - Russian

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	Corporate Governance / 4.1 Structure and Formation of The Board of Directors
	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	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on the number of board meetings in a year and the attendance of the members to these meetings	Corporate Governance / 4.2 Operational Principles of The Board of Directors
	c) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on amendments in the legisla- tion which may significantly affect the activities of the corporation	Independent Auditors' Report / Basis of Presentation of The Consolidated Financial Statements
	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	Independent Auditors' Report / Commitments
	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	-
	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 cross ownership subsidiary.
	g) The page numbers and/or name of the sections in the Annual Report that demonstrate the information on social rights and profession- al training of the employees and activities of corporate social responsibility in respect of the corporate activities that arises social and environmental results	Corporate Governance / Section 3 Stakeholders
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	https://www.enka.com/investor-relations/company-policies/
	The number of definitive convictions the company was subject to in relation to breach of employee rights	747
	The position of the person responsible for the alert mechanism (i.e. whistleblowing mechanism)	Director of Quality, HSE, Sustainability & Integrity
	The contact detail of the company alert mechanism	+90 (212) 376 10 10
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	-
	Corporate bodies where employees are actually represented	-
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 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.	Corporate Groups / Human resources
	Whether the company provides an employee stock ownership programme	Pay edindirme planı bulunmuyor (There isn't an employee stock ownership programme)
	The name of the section on the corporate website that demonstrates the human resource policy covering discrimination and mistreat- ments and the measures to prevent them. Also provide a summary of relevant parts of the human resource policy.	Corporate Groups / Human resources
	The number of definitive convictions the company is subject to in relation to health and safety measures	2
3.5.	Ethical Rules and Social Responsibility	
	The name of the section on the corporate website that demonstrates the code of ethics	Sustainability / Ethics & Compliance
	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.	Sustainability / Publications / Developing Communities
	Any measures combating any kind of corruption including embezzlement and bribery	Sustainability / Ethics & Compliance / Fighting bribery and corruption
4.	BOARD OF DIRECTORS-I	
4.2.	Activity of the Board of Directors	
	Date of the last board evaluation conducted	It is held once a year before the General Assembly.
	Whether the board evaluation was externally facilitated	Hayır (No)
	Whether all board members released from their duties at the GSM	Evet (Yes)
	Name(s) of the board member(s) with specific delegated duties and authorities, and descriptions of such duties	Mehmet Sinan TARA - Chairman of the Board, Haluk GERÇEK -Vice Chairman of the Board, Erdoğan TURGUT - Member of the Board, Mehmet Mete BAŞOL - Member of the Board, Fatih Osman TAR - Member of the Board
	Number of reports presented by internal auditors to the audit committee or any relevant committee to the board	20
	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	Corporate Governance / Risk Management and Internal Control Mechanism
	Name of the Chairman	Mehmet Sinan Tara
	Name of the CEO	Agah Mehmet Tara
	If the CEO and Chair functions are combined: provide the link to the relevant PDP annoucement providing the rationale for such combined roles	Not the same person.
	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	-
	The number and ratio of female directors within the Board of Directors	0

Composition of Board of Directors							
Name, Surname of Board Member	Whether Executive Director Or Not	Whether Independent Director Or Not	The First Election Date To Board	Link To PDP Notification That Includes The Independency Declaration	Whether the Independent Director Considered By The Nomination Committee	Whether She/He is the Director Who Ceased to Satisfy The Independence or Not	Whether The Director Has At Least 5 Years' Experience On Audit, Accounting And/Or Finance Or Not
Mehmet Sinan Tara	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	31/03/1988	-	-	-	-
Haluk Gerçek	İcrada görevli (Executive)	Bağımsız üye değil (Not independent director)	30/03/1994	-	-	-	-
Erdoğan Turgut	İcrada Görevli Değil (Non-executive)	Bağımsız üye değil (Not independent director)	11/04/2013	-	-	-	-
Fatih Osman Tar	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (Yes)
Mehmet Mete Başol	İcrada Görevli Değil (Non-executive)	Bağımsız üye (Independent director)	28/03/2018	-	Değerlendirildi (Considered)	Hayır (No)	Evet (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)	8
	Director average attendance rate at board meetings	97.5%
	Whether the board uses an electronic portal to support its work or not	Hayır (No)
	Number of minimum days ahead of the board meeting to provide information to directors, as per the board charter	Depending on theagenda.
	The name of the section on the corporate website that demonstrates information about the board charter	Investor relations / Corporate articles and documents/ Articles of Association - Article 17
	Number of maximum external commitments for board members as per the policy covering the number of external duties held by directors	There is no upper limit.
4.5.	Board Committees	
	Page numbers or section names of the annual report where information about the board committees are presented	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	Link(s) to the PDP announcement(s) with the board committee charters	https://www.kap.org.tr/en/Bildirim/366204

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
Denetim Komitesi (Audit Committee)	-	Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Denetim Komitesi (Audit Committee)	-	Mehmet Mete Başol	Hayır (No)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Mehmet Mete Başol	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)	-	Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Fatih Osman Tar	Evet (Yes)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Erdoğan Turgut	Hayır (No)	Yönetim kurulu üyesi (Board member)
Kurumsal Yönetim Komitesi (Corporate Governance Committee)	-	Gizem Özsoy	Hayır (No)	Yönetim kurulu üyesi değil (Not 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)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	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)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	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)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	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)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
	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)	Corporate Governance / 4.3 Number, Structure And Indepence of The Committees Established Within The Board of Directors
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)	Corporate Governance / Mission, Vision and Objectives Of The Company
	Specify the section of website where remuneration policy for executive and non-executive directors are presented.	Investment Relations / Company Policies
	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)	-

Composition of Board Committees-II					
Names Of The Board Committees	Name of committees defined as "Other" in the first column	The Percentage Of Non-executive Directors	The Percentage Of Independent Directors In The Committee	The Number Of Meetings Held In Person	The Number Of Reports On Its Activities Submitted To The Board
Denetim Komitesi (Audit Committee)		100%	100%	5	5
Riskin Erken Saptanması Komitesi (Committee of Early Detection of Risk)		100%	50%	6	6
Kurumsal Yönetim Komitesi (Corporate Governance Committee)		66.6%	33.3%	2	2

SUSTAINABILITY PRINCIPLES COMPLIANCE REPORT

The company's Environmental, Social and Governance (ESG) systems, efforts, performance, and goals are presented to all stakeholders under the heading "Sustainability Principles Compliance Report" of the Annual Report. Information on the Company's ESG practices provided in this report and all other statements on sustainability are presented in detail in ENKA Sustainability Report published in June of every year.

The scope of the Sustainability Principles Compliance Report is parallel with the Company's annual Sustainability Report. The list of the companies included in the scope is listed below. Environmental data of the companies marked with (*) in the following list were not included in the calculations of quantitative values shared in respect to the Environmental Principles in the report. Policies shared within the ESG system are applicable to all companies covered by the Annual Report. This report covers the period between January 1st, 2021 and December 31st, 2021.

- ENKA İnşaat ve Sanayi A.Ş.
- Çimtaş Çelik İmalat Montaj ve Tesisat A.Ş.
- Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş.
- Cimtas Boru İmalatları ve Ticaret Ltd. Şti.
- Çimtaş Hassas İşleme Sanayi ve Ticaret Ltd. Şti.
- Cimtas Ningbo Steel Processing Co. Ltd.
- Adapazarı Elektrik Üretim Ltd. Şti.
- Gebze Elektrik Üretim Ltd. Şti.
- İzmir Elektrik Üretim Ltd. Şti.
- MosENKA
- Moskva Krasnye Holmy
- ENKA Holding Investment S.A.
- City Center Investment B.V.
- Limited Liability Company ENKA TC
- ENKA Pazarlama İhracat İthalat A.Ş.
- ENKA Systems Yazılım A.Ş.*



ENKA, with its sustainability management approach, manages its social, environmental and economic impacts resulting from its operations in different sectors, including engineering, construction, energy, real estate and trade in different parts of the world in a responsible, effective and transparent manner. For this purpose, it identifies environmental, social and corporate management risks and opportunities; determines material sustainability issues with the participation of different stakeholders groups every two years and updates its policies, strategies and procedures established in this regard. ENKA's ESG policies can be found on ENKA's corporate website (www.enka.com).

ENKA has developed its Sustainability Strategy and established its Sustainability Goals for 2027 in line with these policies. These goals are long-term goals set for the 10th year of ENKA's sustainability journey and some of them consist of short-term goals, which are monitored annually, and Key Performance Indicators. ENKA's Sustainability Strategy and Sustainability Goals for 2027 can be accessed via the links below. The company's 2021 performance against these goals are summarized in ENKA Sustainability Goals table at the end of the Sustainability Principles Compliance Report.

Sustainability Strategy:

<https://www.enka.com/sustainability/>

2027 Sustainability Goals:

<https://www.enka.com/sustainability/home/strategy/sustainability-goals/>

ENKA Sustainability Committee, which was established in 2017 in order to integrate sustainability into the company's business strategies and lead the actions towards this regard with the participation of managers of different units and departments in ENKA Headquarters and subsidiaries representing ENKA's all main functions. The Committee leads the Company's strategies and efforts in the fields of environment, climate change, human rights, social responsibility and ethics and ENKA's President and Chairman of the Executive Committee, who leads the committee, has the primary responsibility for the issues referred above.

ENKA, which has been a signatory of the United Nations Global Compact since 2017, publicly shares its sustainability performance, goals and activities every year through its Sustainability Report. In addition to this report prepared based on the Global Reporting Initiative (GRI) standards, ENKA also reports annually to the public within the scope of Climate Change and Water Security programs of the Carbon Disclosure Project (CDP). Material sustainability issues that define the framework of ENKA's Sustainability Report are linked to the following goals of the United Nations 2030 Sustainable Development Goals (SDGs).



ENKA, with its sustainability performance in 2021, continues to be included in Dow Jones Sustainability Index and FTSE4Good Index as well as Borsa İstanbul Sustainability Index.

ENKA is a member of Business Council for Sustainable Development (BCSD Türkiye) and Türkiye Ethics and Reputation Society. It also takes part in TÜSİAD Environment and Climate Change Working Group and Gender Equality Working Group, UN Global Compact Diversity and Inclusion Working Group and TÜYİD Sustainability Working Group.

As part of the verification of sustainability statements, greenhouse gas emissions arising from the operation of ENKA Energy companies are audited by accredited organizations every year in accordance with applicable legislation. In addition, ENKA's sustainability report receives limited external assurance for selected energy, greenhouse gas emissions, water and occupational health and safety indicators. The audit planning process regarding 2021 energy, water and greenhouse gas emissions is in progress and audit reports are included in ENKA's Sustainability Report and CDP report every year.

Environmental Principles

ENKA establishes and conducts its environmental management and its commitments in this direction in accordance with the laws of the countries where it operates and in line with international environmental management standards. The Company's environmental management complies with ISO 14001:2015 Environmental Management System Standard.

ENKA is aware that risks and opportunities related to the climate change are very important. Risks related to climate change are assessed by the Early Identification of Risks Committee and the Risk Management Working Group. ENKA closely monitors legal and technological developments within the scope of transition risks related to climate change and carries out various practices at the points where there is a risk. Thus, ENKA realizes the importance of good management of all Environmental, Social, Governance (ESG) risks, including climate change, in terms of reputation, foreign investment and financing and it implements appropriate policies and strategies.

ENKA believes that not only transitional risks, but also physical risks pertaining to climate change are of critical importance. As both acute and chronic physical impacts of climate change are increasing worldwide day by the day, especially in our country and in all regions ENKA operates, the intensity of acute effects such as extreme climate events, heatwaves and heavy rains have increased in recent years.

Scenario analyses are conducted in ENKA İnşaat operations against these risks and weather conditions are meticulously monitored. In all ENKA İnşaat projects, assessments are carried out for the environmental and social impacts of the project. Specifically, in the projects where work activities are conducted in close proximity to water bodies, watershed regulations are considered and additional emergency procedures are intently applied against incidents such as flooding. ENKA regularly keeps records of the energy and fuel consumptions of its subsidiaries and it has been regularly calculating its carbon footprint and the amount of reduction achieved as a result of improvement efforts and measures undertaken since 2016.

The greenhouse gas emissions resulting from ENKA's operations and energy consumption in 2021 as compared with previous years are presented in the table on the next page. The main reason for the significant increase in greenhouse gas emissions and energy consumption is that inactive power plants in 2020, restarted their operations in 2021.

Direct (Scope-1), indirect (Scope-2) and other indirect (Scope-3) greenhouse gas emissions from 2021 activities of ENKA were included in the calculations. Greenhouse gas emissions resulting directly from ENKA's activities are categorised as “Scope-1 – direct greenhouse gas emissions”, while greenhouse emissions due to energy consumption from externally sourced electricity, heat and steam are categorised as “Scope-2 – indirect greenhouse gas emissions due to energy consumption”. The methodologies used for calculating are the ISO 14064-1 and the GHG Protocol Corporate Accounting and Reporting Standards. For conversion factors IPCC, UNFCC and DEFRA data were used.

Energy Consumption by Years*			
Energy Consumption (TJ)	2019	2020	2021
Fuel Consumption	27,239	676	70,928
Electricity Consumption	960	939	722
Consumption for Heating Purposes (Hot water or district heating)	471	397	611
Steam Consumption	-	-	11
Total	28,670	2,012	72,272

ENKA Scope-1, Scope-2 and Scope-3 Emissions by Years*			
Greenhouse Gas Emissions (tCO ₂ e	2019	2020	2021
Scope-1	1,556,200	53,512	4,023,064
Scope-2	172,110	206,475	165,706
Scope-3	1,339,682	877,043	1,567,009
Total	3,067,992	1,137,030	5,775,779

ENKA transparently publishes all environmental impacts stemming from its operations on public platforms through its Sustainability Report and CDP reports. Within the scope of ENKA's environmental reporting, all environmental issues (greenhouse gas emissions, energy management, water and wastewater management, air quality, waste management, and biodiversity activities) are included and reported for three years comparatively. ENKA, which realizes high investments and carries out various projects every year to reduce its environmental impacts, transparently discloses the amount of reduction and savings in greenhouse gas emissions, energy consumption, water consumption and waste generation in its Sustainability Report.

Aside from the environmental impacts arising from its own operations, ENKA considers the minimization of effects resulting from the products and services it provides as an important part of its sustainability strategy. ENKA, which works to completely prevent the damage that may be caused to people and nature in all investments, has carried out 14 of its projects in accordance with LEED or equivalent green building certification programs. Two multi-functional shopping centers operated by ENKA Real Estate in Russia have Russian Green Building certificate and have set precedents in this sense. Within the scope of power plant projects with the high expertise of ENKA, the highest level of efficiency is achieved in constructed power plants and during construction activities.

It is ensured that all suppliers and subcontractors working with ENKA are expected to act just as sensitively, training opportunities are provided and audits are carried out within this scope. The environmental approach and performance that ENKA expects from its suppliers are clearly stated in ENKA Supplier Code of Conduct and in the supplier selection, evaluation and auditing procedures.

Social Principles

ENKA is committed to comply with the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey and the legal frameworks and legislation regulating the employment and human rights in Turkey through ENKA Code of Business Conduct. The Code of Conduct, which is the ethics policy of the company, includes issues on compliance with human rights, non-discrimination, prevention of forced labour and child labour and combating bribery and corruption and details regarding the implementation of the relevant policy. Code of Business Conduct, updated in 2021, has been translated into 7 languages and published on the corporate website. The Supplier Code of Conduct has been published and communicated in order to encourage these practices in the Company's value chain.

In line with the “Caring for Employees” approach, which is one of the foundation of the Sustainability Strategy, an Employee Loyalty and Satisfaction Survey is conducted every two years by covering all the employees of ENKA and its subsidiaries. The results of the “ENKA Employee Loyalty Survey” which was conducted by an independent research company in 2021 indicated that the level of employee loyalty was 90% across all ENKA group companies and 91% at ENKA İnşaat.

In ENKA Academy, which was established to improve the professional competences, process awareness, technical knowledge, and leadership and management skills of employees, trainings are organized in 3 main categories; namely management training, technical training and social skills training. Approximately 410 hours of training were given and a total of 5,344 person-hours of training in engineering development and social skills was provided during the reporting period. In addition to ENKA Academy, Project Training Departments, which are established separately at each project and are in constant communication with the İstanbul Headquarters, have provided approximately 10.507 million person-hours of training to date. These training programs also include informative trainings on the Company's ESG policies and practices.

* Provided values for 2021 are not verified. The verified values will be published in 2021 Sustainability Report.

ENKA maintains an Ethics Hotline and an email to ensure open and transparent communication and make it possible for employees, local communities, and all parties engaged in a business relationship (suppliers, subcontractors, employees of subcontractors, customers, business partners etc.) to be able to report behaviour that violates the Code of Business Conduct or company policies and to receive advice for matters that are unclear to them. Reports made to the Ethics Hotline and email are categorised and reported to the Executive Ethics and Compliance Committee. All reports within the execution area of the Ethics Hotline are assessed, investigated and concluded and the complainant is informed accordingly.

The Occupational Health and Safety (OHS) structure at ENKA begins with the strong commitment by the senior management. This strong commitment forms the basis of all activities and the management system and it is shared with all stakeholders through the Health, Safety, Social and Environment Policy (HSSE Policy). The commitment clearly described in the HSSE policy is effectively implemented through internal procedures and training courses, workshops, plans, instructions, checklists, forms and other instruments that are developed in line with these procedures. Areas that are open to improvement are identified through audits, management system is reviewed based on the results of the audits and necessary actions are taken in line with the principle of continuous improvement.

More than 756,551 person-hours of HSE training was provided to ENKA employees in 2021. A total of 197 recordable incidents occurred among all ENKA employees and its subcontractors. 39 of these incidents were recorded as lost time incidents. The total number of lost days due to occupational incidents were 804, Lost Time Incident Frequency Rate and Lost Time Incident Severity Rate were 0.12 and 2.57 respectively.

ENKA's OHS Statistics			
Total (Company and Subcontractor)	2019	2020	2021
Number of Lost Time Incidents	36	17	39
Lost Time Incident Frequency Rate	0.14	0.06	0.12
Lost Time Incident Severity Rate	3.56	2.86	2.57
Number of Fatalities	1	0	1

Lost Time Incident Frequency Rate is calculated by using the formula (Number of Lost Time Incidents/Total working hours)*200,000 while Lost Time Incident Severity Rate is calculated by using the formula (Number of lost days/ Total working hours)*200,000. These formulas provide the number of incidents per 100 employees and severity rates of lost time incidents. While calculating the recordable incident frequency ratio, incidents at the first-aid level are excluded; all incidents requiring medical treatment, restricted work cases, lost day incidents and incidents involving fatalities were included. The lost time incident ratio was calculated based on calendar days. Lost times were calculated starting from the day following the incident.

ENKA's Social Responsibility and Social Investment

The total social investment made by ENKA Foundation and ENKA İnşaat as well as its subsidiaries in 2021 in the fields of education, health, sports, social and environment in line with the material sustainability issues of ENKA has exceeded 83.2 million TL. Some of the social responsibility studies carried out in 2021 are shared below, all of the projects are included in the ENKA corporate website and in Sustainability Report published every year.

Support from ENKA to the Forest Fire Regions

ENKA provided support to the fight against the forest fires that broke in August 2021, especially in the Mediterranean and Aegean regions of Türkiye. Aid packages containing the heat-resistant materials required by firefighters and volunteers during their efforts were dispatched to Milas, Bodrum and Menteşe. Furthermore, ENKA Pazarlama contacted the relevant ministries and municipalities to understand their construction equipment needs in the fight against fire and supplied the necessary construction equipment to the affected areas.

School-Friendly Program Introduction of Professions Project

Within the scope of the School Friendly Program carried out with the Private Sector Volunteers Association (ÖSGD), the project started in digital platforms in 2020, to create and raise awareness about professions among children and young people, it was aimed to bring students together with positive role models, to realize their personal skills, and to gain awareness about career and profession. In this context, Introduction of Professions Project videos prepared by professionals, including ENKA Volunteers, were published on our social media channels in June 2021.

Rumeli Fortress Environmental Cleaning Event

ENKA Volunteers held an environmental cleaning event at Rumeli Fortress on Saturday, October 23rd. At the event, which was organized in line with the ENKA Sustainability Policy and aimed to draw attention to environmental pollution, ENKA Volunteers helped in the cleaning of the area, which is frequently visited by both locals and tourists.

Establishing Computer Classrooms at Schools

Numerous computers were refurbished and donated to various schools in need at the culmination of efforts to collect and recycle electronic waste, under a project in which the Association for Supporting Electronic Waste Recycling (EAGD) and ENKA Headquarters cooperated. As a result of these joint efforts, computer classrooms were established and made available to students at schools that lacked facilities for education in computers, including Kızılıkaya Secondary School in Doğubeyazıt, Ağrı in January 2021, and in Fatmacık Secondary School in Şanlıurfa and Şehit Sait Atak Secondary School in Şırnak, Cizre in December 2021.

	Sustainability Principles Compliance Report	Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
A.	GENERAL PRINCIPLES						
A1.	STRATEGY, POLICY, AND GOALS						
	The Board of Directors determines prioritized ESG issues as well as risks and opportunities and formulates ESG policies accordingly. To ensure effective implementation of those policies, an intra-partnership directive and work procedures may be drawn up. The Board of Directors adopts decisions regarding such policies and makes them public.		X				Policies have been released upon their approval by the President and Chairman of Executive Committee. In addition to its corporate website, policies have been disclosed via the Sustainability Report which is open to public and published on PDP. Sustainability Policy: https://www.enka.com/sustainability/home/strategy/sustainability-policy/ Environmental Management Approach and Policy: https://www.enka.com/sustainability/home/health-safety-environment/environment-management-approach-policy/ Health and Safety Management Approach and Policy: https://www.enka.com/sustainability/home/health-safety-environment/health-safety-management-approach-policy/ ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf ENKA Supplier Code of Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Supplier_Code_of_Conduct_en.pdf Information Security Principles and Policy: https://www.enka.com/allfiles/media/posters/Information_Principles_Eng.pdf https://www.enka.com/allfiles/media/posters/Information_Policy_ENG_Signed.pdf Quality Policy: https://www.enka.com/allfiles/media/posters/QUALITY_POLICY_ENG.pdf
	The company devises a Partnership Strategy consistent with ESG policies, risks and opportunities. It sets short and long-term goals compliant with the partnership strategy and ESG polices and makes them public.	X					
A2.	IMPLEMENTATION/MONITORING						
	The company identifies committees/units responsible for carrying out ESG polices and shares them with the public. The responsible committee/unit will report the activities carried out in line with the policies to the Board of Directors at least once a year and in any event within maximum periods fixed for making the annual operating reports public as defined in the Board's related regulations.	X					It is shared under the headings 4.3 Number, Structure, and Independence of Committees Established Within the Board of Directors and 4.4 Risk Management and Internal Control Mechanism in "Corporate Governance" section of the report.
	The company draws up implementation and action plans in line with its short and long-term goals and publicly announces them.		X				All actions taken in line with the goals are shared in the Sustainability Report and CDP responses. All plans related to the next period were not included as they had not been finalized prior to the release of the report.
	The company established ESG Key Performance Indicators (KPI) and makes them public, comparatively on annual basis. If there is verifiable data, it presents KPIs together with local and international sector-specific comparisons.		X				This information was not included since there wasn't local and international sector comparison data available in all areas identified as KPIs. If relevant comparison data is gathered in the related areas in the next period, it will be added to the report.
	The company outlines innovative actions aimed at improving sustainability performance regarding business processes or products and services.	X					Data pertaining to all R&D and Design Center activities are outlined in the annual Sustainability Report. ENKA Sustainability Report for 2020: https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2020.pdf
A3.	REPORTING						
	The company reports its sustainability performance, goals and actions and makes them public at least once a year. It unveils information on sustainability actions as part of the annual report.	X					
	Critical information shall be shared directly and concisely so that the stakeholders can understand the position, performance and development of the partnership. It may also post detailed information and data on its corporate website and draw up separate reports directly satisfying the needs of different stakeholders.	X					
	The company exercises maximum care regarding transparency and reliability. It objectively explains all kinds of developments concerning material issues in its statements and reports as part of its balanced approach.	X					
	The company provides information regarding the link of its operations with the United Nations (UN) 2030 Sustainable Development Goals.	X					
	The company issues statements on lawsuits filed against and/or concluded with regard to environmental, social, and corporate governance issues.	X					It is disclosed in each annual Sustainability Report.

	Sustainability Principles Compliance Report	Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
A4.	VERIFICATION						
	The company makes public sustainability performance measurements if verified by independent third parties (independent sustainable assurance providers) and makes efforts to increase the volume of such verifications.		X				Greenhouse gas emissions arising from the operations of ENKA's power plants are inspected by accredited organizations every year in accordance within the framework of the relevant regulations. In addition, ENKA receives limited external assurance for its selected energy, greenhouse gas emissions, water withdrawal and occupational health and safety indicators included in its Sustainability Report. Verification process for 2021 is currently at developing stage and the audit reports will be included in the Sustainability Report and CDP responses. The verification report for 2020 can be found in the 2020 Sustainability Report. https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2020.pdf
B.	ENVIRONMENTAL PRINCIPLES						
	The company announces its policies and practices, action plans, environmental management systems (linked to ISO 14001 standard), and programs in the field of environmental management.	X					ISO 14001 Certificate: https://www.enka.com/sustainability/home/health-safety-environment/environment-management-approach-policy/
	The company ensures compliance with environmental laws and other regulations and discloses them.	X					
	The company announces the scope, reporting period, reporting date, data collection process and reporting conditions related to the environmental report to be drawn up in accordance with the Sustainability Principles.	X					
	The company announces its highest-level officer of the partnership, who is responsible for dealing with the environment and climate change as well as related committees and their roles.	X					It is shared under the headings 4.3 Number, Structure, and Independence of Committees Established Within the Board of Directors and 4.4 Risk Management and Internal Control Mechanism in "Corporate Governance" section of the report.
	The company defines incentives offered for the management of environmental issues, including the achievement of goals.	X					Incentives related to sustainability and climate change are determined within ENKA as a result of reviews and assessments made by the Executive Committee. https://www.enka.com/sustainability/wp-content/uploads/2021/07/ENKA_INSAAT_VE_SANAYLA_S_CDP_Climate_Change_Questionnaire_2021.pdf
	The company explains how environmental issues are integrated with business goals and strategies.	X					
	The company outlines sustainability performance regarding business processes or products and services and actions aimed at improving this performance.	X					
	The company explains how it is managing environmental issues not only with regard to direct operations, but also along the partnership's chain value and how it integrates suppliers and customers with its strategies.	X					
	The company explains if it has been involved in the process of formulating policies regarding environmental issues (sector-specific, regional, national and international); its cooperation with associations of which it is a member, related organizations, and civil society organizations carrying out activities regarding the environment, and roles assigned to it, and activities it supports.	X					
	The company periodically reports comparative data related to its environmental impact in light of environmental indicators (greenhouse emissions (Scope-1 (Direct), Scope-2 (Energy indirect), Scope-3 (Other indirect)); air quality, energy management, water and wastewater management, waste management, impact on biodiversity.	X					Information pertaining to impact on greenhouse gas emissions, air quality, energy management, water management, waste management, and biodiversity based on all environmental indicators are shared in detail in ENKA's Sustainability Report and the CDP responses. ENKA 2020 Sustainability Report: https://www.enka.com/allfiles/pdf/ENKA_Surdurulebilirlik_Raporu_2020.pdf ENKA CDP Responses 2020: https://www.enka.com/sustainability/enka-cdp-climate-change-water-security-2021-answers/
	The company describes the standards, protocols and methodology that it uses for gathering and computing data and base year details.	X					
	The company describes the state (increase or decrease) of environmental indicators compared with their state in previous years.	X					
	The company sets and announces short and long-term goals to minimize its environmental impact. It is recommended that those goals are established Science-Based as proposed by the United Nations Convention on Climate Change. It provides information if there has been progress in the reporting year in terms of the goals it had established prior.		X				ENKA's 2027 Sustainability Goals have been established.
	The company outlines its strategy and actions for combatting the climate crisis.	X					Management, strategy, risk and opportunity assessments and metrics related to climate change are made public in the annual Sustainability Reports and CDP responses.
	The company discloses its program or procedures aimed at preventing or minimizing potential negative impact of products and/or services that the company offers; defines its actions intended to reduce the quantity of greenhouse emissions of third parties.		X				It is shared under heading "Environment-friendly Materials, Equipment, and Green Buildings" in ENKA's annual Sustainability Report.

	Sustainability Principles Compliance Report	Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
B.	ENVIRONMENTAL PRINCIPLES (CONTINUED)						
	The company announces actions it has taken for minimizing its environmental impact, the total number of its ongoing projects and initiatives and their environmental benefits/gains and savings.	X					It is published in the Sustainability Report and the CDP report.
	The company reports data on data concerning its total energy consumption (excluding raw materials) and announces its energy consumption as Scope-1 and Scope-2.	X					It is published in the Sustainability Report and the CDP report.
	The company provides information regarding generated and consumed electricity, heat, steam and cooling in the reporting year.	X					It is published in the Sustainability Report and the CDP report.
	The company undertakes studies on increasing utilization of renewable energy and transition to zero or low-carbon electricity and discloses those studies.	X					It is published in the Sustainability Report and the CDP report.
	The company releases data on the generation and consumption of renewable energy.	X					It is published in the Sustainability Report and the CDP report.
	The company carries out energy efficiency projects and announces the decrease in energy consumption and emissions as a result of such projects.	X					It is published in the Sustainability Report and the CDP report.
	The company reports the quantities and sources of water extracted from groundwater or surface water and the quantities of water used, recycled or discharged and related procedures (total water extraction per source; water sources affected by extraction; the percentage and total volume of recycled and re-used water, etc.).	X					It is published in the Sustainability Report and the CDP report.
	The company describes if its operations or activities are included in any carbon pricing system (Emissions Trading Systems, Cap & Trade or Carbon Tax).	X					ENKA operations are not included in any carbon pricing system.
	The company shares information on carbon credit accumulated or purchased in the reporting period.				X		No carbon credit transaction was conducted within the reporting period.
	If carbon pricing is applied within the partnership, it shares the details.				X		Carbon pricing is not applied within the partnerships.
	The company makes public all mandatory and voluntary platforms in respect of which it releases environmental data.	X					ENKA Sustainability Report and Carbon Disclosure Project (CDP) responses.
C.	SOCIAL PRINCIPLES						
C1.	HUMAN RIGHTS AND EMPLOYEE RIGHTS						
	The company formulates a Corporate Human Rights and Employee Rights Policy whereby it commits to comply with the Universal Declaration of Human Rights, ILO Conventions ratified by Turkey, and the legal frameworks and legislation regulating employment and human rights in Turkey. It discloses the policy and related roles and responsibilities to public.	X					ENKA Code of Business Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/
	The company ensures equal opportunity in recruitment processes. The company's policies cover fair labour, improvement of labour standards, employment of women and inclusivity (no discrimination on the grounds of sex, faith, language, race, ethnic origin, age, disability, refugee status, etc.), while taking account of impact on supply and value chain.	X					ENKA Code of Business Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/
	The company shares information on measures taken along the value chain for taking account of groups sensitive to certain economic, environmental, and social factors (low-income groups, women, etc.) or minority rights/equal opportunity.	X					ENKA Code of Business Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/
	The company reports progress in efforts aimed at preventing discrimination, inequality, violations of human rights and forced labour and making improvements. It announces regulations regarding prevention of child labour.	X					ENKA Code of Business Conduct and Human Rights Approach: https://www.enka.com/sustainability/home/ethics-compliance/
	The company announces its policies on investments in employees (training, development policies), severance and notice pays, fringe benefits, the right to join trade unions, solutions for balance between work and social lives and talent management. It establishes mechanisms for processing employee grievances and settlement of disputes and defines dispute settlement processes. It regularly reports actions aimed at ensuring employee satisfaction.	X					For detailed information on Ethics Hotline: https://www.enka.com/sustainability/home/ethics-compliance/enka-ethics-hotline/
	The company develops and announces polices on occupational health and safety. It releases statistical data on work related accidents and reports actions taken with a view to preventing work accidents and protecting health.	X					https://www.enka.com/sustainability/home/health-safety-environment/health-safety-management-approach-policy/

	Sustainability Principles Compliance Report	Compliance Status					Explanation
		Yes	Partial	No	Exempted	N/A	
C1.	HUMAN RIGHTS AND EMPLOYEE RIGHTS (CONTINUED)						
	The company frames policies on protection of personal data and data security and discloses them.	X					Information and Clarification Notice Regarding Protection of Personal Data: https://www.enka.com/sustainability/home/ethics-compliance/#1512028525874-3ab96480-0d0f https://www.enka.com/privacy-policy/
	The company develops an ethics policy (including business, work ethics, compliance processes, advertisement and marketing ethics, open information, etc.) and announces them to public.	X					ENKA Code of Business Conduct: https://www.enka.com/sustainability/home/ethics-compliance/ https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf
	The company announces its actions in the fields of social investment, social responsibility, financial inclusiveness and access to financing.	X					
	The company organizes informational meetings and training programs for its employees regarding ESG policies and their implementation.	X					
C2.	STAKEHOLDERS, INTERNATIONAL STANDARDS AND INITIATIVES						
	The company carries out its sustainability activities by taking into account of the needs and priorities of its all stakeholders (employees, customers, suppliers and service providers, public agencies, shareholders, public and civil society organizations).	X					ENKA 2020 Sustainability Report; "Stakeholder Engagement" and "Sustainability Materiality Process and Stakeholder Participation" https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2020.pdf
	The company develops and discloses a policy on customer satisfaction for the management and resolution of customer complaints.	X					Quality Policy: https://www.enka.com/allfiles/media/posters/QUALITY_POLICY_ENG.pdf
	The company undertakes stakeholder communication in a continuous and transparent manner and provides information on stakeholders contacted, the purpose, topic, and frequency of communication, and progress made in sustainability efforts.	X					ENKA 2020 Sustainability Report; "Stakeholder Engagement" https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2020.pdf
	The company announces international reporting standards it uses (Carbon Disclosure Project (CDP), Global Reporting Initiative (GRI), International Integrated Reporting Council (IIRC), Sustainability Accounting Standards Board (SASB), The Task Force on Climate-Related Financial Disclosures (TCFD), etc.).	X					
	The company announces international organizations that it has joined or principles to which it is a signatory (Ecuador Principles, United Nations Environment Program Finance Initiative (UNEP-FI), United Nations Global Compact (UNGC), United Nations Principles of Responsible Investment (UNPRI), etc.), international principles that it has adopted (e.g.International Capital Markets Association (ICMA), Green/Sustainable Bond Principles, etc.).	X					
	The company makes strenuous efforts in order to be included in Istanbul Stock Exchange Sustainability Index and international sustainability indices (Dow Jones Sustainability Index, FTSE4Good, MSCI EMS Indices, etc.).	X					
D.	CORPORATE GOVERNANCE PRINCIPLES						
	The company makes maximum efforts to ensure compliance with all Corporate Governance principles required to be followed under the Directive II-17.1 on Corporate Governance issued by the Capital Market Board.	X					
	The company considers sustainability, the environmental impact of its operations and related principles while mapping out its corporate management strategies.	X					
	The company takes actions needed for ensuring compliance with the principles concerning the interested parties as set forth in the Corporate Governance Principles and strengthening communication with the interested parties. It consults with the interested parties regarding actions and strategies in the field of sustainability.	X					
	The company works for sustainability and to raise awareness about its importance by social responsibility projects, awareness events and trainings.	X					
	The company makes endeavors to join international standards and initiatives regarding sustainability and to contribute to related efforts.	X					
	The company announces its policies and programs on preventing bribery and corruption and the principle of integrity regarding taxation.	X					ENKA Code of Business Conduct: https://www.enka.com/allfiles/media/pdfs/ENKA_Code_of_Conduct_en.pdf Fighting Bribery and Corruption: https://www.enka.com/sustainability/home/ethics-compliance/fighting-bribery-and-corruption/ ENKA 2020 Sustainability Report; "Combating Bribery and Corruption and Preventing Unfair Competition" https://www.enka.com/allfiles/pdf/ENKA_Sustainability_Report_2020.pdf

ENKA 2027 SUSTAINABILITY GOALS	
DOING GOOD BUSINESS	2021 PERFORMANCE
We will conduct Environmental, Ethics, Human Rights, Social and Occupational Health & Safety audits on 10% of suppliers that provide project materials, and are audited by independent third party companies which ENKA also works with, by 2027.	29% of suppliers were evaluated in terms of Ethics, Human Rights, Combating Bribery and Corruption, OHS, Environmental and Social issues. Sustainability audits took place at 1% of suppliers.
We aim to provide Ethics and Human Rights training to 100% of our white collar and 90% of our blue-collar employees by 2027.	Within all ENKA group employees, 81% of white-collar employees, 33.9% of blue-collar employees completed the training.
We aim to increase our customer satisfaction rate for all group companies to 95% by 2027.	92.1%
We aim to carry out at least 1 audit every year at every subsidiary and project to prevent corruption and bribery.	As targeted, 1 audit took place at each project. 60% of subsidiaries were audited.
DEVELOPING COMMUNITIES	2021 PERFORMANCE
We will increase the ENKA Foundation's budget for social investments by 20% by the year 2027.	2027 Sustainability Goal. Social investment budget increased by 35% comparing to previous year.
All ENKA İnşaat projects are expected to complete at least 2 social responsibility projects within their lifetimes.	Target has been met.
Within the ENKA Group, we aim to establish at least 5 collaborations each year with NGOs and other organisations that work for sustainability.	There has been an achievement above this target through seven collaborations by ENKA İnşaat and other collaborations of ENKA subsidiaries.
For the purpose of promoting sustainability studies and contributing to the development of the engineering profession, we aim to support student organisations by providing at least 2 sponsorships.	There has been an achievement above this target through the 8 events attended and sponsored by ENKA İnşaat and other collaborations of ENKA subsidiaries.
In order to develop volunteering projects and promote them in society, we aim to conduct at least 5 volunteering projects each year until 2027.	5 projects were conducted.
We aim to organise the sustainability themed "ENKA Sustainability Congress" in 2027, with the participation of various sectors and communities.	2027 Sustainability Goal.
CARING FOR EMPLOYEES	2021 PERFORMANCE
"e aim to have at least 35% of our white-collar employees to be women by the year 2027.	Ratio of female employees to total white-collar employees was 22.3%.
We will maintain our Zero Accident Policy without any compromise.	Target has been met.
We aim to have at least 5% of ENKA white-collar employees participate in volunteering projects until 2027.	Target has been met with 5.4%.
We aim to increase training hours per employee 5% every year until 2027.	Compared to 2020, training hours per employee increased by 38%.
We will conduct an employee loyalty survey every 2 years across ENKA Group and we aim to increase the satisfaction ratio to at least 90% by the year 2027.	Employee Satisfaction and Loyalty Rate is 90% throughout ENKA Group.
REDUCING ENVIRONMENTAL IMPACT	2021 PERFORMANCE
We aim to keep ENKA Power Plants' greenhouse gas emissions per unit energy that is produced, under 400 gCO2e/kWh.	367.5 gCO2e/kWh
We aim to keep Çimtaş's greenhouse gas emission per person-hours for each tonne of production under 25 tCO2e/(person-hours/tonnes).	39.3 tCO2e/(person-hours/tonnes)
We aim to keep Çimtaş's domestic water consumption under 15 liters/person-hours.	13.5 liters/person-hours
We are committed to never encounter a Tier III (>20m3) environmental incident in any ENKA company.	Target has been met.
We will undertake at least 2 projects to reduce blue water footprint.	2 projects were conducted.
We will undertake at least 2 projects at ENKA Group to increase renewable energy use rate.	2 projects were conducted.
We will contribute to at least 1 afforestation project every year to contribute to carbon neutralisation.	2 projects were conducted.
We will make no compromises on the policy of banning plastic bottle use throughout ENKA Group that was initiated in 2018.	The goal was achieved locally due to pandemic measures.

ENKA İNŞAAT VE SANAYİ
ANONİM ŞİRKETİ
AND ITS SUBSIDIARIES

CONSOLIDATED FINANCIAL
STATEMENTS AS AT AND FOR THE
YEAR ENDED
31 DECEMBER 2021 WITH
INDEPENDENT AUDITORS’ REPORT

2 March 2022

This report includes 5 pages of independent auditors’ report and 84 pages of consolidated financial statements together with their explanatory notes.



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Independent Auditors' Report

To the Shareholder’s of Enka İnşaat ve Sanayi Anonim Şirketi,

Opinion

We have audited the consolidated financial statements of Enka İnşaat ve Sanayi Anonim Şirketi (“the Company”) and its subsidiaries and joint operations (collectively referred to as “the Group”), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statements of profit or loss, the consolidated statements of other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRS”).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (*including International Independence Standards*) (“IESBA Code”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Turkey and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.,
a Turkish corporation and a member firm of the KPMG network of independent
member firms affiliated with KPMG International Cooperative, a Swiss entity.



Key Audit Matters

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

Revenue recognition generated from construction contracts

Refer to Note 2.5 to the consolidated financial statements for summary of significant accounting policies and significant accounting assessments, estimates and assumptions for revenue recognition generated from construction contracts.

Key Audit Matter	How the matter was addressed in our audit
Revenue from construction contracts constitutes 54% of the Group's total revenue. The subsidiaries of the Group operate in the construction sector have revenues that is obtained amounting to USD 1,538,447 thousand against costs of USD 1,132,750 thousand as at 31 December 2021. The recognition of the amount and timing of the revenue generated from construction contracts in the period in which they are incurred calculated and accounted for by using the input method under IFRS 15 Revenue from Contracts with Customer. By using the input method revenue is recognized by comparing the costs incurred by the Group for the fulfillment of performance obligations in a construction project to the expected total costs for the fulfillment of the performance obligation in the consolidated financial statements. The measurement of contract revenue and estimation of the contract costs are based on a variety of uncertainties that depend on the outcome of future events and demand of revision to the projects which requires significant management's estimates and judgements. Revenue recognition from construction contracts was determined as key audit matter, due to the significant management estimates and the level of judgement applied by management.	Our audit procedures for testing revenue recognition included below: - We evaluated and tested the operating effectiveness of controls over the relevant processes regarding the accuracy and timing of revenue recognized in the financial statements. - We assessed the terms and conditions of the significant contracts in order to evaluate the management's estimate whether revenue is recognized within the appropriate financial period. - We evaluated the variation orders are included in the contract revenues in accordance with the relevant accounting policies and the effects of these variations on project costs. - The costs incurred by the Group in ongoing construction projects have been tested by using sampling method. - The mathematical accuracy of the contract revenue calculated by the stage of completion method associated with the construction contract have been tested by using recalculation method. - We assessed the management's ability to deliver contracts within budgeted margins by analysing the historical accuracy of forecasting margins and the relationship of cost versus billing status on contracts. - We assessed the adequacy of the disclosures of revenue in the notes to consolidated financial statements.



Fair value measurement of investment property

Refer to Note 2.5 to the consolidated financial statements for summary of significant accounting policies and significant accounting assessments, estimates and assumptions for fair value measurement of investment properties.

Key Audit Matter	How the matter was addressed in our audit
As of 31 December 2021, the investment properties represent 22% of the Group's total assets. The Group recognizes the investment properties at fair value. The Group uses independent valuation firms to determine the fair values of investment properties. Valuation of investment property is determined as key audit matter, due to significant management estimates and judgement used in valuation methods to determine fair value of investment properties.	Our audit procedures for testing fair value measurement of investment property included below: - We evaluated the capabilities and competence of the external valuers appointed by the Group for valuation of investment property. - We involved valuation specialist to assist in examining the appropriateness of the key assumptions such as long term growth rates used in the calculations, discount rates used to determine present value of future cash flows. - We examined the appropriateness of key inputs used in valuation reports such as rental income, duration, management fee, yields and occupancy rate. - We assessed the adequacy of the disclosures of investment properties in the notes to consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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.



Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ 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 auditors’ report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 auditors’ 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.

KPMG Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Gökhan Atılgan, SMMM
Partner

2 March 2022
Istanbul, Turkey

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ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS AT 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

ASSETS	Notes	31 December 2021	31 December 2020
Current Assets		5,106,690	3,629,554
Cash and cash equivalents	6	2,061,707	1,350,709
Financial investments	7	2,207,993	1,476,006
Trade receivables	9	275,795	333,112
Other receivables			
Other receivables from related parties	10,32	2	-
Other receivables from third parties	10	13,512	2,837
Costs and estimated earnings in excess of billings on uncompleted contracts	12	22,371	15,621
Prepaid expenses	16	185,854	111,843
Inventories	11	255,739	267,728
Other current assets	20	63,417	48,389
		5,086,390	3,606,245
Assets held for sale	29	20,300	23,309
Non-Current Assets		3,995,644	4,824,069
Financial investments	7	995,731	1,579,176
Trade receivables	9	8,759	17,175
Investment properties	13	2,030,204	1,912,105
Property, plant and equipment	14	887,418	1,233,030
Intangible assets			
Other intangible assets	15	58,682	62,400
Prepaid expenses	16	1,533	11,431
Deferred tax assets	30	13,239	8,503
Other non-current assets	20	78	249
TOTAL ASSETS		9,102,334	8,453,623

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET)
AS AT 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

LIABILITIES	Notes	31 December 2021	31 December 2020
Current Liabilities		1,755,791	1,075,033
Short-term borrowings	8	48,311	55,011
Current portion of long-term borrowings	8	12,041	19,488
Trade payables	9	348,309	167,739
Payables to employees	19	21,143	24,051
Other payables			
Payables to related parties	10,32	8	18
Payables to third parties	10	14,934	19,969
Billings in excess of costs and estimated earnings on uncompleted contracts	12	547,396	313,553
Deferred income	16	602,671	358,331
Taxation on income	30	27,368	19,478
Provisions			
Provisions for employee benefits	19	9,167	9,135
Other provisions	17	53,839	49,570
Other current liabilities	20	70,604	38,690
Non-Current Liabilities		604,959	608,461
Long-term borrowings	8	104,628	114,302
Other payables	10	24,520	19,151
Deferred income	16	3,128	1,381
Provisions for employee benefits	19	9,172	13,356
Deferred tax liabilities	30	463,511	460,271
EQUITY		6,741,584	6,770,129
Equity Attributable to Equity Holders of the Parent		6,674,694	6,693,541
Share capital	21	2,727,682	2,727,682
Treasury shares	21	(129,468)	(129,468)
Revaluation surplus	21	110,445	111,729
Currency translation difference		(1,429,824)	(1,350,943)
Other reserves		(700)	(1,009)
Legal reserves and accumulated profit		5,396,559	5,335,550
Non-Controlling Interests		66,890	76,588
TOTAL LIABILITIES AND EQUITY		9,102,334	8,453,623

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

	Notes	1 January - 31 December 2021	1 January - 31 December 2020
CONTINUING OPERATIONS			
Revenue	5,22	2,859,411	1,658,761
Cost of revenues (-)	5,22	(2,089,102)	(1,244,866)
GROSS PROFIT		770,309	413,895
Administrative expenses (-)	5,23	(83,242)	(82,348)
Marketing, selling and distribution expenses (-)	5,23	(28,149)	(22,240)
Other operating income	5,25	50,314	42,299
Other operating expenses (-)	5,25	(105,986)	(54,754)
PROFIT FROM OPERATIONS		603,246	296,852
Income from investing activities	5,26	327,514	538,109
Expenses from investing activities (-)	5,26	(187,338)	(97,390)
OPERATING PROFIT			
BEFORE FINANCE EXPENSES		743,422	737,571
Financial income	5,27	94,392	45,713
Financial expenses (-)	5,28	(35,347)	(26,524)
PROFIT BEFORE TAX			
FROM CONTINUING OPERATIONS		802,467	756,760
Current tax expense (-)	5,30	(121,789)	(107,653)
Deferred tax expense (-)	5,30	(79,239)	(3,972)
PROFIT FOR THE YEAR FROM			
CONTINUING OPERATIONS		601,439	645,135
NET PROFIT FOR THE YEAR		601,439	645,135
Attributable to:			
Non-controlling interests		(8,128)	1,870
Equity holders of the parent		609,567	643,265
		601,439	645,135
Earning per share from continuing operations			
- ordinary share certificate (full USD)	31	0.11	0.12
Weighted average number of shares			
(Weighted average number of shares of 1 Full TL each)		5,461,886,335	5,461,886,335

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

	Notes	1 January - 31 December 2021	1 January - 31 December 2020
NET PROFIT FOR THE YEAR		601,439	645,135
Other Comprehensive Income:			
<i>Items that will not be reclassified subsequently to profit or loss</i>		<i>(1,417)</i>	<i>(4,938)</i>
Gains / (losses) on revaluation of property, plant and equipment	21	5,214	(534)
Remeasurement of defined benefit plans	19	(480)	(979)
Changes in currency translation difference	21	(5,224)	(3,762)
Income tax relating items that will not be reclassified subsequently to profit or loss	30	(927)	337
Income tax relating to gains / (losses)			
on revaluation of property, plant and equipment	21,30	(1,023)	141
Income tax relating to remeasurement of defined benefit plans	30	96	196
<i>Items that may be reclassified subsequently to profit or loss</i>		<i>(384,136)</i>	<i>(319,901)</i>
Changes in currency translation difference		(384,445)	(319,996)
Gains (Losses) on financial assets measured at fair value through other comprehensive income		309	95
OTHER COMPREHENSIVE INCOME / (LOSS)		(385,553)	(324,839)
TOTAL COMPREHENSIVE INCOME		215,886	320,296
Attributable to:			
Non-controlling interests		(9,140)	7,502
Equity holders of the parent		225,026	312,794
		215,886	320,296

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

	Notes	Share capital	Treasury shares	Revaluation surplus	Currency translation difference	Other reserves	Legal reserves and accumulated profit	Total	Non-controlling interests	Total equity
Balance at 1 January 2020		2,639,338	(80,004)	116,276	(1,203,018)	(1,104)	5,096,031	6,567,519	69,567	6,637,086
Total other comprehensive income		-	-	(4,596)	(147,925)	95	(178,045)	(330,471)	5,632	(324,839)
Profit for the year		-	-	-	-	-	643,265	643,265	1,870	645,135
Total comprehensive income		-	-	(4,596)	(147,925)	95	465,220	312,794	7,502	320,296
Purchase of treasury shares	21	-	(49,464)	-	-	-	-	(49,464)	-	(49,464)
Transfer of depreciation difference (net of deferred tax) of revaluation effect		-	-	49	-	-	(49)	-	-	-
Share capital increase	21	88,344	-	-	-	-	(88,344)	-	-	-
Dividends paid		-	-	-	-	-	(137,308)	(137,308)	(481)	(137,789)
Balance at 31 December 2020		2,727,682	(129,468)	111,729	(1,350,943)	(1,009)	5,335,550	6,693,541	76,588	6,770,129
Balance at 1 January 2021		2,727,682	(129,468)	111,729	(1,350,943)	(1,009)	5,335,550	6,693,541	76,588	6,770,129
Total other comprehensive income		-	-	(1,327)	(78,881)	309	(304,642)	(384,541)	(1,012)	(385,553)
Profit for the year		-	-	-	-	-	609,567	609,567	(8,128)	601,439
Total comprehensive income		-	-	(1,327)	(78,881)	309	304,925	225,026	(9,140)	215,886
Transfer of depreciation difference (net of deferred tax) of revaluation effect		-	-	43	-	-	(43)	-	-	-
Dividends paid		-	-	-	-	-	(243,873)	(243,873)	(558)	(244,431)
Balance at 31 December 2021		2,727,682	(129,468)	110,445	(1,429,824)	(700)	5,396,559	6,674,694	66,890	6,741,584

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated.)

	Notes	1 January - 31 December 2021	1 January - 31 December 2020
Cash flows from operating activities			
Profit for the year		601,439	645,135
Adjustments to reconcile net income to net cash used in operating activities:			
- Adjustments related to depreciation and amortisation	24	82,628	89,558
- Adjustments related to provision for employment		2,020	1,337
- Adjustments related to allowance for doubtful receivables		440	625
- Adjustments related to provision for litigations		7,399	4,758
- Adjustments to related to deferred income from electricity sale		-	-
- Income / (loss) from fair value of forward transactions		(275)	1,417
- Adjustments to related to interest expense	28	2,395	4,245
- Adjustments to related to interest income	26,27	(91,813)	(110,487)
- Adjustments to related to dividend income	26	(22,375)	(25,051)
- Adjustments to related to provision for inventory impairment, net		(2,357)	(932)
- Adjustments to related to gain on sale or disposal of property, plant and equipment, net	26	(9,723)	(4,730)
- Adjustments to related to fair value increase in investment properties	26	(83,043)	10,168
- Adjustments to related to valuation of investment securities		72,770	(244,896)
- Interest accrual		16	55
- Tax expense	30	201,028	111,625
		<u>760,549</u>	<u>482,827</u>
Movements in working capital			
Change in trade and other receivables		66,129	(76,998)
Change cost and estimated earnings in excess of billings on uncompleted contracts		(6,750)	53,572
Change in inventory		14,346	5,316
Change in other current assets and other non current assets		(86,635)	(46,523)
Change in trade and other payables		180,570	(8,632)
Change in billings in excess of cost and estimated earnings on uncompleted contracts		233,842	114,208
Change provision for liabilities and other liabilities		<u>272,901</u>	<u>(24,092)</u>
		674,403	16,851
Income taxes paid	30	(113,899)	(118,481)
Employee termination benefits paid	19	(3,017)	(983)
Net cash generated from operating activities		1,318,036	380,214
Cash flows from investing activities			
Cash receipts from sales of equity or debt instruments of other entities		(221,311)	132,344
Proceeds on sale of property, plant and equipment		50,455	13,290
Purchases of property, plant and equipment, intangible assets and investment properties	5,13,14,15	(153,245)	(110,476)
Interest received		81,410	107,153
Dividend received	26	22,375	25,051
Net cash used in investing activities		(220,316)	167,362
Cash flows from financing activities			
Addition to borrowings	8	46,544	38,702
Repayments of borrowings	8	(73,979)	(54,247)
Purchase of treasury shares		-	(49,464)
Interest paid		(2,347)	(4,452)
Interest received		10,387	3,279
Dividend paid to non-controlling interests		(558)	(481)
Dividend paid		(243,873)	(137,308)
Net cash from (used in) financing activities		(263,826)	(203,971)
Translation reserve		(122,896)	(9,944)
Net increase / (decrease) in cash and cash equivalents		710,998	333,661
Cash and cash equivalents at beginning of the year	6	1,349,709	1,016,048
Cash and cash equivalents at end of the year	6	2,060,707	1,349,709

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

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP

Enka İnşaat ve Sanayi Anonim Şirketi (“Enka İnşaat”) was established on 4 December 1967 and registered in İstanbul, Turkey, under the Turkish Commercial Code. The address of the head quarter and registered office of Enka İnşaat is Balmumcu, Zincirlikuyu Yolu No: 10, 34349 Enka Binası Beşiktaş, İstanbul, Turkey.

As of 28 June 2002, Enka İnşaat merged legally with its publicly traded shareholder company, Enka Holding Yatırım Anonim Şirketi (Enka Holding), which were under the common control of Tara Holding Anonim Şirketi and Tara and Gülçelik families. As of 31 December 2021, 8.78% of the shares of Enka İnşaat is traded publicly in İstanbul Stock Exchange (ISE).

As of 31 December 2021, the average numbers of white and blue-collar personnel are respectively 4,838 and 14,624 (31 December 2020 – 4,810 and 15,243).

For the purpose of the consolidated financial statements, Enka İnşaat, its consolidated subsidiaries and its joint operations are hereinafter referred to as “the Group”.

The Group operates in geographical areas below:

- i. Turkey:* engaged in diverse types of construction activities including construction of industrial and social buildings, motorways and construction and operation of natural gas fired electrical energy generation facilities. Additionally the Group is operating in trading activities.
- ii. Russian Federation, Georgia, Turkmenistan and Kazakhstan:* engaged in construction activities and also in investment and development of real estate properties and shopping malls in Moscow, Russia.
- iii.* Engaged in construction activities in Gabon, Kenya, Djibouti, Mauritania in Africa; Saudi Arabia, Sri Lanka, India, Oman, Iraq, Afganistan in Asia, Mexico in North America, Paraguay in South America and Bahamas in Carribean.
- iv. Europe:* engaged in construction and trading activities in Romania, the Netherlands, Switzerland, Germany, Greece, Serbia, Kosovo and United Kingdom.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP (cont’d)

As of 31 December 2021, Enka İnşaat has the following subsidiaries whose business and country of incorporation are provided below:

Name of Subsidiary	Nature of business activities	Country of incorporation	Year of establishment
Enka Pazarlama İhracat İthalat Anonim Şirketi (Enka Pazarlama)	Engaged in marketing and after-sales service of construction machineries, trucks, industrial products and spare parts.	Turkey	1972
Çimtaş Çelik İmalat Montaj ve Tesisat Anonim Şirketi (Çimtaş)	Engaged in manufacturing of structural steel works, installation and establishing of the technical equipment.	Turkey	1973
Titaş Toprak İnşaat ve Taahhüt Anonim Şirketi (Titaş)	Engaged in all kinds of exacavation activities, excavation backfilling works and quarrying-crushing operation of highway projects.	Turkey	1974
Kasktaş Kayar Kalıp Altyapı Sondaj Kazık ve Tecrit Anonim Şirketi (Kasktaş)	Engaged in pile dwelling work, any kind of base and superstructure construction, slip form and construction of drilling and ground surveys.	Turkey	1975
Entaş Nakliyat ve Turizm Anonim Şirketi (Entaş)	The firm operates in organization of domestic and international conventions and seminars and also engaged in tour reservations and ticket sales.	Turkey	1976
Enet Proje Araştırma ve Müşavirlik A.Ş. (Enet)	Performs architectural design services.	Turkey	1980
Enka Teknik Genel Müteahhitlik Bakım İşletme Sevk ve İdare Anonim Şirketi (Enka Teknik)	Operates in the business of material handling and storage systems, auxilary facilities, water treatment and environmental engineering, infrastructure and construction, control systems and instrumentation engineering.	Turkey	1981
Entrade GmbH (Entrade)	Manages foreign investments of the Company.	Germany	1984
Limited Liability Company Enmar (Enmar)	Engaged in ready-mixed concrete production and various construction works.	Russia	1994
Airenka Hava Taşımacılığı A.Ş.(Air Enka)	Engaged in all kinds of air transportation.	Turkey	2001
Enka Holding B.V.	Manages foreign investments of the Company.	Netherlands	2001
Enka Müteahhitlik Hizmetleri A.Ş. (Enka Müteahhitlik)	Engaged in construction activities.	Turkey	2002
Adapazarı Elektrik Üretim Limited Şirketi (Adapazarı Elektrik) (*)	Performs production and selling of electricity.	Turkey	2004
İzmir Elektrik Üretim Limited Şirketi (İzmir Elektrik) (*)	Performs production and selling of electricity.	Turkey	2004
Enka Santral İşletme ve Bakım Hizmetleri Anonim Şirketi	Performs repair and maintainence of the power plants.	Turkey	2004
Gebze Elektrik Üretim Limited Şirketi (Gebze Elektrik) (*)	Performs production and selling of electricity.	Turkey	2004
Enka Limited Liability Company (Enka LLC)	Manages the Company’s construction, engineering and design jobs.	Ukraine	2006
Enka Enerji Ticaret A.Ş.	Will perform sale of electricity.	Turkey	2006
Enka & Co LLC	Engaged in construction activities.	Oman	2010
Enka Renewables LLC	Engaged in energy investments.	Georgia	2016
OMKH	Engaged in rental activities.	Russia	2017

(*) İzmir Elektrik, Adapazarı Elektrik and Gebze Elektrik here and after are also referred to as “the Power Companies”.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

1. ORGANIZATIONS AND OPERATIONS OF THE GROUP (cont’d)

The construction contracts are undertaken by Enka İnşaat alone or together with its affiliated companies or, in partnerships with other contractors through joint operations. As of 31 December 2021, Enka İnşaat has the following joint operations:

- Bechtel-Enka Joint Venture (Kazakhstan) – Senimdy Kurylys
- Bechtel-Enka Joint Venture (Romania)
- Bechtel-Enka Joint Venture (Kosovo)
- Bechtel-Enka Joint Venture (Albania)
- Bechtel-Enka Joint Venture (Oman)
- Bechtel-Enka Joint Venture (Georgia)
- Bechtel-Enka Joint Venture (Serbia)
- Enka-Ustay Joint Venture (Turkey)
- Enka-Batys LLP Joint Venture (Kazakhstan)
- Bechtel Enka UK 2 Ltd (United Kingdom)
- Arge Joint Venture (Germany)
- Other (Europe, Africa, America, Asia)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of presentation

Basis for preparation of the financial statements and significant accounting policies

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and the Uniform Chart of Accounts published by the Ministry of Treasury and Finance. The consolidated financial statements are presented in U.S. Dollars (“USD”) and all values are rounded to the nearest thousand (‘000) except when otherwise indicated.

Enka İnşaat and its subsidiaries which are incorporated in Turkey, maintain their books of accounts in accordance with the Turkish Commercial Code and Tax Law and the foreign subsidiaries maintain their books of accounts in accordance with the laws and regulations in force in the countries where they are registered. The Company prepares its statutory consolidated financial statements in Turkish Lira (“TL”) in accordance with Turkish Financial Reporting Standards (“TFRS”) issued by Public Oversight Accounting and Auditing Standards Authority of Turkey (“POA”) according to the Article 5 of the Communiqué as set out in the Communiqué serial II, No: 14.1 announcement of Capital Markets Board (“CMB”) dated 13 June 2013 related to “Capital Market Communiqué on Principles Regarding Financial Reporting”. The consolidated financial statements are based on the statutory records with adjustments and reclassifications for the purpose of fair presentation in accordance with IFRS.

There are no differences between the consolidated financial statements prepared in accordance with TFRS and consolidated IFRS financial statements except for the use of TL as the presentation currency in accordance with IAS 21 “the effects of changes in foreign exchange rates”.

The consolidated financial statements have been prepared on the historical cost convention, except for financial assets at fair value through profit or loss, investment properties, land and buildings which are measured at fair values.

Approval of the financial statements:

The consolidated financial statements are approved by the Company’s Board of Directors on 02 March 2022. The General Assembly of the Company has the right to amend and relevant regulatory bodies have the right to request the amendment of these consolidated financial statements.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of presentation (cont’d)

Functional and presentation currency

As significant amount of construction operations of Enka İnşaat which form main part of the operations of the Group are carried out in U.S. Dollar or indexed to U.S. Dollar, this currency has been determined as the functional and the presentation currency of the Group in line with IAS 21. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies (i.e. any currency other than the functional currency) are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated statement of profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of the Power companies’ operating in Turkey, was changed from U.S. Dollar to TL due to the changes in operations or activity in the economic environment as of 31 December 2019.

The functional currencies of foreign subsidiaries operating in Russia (Moscow Krasnye Holmy (MKH), Limited Liability Company Mosenka (Mosenka) and Limited Liability Company Enka TC (Enka TC) are Ruble. The functional currency of jointly managed subsidiaries established in Romania, Kosovo and Albania and Enka Pazarlama are the Euro. The functional currency of some subsidiaries incorporated in Turkey is TL. These companies reporting to Enka İnşaat in the currency of their respective currencies.

The assets and liabilities of the subsidiaries, joint operations and branches whose functional currency is other than U.S. Dollars are translated into U.S. Dollars at the rate of exchange ruling at the balance sheet date and their consolidated statement of profit or loss are translated at the average exchange rates for each quarter. The exchange differences arising on the translation are taken directly to a separate component of equity as currency translation difference.

Within Turkey, official exchange rates of the Turkish Lira (TL) are determined by the Central Bank of Turkey (CBT) and are generally considered to be a reasonable approximation of market rates.

Inflation accounting

With the decision taken on 17 March 2005, the CMB announced that, effective from 1 January 2005, the application of inflation accounting is no longer required for companies operating in Turkey and preparing their consolidated financial statements in accordance with the financial reporting standards accepted by the CMB (“CMB Financial Reporting Standards”). Accordingly, Turkish Accounting Standards 29, “Financial Reporting in Hyperinflationary Economies”, issued by the POA, has not been applied in the consolidated financial statements for the accounting year commencing 1 January 2005. Accordingly, the non-monetary assets and liabilities and equity items included in the balance sheet of the Company for the year ended 31 December 2020 and 2019 have been calculated by indexing the entries until 31 December 2004 until 31 December 2004 and the entries after these dates are carried at nominal values.

ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousand unless otherwise indicated.)

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of presentation (cont’d)

Comparative information and reclassification of prior year consolidated financial statements

The Group prepares comparative consolidated financial statements, to enable readers to determine financial position and performance trends. For the purposes of effective comparison, comparative consolidated financial statements can be reclassified when deemed necessary by the Group, where descriptions on significant differences are disclosed. In the current year, there is no such reclassification.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company, its joint operations and its subsidiaries as at 31 December each year. The financial statements of the joint operations and the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group’s voting rights in an investee are sufficient to give it power, including:

- the size of the Group’s holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders’ meetings.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. All significant intra-group transactions and balances between Enka İnşaat and its consolidated subsidiaries and joint operations are eliminated.

Subsidiaries are all entities over which the Group has power to govern the financial and operating policies so as to benefit from its activities. Subsidiaries in which the Group owns directly or indirectly more than 50% of the voting rights, or has power to govern the financial and operating policies under a statute or agreement are consolidated. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Non-controlling interests represent the portion of consolidated statement of profit or loss and net assets not held by the Group and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated balance sheet, separately from parent shareholders’ equity.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of presentation (cont’d)

Basis of consolidation (cont’d)

The subsidiaries included in consolidation and their shareholding percentages at 31 December 2021 and 2020 are as follows:

Company name	Segment	Functional Currency	Direct / Indirect ownership	
			31 December 2021	31 December 2020
İzmir Elektrik	Energy	TL	100.00%	100.00%
Adapazarı Elektrik	Energy	TL	100.00%	100.00%
Gebze Elektrik	Energy	TL	100.00%	100.00%
Enka TC LLC	Trade	RUB	100.00%	100.00%
Mosenka	Rental	RUB	100.00%	100.00%
MKH	Rental	RUB	100.00%	100.00%
OMKH	Rental	RUB	100.00%	100.00%
Enka Santral Hizmetleri A.Ş.	Energy	TL	100.00%	100.00%
Enka Enerji Ticaret A.Ş.	Energy	TL	100.00%	100.00%
Enka Holding B.V.	Construction	EUR	100.00%	100.00%
Enka Holding Investment S.A.	Construction	USD	100.00%	100.00%
Enka Power Systems B.V.	Construction	USD	100.00%	100.00%
Enka Construction & Development B.V.	Construction	EUR	100.00%	100.00%
Far East Development B.V.	Construction	USD	100.00%	100.00%
Enka Geothermal B.V.	Construction	EUR	100.00%	100.00%
Enmar	Construction	USD	100.00%	100.00%
Entrade	Construction	EUR	100.00%	100.00%
Capital City Investment B.V.	Construction	USD	100.00%	100.00%
City Center Investment B.V.	Rental	USD	100.00%	100.00%
Enka LLC	Construction	USD	100.00%	100.00%
Retmos Investment Ltd.	Construction	USD	100.00%	100.00%
Emos LLC	Trade	RUB	100.00%	100.00%
Enmar Construction B.V.	Trade	EUR	100.00%	100.00%
Cmos B.V.	Trade	EUR	100.00%	100.00%
OOO Victoria	Construction	USD	100.00%	100.00%
Enka & Co LLC	Construction	USD	100.00%	100.00%
Enka Müteahhitlik	Construction	TL	100.00%	100.00%
Edco Investment B.V.	Rental	USD	100.00%	100.00%
Enru Development B.V.	Rental	EUR	100.00%	100.00%
Enkamos Region B.V.	Construction	EUR	100.00%	100.00%
Airenka	Trade	USD	100.00%	100.00%
Poyraz Shipping B.V.	Construction	USD	100.00%	100.00%
Bogazici Shipping B.V.	Construction	USD	100.00%	100.00%
Doga Shipping B.V.	Construction	USD	100.00%	100.00%
Imbat Shipping B.V.	Construction	USD	100.00%	100.00%
TNY Shipping B.V.	Construction	USD	100.00%	100.00%
Alacante Shipping B.V.	Construction	USD	100.00%	100.00%
BRK Overseas Shipping B.V.	Construction	USD	100.00%	100.00%
MML Merchant Shipping B.V.	Construction	USD	100.00%	100.00%
Esta Construction B.V.	Construction	USD	100.00%	100.00%
Enka UK Construction Ltd.	Construction	USD	100.00%	100.00%

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.1 Basis of presentation (cont’d)

Basis of consolidation (cont’d)

Company name (continuing)	Segment	Functional Currency	Direct / Indirect ownership	
			31 December 2021	31 December 2020
Enet	Construction	TL	100.00%	100.00%
Üstyurt Kurylys	Construction	USD	100.00%	100.00%
Enka Systems Yazılım A.Ş.	Trade	USD	100.00%	100.00%
LLC Enka Flex Office	Rental	RUB	100.00%	-
Enka Moskova Gayrimenkul Geliştirme A.Ş.	Rental	TL	100.00%	-
Enka Pazarlama	Trade	EUR	99.99%	99.99%
Enka Trading B.V.	Trade	EUR	99.99%	99.99%
Metra Akdeniz Dış Ticaret A.Ş.	Trade	EUR	99.99%	99.99%
Encommerce B.V.	Trade	EUR	99.99%	99.99%
Entaş	Trade	TL	99.98%	99.98%
Kasktaş	Construction	USD	99.90%	99.90%
Kasktaş Arabia Ltd.	Construction	USD	99.90%	99.90%
Titaş	Construction	USD	99.50%	99.50%
Çimtaş Gemi İnşa Sanayi ve Ticaret A.Ş.	Construction	USD	97.88%	97.88%
Çimtaş Hassas İşleme Sanayi ve Ltd.Şti	Construction	USD	97.35%	97.35%
Çimtaş Çelik	Construction	USD	97.35%	97.35%
Cimtas Mechanical Contracting B.V.	Construction	USD	97.35%	97.35%
Cimtas (Ningbo) Steel Processing Company Ltd.	Construction	USD	97.35%	97.35%
Cimtas Investment B.V.	Construction	EUR	97.35%	97.35%
Cimtas Steel Metal Konstruksiya MMC	Construction	AZN	97.35%	-
Gemlik Deniz Taşımacılık Ltd.Şti.	Construction	USD	97.35%	97.35%
Enka Renewables LLC	Energy	USD	90.00%	90.00%
Enka Teknik	Construction	USD	80.00%	80.00%
Çimtaş Boru İmalatları ve Ticaret Ltd. Şti.	Construction	EUR	50.00%	50.00%

The Group has interests in joint operations which are jointly controlled entities. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Group recognizes its interest in the joint operations using proportionate consolidation. The breakdown of the controlling interests of the joint operations as of 31 December 2021 and 2020 is as follows:

	Functional Currency	31 December 2021	31 December 2020
Enka-Ustay Joint Venture (Turkey)	USD	60.00%	60.00%
Enka-Batys LLP Joint Venture (Kazakhstan)	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Kazakhstan) – Senimdy Kurylys	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Romania)	EUR	50.00%	50.00%
Bechtel-Enka Joint Venture (Albania)	EUR	50.00%	50.00%
Bechtel-Enka Joint Venture (Kosovo)	EUR	50.00%	50.00%
Bechtel-Enka Joint Venture (Oman)	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Georgia)	USD	50.00%	50.00%
Bechtel-Enka Joint Venture (Serbia)	USD	50.00%	50.00%
Bechtel Enka UK 2 Ltd (United Kingdom)	GBP	50.00%	-
Arge Joint Venture (Germany)	EUR	50.00%	-
Other Joint Ventures (Europe, Africa, America, Asia)	USD	50.00%	50.00%

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.2 Changes in the accounting policies

With the exception of following the accounting policies applied in the consolidated financial statements as at and 31 December 2021 are the same as those applied in the last annual financial statements as at and for the year ended 31 December 2020.

2.3 Changes in Accounting Estimates and Errors

Changes in accounting policies or accounting errors are applied retrospectively and the consolidated financial statements of the previous periods are restated. If estimated changes in accounting policies are for only one period, changes are applied on the current year but if the estimated changes effect the following periods, changes are applied both on the current and following years prospectively. There is no material change in accounting estimates of the Group in the current year.

When a significant accounting error is identified, it is corrected retrospectively and the prior year consolidated financial statements are restated. The Group did not detect any significant accounting error in the current year.

2.4 Summary of significant accounting policies

Standards and interpretations issued but not yet effective

Standards issued but not yet effective and not early adopted

A number of new standards and amendments to existing standards are not effective at reporting date and earlier application is permitted; howeverthe Group has not early adopted are as follows.

COVID-19-Related Rent Concessions beyond 30 June 2021 (the 2021 amendment)

IASB has extended the practical expedient by 12 months – permitting lessees to apply it to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022. The original amendment was issued in May 2020 to make it easier for lessees to account for covid-19-related rent concessions, such as rent holidays and temporary rent reductions, while continuing to provide useful information about their leases to investors.

The amendment is effective for annual reporting periods beginning on or after 1 April 2021. Lessees are permitted to apply it early, including in financial statements not authorised for issue as of 31 March 2021 the date of publication of this amendment,. In other words, if the financial statements for the accounting periods before the date of publication of the amendment have not yet been issued, it is possible to apply this amendment for the relevant financial statements. The 2021 amendments are applied retrospectively with the cumulative effect of initially applying it being recognised in opening retained earnings.

The original version of the practical expedient was, and remains, optional. However, the 2021 amendments are, in effect, not optional. This is because a lessee that chose to apply the practical expedient introduced by the 2020 amendments has to consistently apply the extension to eligible contracts with similar characteristics and in similar circumstances.

This means that lessees will need to reverse previous lease modification accounting if a rent concession was ineligible for the original practical expedient under the 2020 amendments but becomes eligible as a result of the extension.

Reference to the Conceptual Framework (Amendments to IFRS 3)

In May 2020, IASB issued Reference to the Conceptual Framework, which made amendments to IFRS 3 Business Combinations.

The amendments updated IFRS 3 by replacing a reference to an old version of the Board’s Conceptual Framework for Financial Reporting with a reference to the latest version, which was issued in March 2018.

The Group shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Standards and interpretations issued but not yet effective (cont’d)

Standards issued but not yet effective and not early adopted (cont’d)

Property, Plant and Equipment—Proceeds before Intended Use (Amendments to IAS 16)

In May 2020, IASB issued Property, Plant and Equipment—Proceeds before Intended Use, which made amendments to IAS 16 Property, Plant and Equipment. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

The amendments improve transparency and consistency by clarifying the accounting requirements—specifically, the amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.

The Group shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. The amendments apply retrospectively, but only to items of Property, Plant and Equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the amendments.

Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)

In May 2020, IASB issued Onerous Contracts—Cost of Fulfilling a Contract, which made amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous.

IASB developed amendments to IAS 37 to clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.

The Group shall apply these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. At the date of initial application, the cumulative effect of applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

On 23 January 2020, IASB issued *Classification of Liabilities as Current or Non-Current* which amends IAS 1 *Presentation of Financial Statements* to clarify its requirements for the presentation of liabilities in the statement of financial position.

The amendments clarify one of the criteria in IAS 1 for classifying a liability as non-current—that is, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

The amendments include:

- (a) Specifying that an entity’s right to defer settlement must exist at the end of the reporting period;
- (b) Clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement;
- (c) Clarifying how lending conditions affect classification; and
- (d) Clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The Group shall apply retrospectively these amendments for annual periods beginning on or after 1 January 2022 with earlier application permitted. However, according to the amendment published on 15 July 2020, IASB decided to defer the effective date of IAS 1 until 1 January 2023. The Group does not expect that application of these amendments to IAS 1 will have significant impact on its consolidated financial statements.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Standards and interpretations issued but not yet effective (cont’d)

Standards issued but not yet effective and not early adopted (cont’d)

Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

IASB has issued amendments to IAS 1 *Presentation of Financial Statements* and an update to IFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures on 12 February 2021.

The key amendments to IAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company’s financial statements.

IASB also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures.

The amendments are consistent with the refined definition of material previously:

“Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements”.

The amendments are effective from 1 January 2023 but companies can apply it earlier.

The Group does not expect that application of these amendments to Amendments to IAS 1 and IFRS Practice Statement 2) will have significant impact on its consolidated financial statements.

Definition of Accounting Estimates (Amendments to IAS 8)

The amendments introduce a new definition for accounting estimates: clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty which is issued by IASB on 12 February 2021.

The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that a company develops an accounting estimate to achieve the objective set out by an accounting policy.

Developing an accounting estimate includes both:

- selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and
- choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the company applies the amendments.

The Group does not expect that application of these amendments to Amendments to IAS 1 and IFRS Practice Statement 2) will have significant impact on its consolidated financial statements.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Standards and interpretations issued but not yet effective (cont’d)

Standards issued but not yet effective and not early adopted (cont’d)

Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes

In May 2021 IASB issued *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, which amended IAS 12 Income Taxes.

The amendments to IAS 12 Income Taxes clarify how companies should account for deferred tax on certain transactions – e.g. leases and decommissioning provisions.

The amendments narrow the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.

The amendments clarify that the exemption does not apply to transactions such as leases and decommissioning obligations. These transactions give rise to equal and offsetting temporary differences.

For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. If a company previously accounted for deferred tax on leases and decommissioning liabilities under the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted.

The Group does not expect that application of these amendments to Amendments to IAS 12 will have significant impact on its consolidated financial statements.

Annual Improvements to IFRS Standards 2018–2020

Improvements to IFRSs

IASB issued Annual Improvements to IFRSs - 2018–2020 Cycle for applicable standards in May 2020. The amendments are effective as of 1 January 2022. Earlier application is permitted. The Group does not expect that application of these improvements to IFRSs will have significant impact on its consolidated financial statements.

IFRS 1 First-time Adoption of International Financial Reporting Standards

This amendment simplifies the application of IFRS 1 for a subsidiary that becomes a first-time adopter of IFRS Standards later than its parent – i.e. if a subsidiary adopts IFRS Standards later than its parent and applies IFRS 1.D16(a), then a subsidiary may elect to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent, based on the parent’s date of transition to IFRS Standards. This amendment will ease transition to IFRS Standards for subsidiaries applying this optional exemption by i) reducing undue costs; and ii) avoiding the need to maintain parallel sets of accounting records.

IFRS 9 Financial Instruments

This amendment clarifies that – for the purpose of performing the ‘10 per cent test’ for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf.

IFRS 16 Leases, Illustrative Example 13

The amendment removes the illustration of payments from the lessor relating to leasehold improvements. As currently drafted, this example is not clear as to why such payments are not a lease incentive. It will help to remove the potential for confusion in identifying lease incentives in a common real estate fact pattern.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Standards and interpretations issued but not yet effective (cont’d)

Standards issued but not yet effective and not early adopted (cont’d)

Annual Improvements to IFRS Standards 2018–2020 (cont’d)

Improvements to IFRSs (cont’d)

IAS 41 Agriculture

This amendment removes the requirement to exclude cash flows for taxation when measuring fair value, thereby aligning the fair value measurement requirements in IAS 41 with those in IFRS 13 Fair Value Measurement. The amendments provide the flexibility to use either, as appropriate, in line with IFRS 13.

Amendments are effective on 1 January 2021

1-) Interest Rate Benchmark Reform – Phase 2 – Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases

Revenue

In accordance with IFRS 15, a five-stage approach is followed in recognizing revenue for all contracts with customers.

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when or as the entity satisfies a performance obligation

The Group evaluates the goods or services it undertakes in each contract with the customers and determines each commitment to transfer the said goods or services as a separate performance obligation. It is determined in the beginning of the contract whether the performance obligation will be carried out over a period of time or it will be performed at a certain time for each performance obligation. Group recognizes the revenue over a period of time by measuring the progress attributed to complete fulfillment of performance obligation in question on the occasion that the Group transfers the control of a good or a service and therefore it fulfills the performance obligation related to these sales over time.

When Group fulfills the obligation to perform the obligation by transferring a promised good or service to the customer, it records the transaction value corresponding to the obligation as revenue in the consolidated financial statements. When the control of the goods or services is overtaken by the customers (or as they pass) the goods or services are transferred.

When Group evaluates the transfer of the customer for the control of the goods or services sold,

- a) Group owns the right to collect the goods or services,
- b) Owns legal ownership of the goods or services,
- c) The transfer of the possession of the goods or services,
- d) Ownership of the significant risks and rewards of ownership of the property of the customer,
- e) Takes into consideration the conditions under which the customer accepts goods or services.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Revenue (cont’d)

Group does not make any adjustments to the effect of a significant financing component at the commitment price if the contract at the outset suggests that the period between the transfer date of the goods or services undertaken by the customer and the date the customer pays the price of the goods or services is one year or less. If the other party has significant financing within the revenue, the revenue value is determined by discounting future collections with the interest rate included in the financing element. The difference is recorded in the related periods as Other income from the main operations on the accrual basis.

The accounting for the revenue of the Group's different activities is explained below:

Construction contract activities

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognized by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

Revenue arising from cost plus fee contracts is recognized on the basis of costs incurred plus a percentage of the contract fee earned during the year.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs and depreciation costs. Selling, general and administrative expenses are charged to the consolidated statement of profit or loss as incurred. Provisions for estimated losses on uncompleted contracts are made in full, in the period in which such losses are determined. Changes in job performance, job conditions and estimated profitability, including those arising from contract penalty provisions and final contract settlements may result in revisions to costs and income and are recognized in the period in which the revisions are determined. Profit incentives are included in revenues when their realization is reasonably assured.

Contract assets arising from ongoing construction works indicates the revenue recognized on construction contracts in excess of billings, and contract liabilities arising from ongoing construction works indicate the billings in excess of the revenue recognized on construction contracts.

Group management does not recognize the additional receivables under compensation outside the scope of the contract that may be subject to litigation as income, unless negotiations have reached to an advanced stage such that it is probable that the customer will accept the claim and the amount of the additional receivable can be measured reliably.

Energy activities

In 2021, Enka Energy Companies resumed their production activities, which had been halted since 2019, once they were included in the capacity mechanism in order to create the necessary conditions in the electricity market and to ensure sufficient installed power capacity for a secure supply. Companies conduct their electricity sales in organized electricity markets (Day-Ahead Market, Intraday Market, Balancing Power Market). Day Ahead and Intraday Markets are operated by the market operator, Energy Exchange Istanbul (“EPIAŞ” or “EXIST”), within the framework of the Electricity Market Balancing and Settlement Regulation. EPIAŞ establishes reference prices for said markets, performs financial transactions such as settlement, collateral, invoicing, and provides central counterparty services in the markets it operates. In addition, the settlement activities regarding the Balancing Power Market, the operation of the Renewable Energy Resources Support Mechanism (“YEKDEM”) and free consumer transactions are also carried out by EPIAŞ. The price of electricity sold daily by the companies in the markets (excluding VAT and other costs) is collected from EPIAŞ within two business days and recognised as income. The amount, unit price, amount and other expenses calculated by EPIAŞ in accordance with the provisions of the regulation are finalised with the “Final Settlement Notice” prepared by EPIAŞ and sent to the market participants on the fifteenth (15th) day of the end of the relevant month, or the next day in case of weekends or national holidays and an invoice is issued for the accrued revenues as of this date.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Revenue (cont’d)

Commercial activities

Earnings from sales as a result of commercial activities; All significant risks related to the Group, and the transfer of gains to the buyer on an administrative involvement associated with the property and on the goods sold lack of effective control, reliable measurement of income, economic benefits associated with the transactionthe flow to the business is likely and the costs arising from or will be reliably measurement conditions are recorded as income. Net sales are estimated from the sales amount of the goods and realized It is shown by deducting returns, discounts, commissions, turnover premiums and sales-related taxes.

Rental income

Rental income arising on investment properties is accounted for on a straight-line basis over the lease terms on ongoing leases. Rental income collected in advance is treated as deferred income and is amortised on a monthly basis during the lease period.

Rendering of services

Revenue is recognized by reference to the stage of completion.

Interest income

Interest income is recognized in the consolidated statement of profit or loss on an accrual basis taking into account the effective yield on the asset.

Dividends

Revenue is recognized when the Group’s right to receive the payment is established.

Segment Reporting

An operating segment is a component of the Group that engages in business activities through which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group’s management to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

The operating segments of the Group are construction, rental, trade and energy, and they are disclosed in Note 5.

Inventories

Inventories are valued at the lower of cost or net realizable value. Costs incurred in bringing each product to its present location and condition, are included in the cost. Raw materials, spare parts, merchandise and construction materials - purchase cost on moving weighted average basis.

The Group also provides an allowance for the slow moving and obsolete items.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Property, plant and equipment

With the exception of land and buildings, items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment in value. Land is not depreciated. The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Land and buildings are carried at revalued amounts. Any revaluation increase arising on the revaluation of such land and buildings is recognized in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognized in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously expensed. A decrease in the carrying amount arising on the revaluation of such land and buildings is recognized in profit or loss to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Repairs and maintenance are charged to the consolidated statements of profit or loss during the financial period in which they are incurred. The costs of major renovations are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group.

Depreciation is provided on all property, plant and equipment using the straight-line method at rates which approximate estimated useful lives of the related assets as follows:

	Useful life
Land improvements	5-50 years
Buildings	50 years
Power plant equipment	35 years
Pipelines	16 years
Electrical interconnection lines	16 years
Machinery and equipment	4-10 years
Motor vehicles	3-10 years
Furniture and fixtures	5-10 years
Barracks, scaffolding and formworks	5 years
Aircrafts	10-15 years
Others	5-10 years

Power plant equipment is recorded at its original cost of construction. Significant additions or improvements are capitalized when they extend the life, improve the efficiency or increase the earnings capacity of the asset. Expenditures for maintenance, repairs and minor renewals to maintain facilities in operating condition are expensed as incurred.

The asset’s residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each financial year end.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Intangible assets (except goodwill)

Intangible assets mainly includes software rights, they are initially recognized at acquisition cost that are amortized over 3 to 10 years on straight-line basis.

Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

Investment properties

Land and buildings that are held in the production of supply of goods or services of for administrative purposes or for long term rental yields or for capital appreciation or both rather than for the sale in the ordinary course of business are classified as “investment property”. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of profit or loss in the year in which they arise.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of profit or loss in the year of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when, and only when, there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale.

Business combinations

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Business combinations

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in the consolidated statement of profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the ‘measurement period’ (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. If the contingent consideration classified as an asset or liability is a financial instrument and is in the scope of IFRS 9 Financial Instruments standard, the contingent consideration is measured at fair value and the gain or loss arising from the change is recognized in profit or loss or other comprehensive income. Those not included in IFRS 9 are accounted for in accordance with IAS 37 Provisions or other appropriate IFRS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquire prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Business combinations that took place prior to 1 January 2010 were accounted for in accordance with the previous version of IFRS 3.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized directly in profit or loss in the consolidated statement of profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Assets held for sale

The Group measures a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell, and depreciation on such assets are ceased.

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Impairment of non-financial assets (cont’d)

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in consolidated statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the consolidated statement of profit or loss in the period in which they are incurred.

Financial Instruments

Recognition and measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

The Group may irrevocably make preference about presentation of subsequent changes in its fair value in other comprehensive income on initial recognition of non-trading equity investment. This is made separately for each investment.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets.

On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Financial Instruments (cont’d)

Financial Instruments: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

Financial assets that are managed on the basis of fair value and whose performance is assessed accordingly are measured at fair value through profit or loss.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Financial Instruments (cont’d)

Financial assets – subsequent measurement and gains and losses

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments which their maturities are three months or less from date of acquisition and that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. The Group’s cash and cash equivalents are classified under the category of ‘Loans and Receivables’.

Financial liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Financial liabilities are classified as either financial liabilities at fair value through profit and loss or other financial liabilities.

a) Financial liabilities at fair value through profit and loss

Financial liabilities are classified as at FVTPL where the financial liability is either held for trading or it is designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any resultant gain or loss recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Financial Instruments (cont’d)

Financial liabilities (cont’d)

b) Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method, with interest expense recognized on an effective yield basis.

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 liability, or, where appropriate, a shorter period.

Derivative financial instruments and hedging

Derivative financial instruments are initially recognized at fair value and are subsequently remeasured at their fair value. Derivative financial instruments of the Group predominantly constitute forward foreign currency purchase and sale contracts.

The fair value of forward foreign exchange contracts measured at fair value and associated with the consolidated profit or loss is calculated by reference to the market interest rates valid for the rest of the contract for the relevant currency for the relevant period, by comparison with exchange rate. Derivatives are recorded as assets or liabilities in the balance sheet, respectively, depending on whether the fair value is positive or negative differences arising from the fair value of derivative financial instruments except for the cash flow hedge explained below are reflected in the profit and loss statement in the consolidated statements of income.

Cash flow hedge

The Group performs cross currency transactions with participation option to hedge the cash flow risk of variable and fixed rate financial instruments and liabilities in different currencies. The effective portion of the fair value change of the hedging instrument in the cash flow hedge accounting is recognized in “other comprehensive income”, while the ineffective portion is recognized in the in profit or loss. In the periods in which the cash flows of the hedged item affect the profit or loss, the profit or loss of the hedging instrument is also removed from equity and reflected to the income statement. In addition, the time value change in the options included in the structured cross-currency swaps is recognized in other comprehensive income as the hedging cost.

According to IFRS 9, the hedging relationship ends when the required criteria are no longer met after rebalancing. The termination of the hedging relationship is not accepted if the required criteria are met. In the event that the hedging target changes, the hedging instrument expires or is sold, terminated or used, the hedging accounting ends when the economic relationship between the hedging instrument and the hedged item is eliminated or the credit risk affects the fair value changes arising from the economic relationship.

When the Group discontinued hedge accounting for cash flow variability, the amount accumulated in the cash flow hedge fund is recognized as follows;

- The profit or loss recognized in other comprehensive income and presented in the hedging reserve under equity remains there until the cash flows of the hedged item realised.

- When the cash flows from the hedged item is expected not to be realised, the gain or loss accumulated under equity is recognized immediately in profit or loss.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Financial Instruments (cont’d)

Accounting at the date of transaction

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned.

Offsetting

Financial assets and liabilities are offset and the net amount is reported in the consolidated balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Derecognition

Financial assets

The Group derecognized a financial asset when the contractual rights to the cash flows from the asset expired, or it transferred the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset were transferred. Any interest in such transferred financial assets that was created or retained by the Group was recognized as a separate asset or liability.

The Group continues to recognize the financial asset in the statement of financial position if it retains substantially all the risks and benefits arising from the ownership of a financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

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

Impairment of financial assets

Financial assets and contract assets

The Group recognizes loss allowances for the expected credit losses of the following items:

- financial assets measured at amortized cost;
- contract assets (as defined in IFRS 15).

Under IFRS 9, loss allowances are measured on either of the following bases:

Financial assets measured at amortized cost;

- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument;and

Bank balances for which credit risk has not increased significantly since initial recognition;

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date.

The Group has elected to measure loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Financial Instruments (cont’d)

Impairment of financial assets (cont’d)

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of “investment grade”.

The maximum time to be measured by the ECLs is the maximum contractual period that the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

For trade receivables, other receivables, other assets and contract assets the Group applies the simplified approach to providing for expected credit losses (IFRS 9 requires the use of the lifetime expected loss provision for all trade receivables). The expected credit losses were calculated based on actual credit loss experience over the past years.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is recognized in OCI, instead of reducing the carrying amount of the asset.

Trade receivables

The following analysis provides further detail about the calculation of ECLs related to trade receivables and contract assets on the adoption of IFRS 9. The Company considers the model and some of the assumptions used in calculating these ECLs as key sources of estimation uncertainty.

The Group has calculated the ECLs according to the experience of credit losses in the last three years. The Group performed the calculation of ECL for receivables at the reporting date. Exposures within each group were segmented based on common credit risk characteristics such as credit risk grade, delinquency status, geographic region, age of relationship.

Retention Receivables from Contractors

The Group’s progress billings from its employees are subject to retention deductions, which vary, based on the individual agreements. These balances are collected based on contract terms either via letter of bank guarantees or from the contractors upon successful completion of the contract at the end of the warranty period. Retention receivables are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective interest rate method.

Retention Payables to Subcontractors

The Group’s progress billings to its subcontractors are subject to retention deductions, which vary, based on the individual agreements. These payables are paid to subcontractors after they successfully complete the guarantee periods. Retention payables are measured at initial recognition at fair value, and are subsequently measured at amortized cost using the effective interest rate method.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Effect of changes in foreign exchange rates

Transactions in currencies other than functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. Foreign currency indexed monetary assets and liabilities are recorded at the rates of exchange prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in the consolidated statement of profit or loss in the period in which they arise.

Earnings per share

Basic earnings per share (EPS) disclosed in the consolidated statement of profit or loss are determined by dividing net profit by the weighted average number of shares that have been outstanding during the related year concerned.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (Bonus Shares) to existing shareholders without a consideration for amounts resolved to be transferred to share capital from retained earnings. For the purpose of the EPS calculation, such bonus share distributions are regarded as stock dividends. If the number of ordinary shares outstanding increases as a result of a capitalization, bonus issue or share split, or decreases as a result of a reverse share split, the calculation of basic EPS for all periods presented is adjusted retrospectively. If these changes occur after the balance sheet date but before the financial statements are authorized for issue, the EPS calculations for those and any prior period financial statements presented is based on the new number of shares.

Provisions, contingent liabilities, contingent assets

Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Contingent liabilities and assets

If contingent liabilities does not carry a high probability of resource allocation (cash outflow), they are not recognized in the consolidated financial statements but disclosed in the footnotes. However, contingent assets are not recognized in consolidated financial statements but disclosed in the footnotes when an inflow of economic benefits is probable.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Leases

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Leases (cont’d)

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of ‘other revenue’.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Related parties

Related parties are individuals or entities that are related to the entity that is preparing its financial statements (reporting entity).

a) An individual or a close family member is considered related party of the reporting entity when the following criteria are met: If a certain individual,

- i) Has control or joint control over the reporting entity,
- ii) Has significant influence over the reporting entity,
- iii) Is a key management personnel of the reporting entity or a parent company of the reporting entity.

b) An entity is considered related party of the reporting entity when the following criteria are met:

- i) If the entity and the reporting entity is within the same group (meaning every parent company, subsidiary and other subsidiaries are considered related parties of others.
- ii) If the reporting entity is a subsidiary or a joint venture of another entity (or of another entity that the entity is within the same group).
- iii) If both of the entities are a joint venture of a third party.
- iv) If one of the entities are a joint venture of a third party while the other entity is a subsidiary of this third party.
- v) If entity has plans of post employment benefits for employees of reporting entity or a related party of a reporting entity. If the reporting entity has its own plans, sponsor employers are also considered as related parties.
- vi) If the entity is controlled or jointly controlled by an individual defined in the article (a).
- vii) If an individual defined in the clause (i) of article (a) has significant influence over the reporting entity or is a key management personnel of this certain entity (or a parent company of the entity)

Related party transaction is the transfer of resources, services or liabilities regardless of whether a price is charged or not.

Income tax

Turkish tax legislation does not permit a parent company and its subsidiary to file a consolidated tax return. Therefore, provisions for taxes, as reflected in the accompanying consolidated financial statements, have been calculated on a separate-entity basis.

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of profit or loss.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Income tax (cont’d)

Deferred income tax is provided, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax liabilities are recognized for all taxable temporary differences.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax assets and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that, in the management’s judgment, it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet dates.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and deferred taxes relate to the same taxable entity and the same taxation authority. Deferred tax relating to items recognized directly in equity is recognized in equity and not in the consolidated statement of profit or loss.

Employee termination benefits

The Group has both defined benefit and defined contribution plans as described below:

Vacation pay liability

In accordance with the existing labor law in Turkey, the Company is required to pay to the employee, whose employment is terminated due to any reasons, the wage of the deserved and unused vacation days over the gross prevailing wage and other benefits subject to contract at the date the contract is terminated.. Unused leave provision is the earned and unused vacation rights of its employees of the Company, and measured on an undiscounted basis and are recognised in profit or loss as the related service is provided.

Retirement pay provision

Under Turkish law and union agreements, lump sum payments are made to employees retiring or involuntarily leaving the Group. Such payments are considered as being part of defined retirement benefit plan as per International Accounting Standard 19 (revised) “Employee Benefits” (“IAS 19”).

The retirement benefit obligation recognized in the balance sheet represents the present value of the defined benefit obligation as adjusted for unrecognized actuarial gains and losses. Actuarial gains and losses are accounted as other comprehensive income.

Personnel working in branches operating in foreign countries and joint-operations do not have any employee termination benefit as there is no legal obligation in these countries.

Defined contribution plans

The Company and its subsidiaries in Turkey pay contributions to publicly administered Social Security Fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due.

Foreign subsidiaries and joint operations contribute to the related government body for the pension scheme of its employees in the country they are domiciled. Mandatory contributions to the governmental pension scheme are expensed when incurred.

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2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

2.4 Summary of significant accounting policies (cont’d)

Statement of cash flows

Cash flows are classified according to operating, investment and finance activities in the consolidated statement of cash flows.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, excluding short term deposits with an original maturity of more than three months and deposits blocked in bank accounts as collateral.

Events after the reporting period

Events after the reporting period, also known as ‘subsequent events’ include any favorable or unfavorable event that took place between the balance sheet date and the publication date of the balance sheet, despite any possible event that might arise after the publicization of any information regarding profits or other financial figures.

The Group adjusts its consolidated financial statements if such adjusting subsequent events arise.

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that are reflected in the measurement of income and expense in the consolidated statement of profit or loss and in the carrying value of assets and liabilities in the consolidated balance sheet, and in the disclosure of information in the notes to the consolidated financial statements. Managements do exercise judgment and make use of information available at the date of the preparation of the consolidated financial statements in making these estimates. The actual future results from operations in respect of the areas where these judgments and estimates have been made may in reality be different than those estimates.

The key assumptions concerning the future and other key resources of estimation at the consolidated balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year and the significant judgments (apart from those involving estimations) with the most significant effect on amounts recognized in the consolidated financial statements are as follows:

- a) Determination of total estimated project costs, profitability and calculation of loss accruals under the scope of IFRS 15 (Note 12).
- b) Fair value of investment properties under the scope of IAS 40 “Investment Property” and land and buildings under the scope of IAS 16 “Property, Plant and Equipment” (Note 13 and 14).
- c) Estimation of impairment losses on financial assets and trade receivables (Note 7 and 9).
- d) Significant management judgement is required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and the level of future taxable profits together with future tax planning strategies (Note 30).
- e) The Group management has made significant assumptions for determining the economic lives and impairment of tangible and intangible assets with the guidance of experienced technical staff. Recoverable amounts are determined within the scope of IAS 36 for identification of impairment (Note 14 and 15).
- f) In accordance with the accounting policies referred to in Note 2.5, provisions are based on the assumption that the Group has a legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation and the amount to be paid can be reliably estimated. The Group is subject to various legal processes, requests and regulatory negotiations whose results are uncertain. The Group assesses the likelihood of adverse consequences as well as other factors, and the possibility of reasonably estimating losses. Unforeseeable events and changes in these factors may require an increase or decrease in the provisions that the Group accounts for (whether it is considered unlikely or has not recorded a provision due to inability of a reliable estimation).

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3. DIVIDENDS

Based on the Group’s Ordinary General Assembly held on 30 March 2021; regarding to the distribution of the year 2020 profit, it has been resolved to distribute dividend to its shareholders total TL 2,000,000 (2020 - TL 1,600,000); further it has been resolved to distribute TL 41,903 (2020 - TL 40,489) as cash dividend to founder shares. Total TL 2,000,000 cash dividend is distributed on 13 April 2021 at a rate of 35.714286% gross and 30.357143% net per share.

In 2021 and 2020, the Group distributed dividends as detailed below:

	2021		2020	
	Dividend (TL)	Dividends per share	Dividend (TL)	Dividends per share
Ordinary share owners (1 Full TL nominal value) (*)	1,950,673	0.35 Full TL	882,000	0.18 Full TL
Founder share owners	41,903	41,90 Full TL	40,489	40,49 TL
	<u>1,992,576 TL</u>		<u>922,489 TL</u>	

(*)The amount of dividends distributed to the shares bought back by the Company has been deducted.

Based on the power vested in the Board of Directors by the Ordinary General Assembly for year 2020 held on March 30, 2021, the Board of Directors resolved to distribute starting from January 05, 2022, a total of TL 1,120,000 from the amount that remains after deduction of the relevant reserves as required, pursuant to the provisions of the Turkish Code of Commerce and the Articles of Association, to be set apart from the net profit of the current period as indicated on the financial statements comprising the interim period from 01 January 2021 – 30 September 2021, as Dividend Advances at a rate of 20.00% gross and 18.00% net per share, to the holders of share certificates representing the share capital amounting to TL 5,600,000.

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4. INTEREST IN JOINT OPERATIONS

The Group's share in the assets and liabilities and the profit/loss of the of the joint operations using the proportionate consolidation method on a line by line basis is as follows:

	31 December 2021	31 December 2020
ASSETS		
Current Assets		
Cash and cash equivalents	431,483	317,409
Trade receivables	57,384	46,321
Other receivables	1,014	578
Inventories	5,568	1,058
Costs and estimated earnings in excess of billings on uncompleted contracts	282	2,623
Other current assets	18,723	15,723
Group's share in current assets of joint operations	514,454	383,712
Non-Current Assets		
Property, plant and equipment	90,775	64,547
Accumulated depreciation	(27,801)	(23,717)
Group's share in joint operations in property, plant and equipment	62,974	40,830
LIABILITIES		
Current Liabilities		
Trade payables	20,379	24,992
Billings in excess of costs and estimated earnings on uncompleted contracts	383,929	225,170
Provisions	20,484	15,665
Provisions for employee benefits	4,390	3,530
Other current liabilities	116,942	96,058
Group's share in current liabilities of joint operations	546,124	365,415

The Group’s share in the consolidated statement of profit or loss of the joint operations using the proportionate consolidation method on a line by line basis is as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Revenue	450,942	348,655
Cost of revenue	(358,107)	(267,956)
Other operating income	827	3,322
Other operating expenses	(1,072)	(2,067)
Income from investing activities	1,095	7,279
Financial income	3,336	3,203
Financial expenses	(3,552)	(4,178)
Taxation charge	(20,147)	(7,628)
Net profit	73,322	80,630

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5. SEGMENTAL INFORMATION

The Group’s operating businesses are organized and managed separately according to the nature of services and products provided and has four reportable segments as follows: construction, rental, energy and trading and manufacturing.

a) Business segments:

1 January - 31 December 2021						
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	1,538,447	304,034	219,468	797,462	-	2,859,411
Inter-segment revenues	30,055	-	32,962	-	(63,017)	-
Cost of revenues (-)	(1,132,750)	(96,927)	(163,832)	(695,593)	-	(2,089,102)
Inter-segment cost of revenues (-)	(30,055)	-	(32,962)	-	63,017	-
Gross profit	405,697	207,107	55,636	101,869	-	770,309
Administrative expenses (-)	(58,994)	(9,227)	(6,273)	(8,748)	-	(83,242)
Marketing, selling and distribution expenses (-)	(12,934)	(4,972)	(8,876)	(1,367)	-	(28,149)
Other operating income	45,994	1,114	1,590	1,616	-	50,314
Other operating expenses (-)	(50,907)	(1,514)	(3,532)	(50,033)	-	(105,986)
Profit from operations	328,856	192,508	38,545	43,337	-	603,246
Investment income	241,130	83,055	-	3,329	-	327,514
Investment expenses (-)	(186,705)	(633)	-	-	-	(187,338)
Profit from operations Before financial income/(expenses)	383,281	274,930	38,545	46,666	-	743,422
Financial income	12,700	1,544	5,758	74,742	(352)	94,392
Financial expenses (-)	(25,113)	(2,671)	(7,674)	(241)	352	(35,347)
Profit before tax	370,868	273,803	36,629	121,167	-	802,467
Current tax expense (-)	(60,089)	(47,735)	(10,469)	(3,496)	-	(121,789)
Deferred tax expense (-)	(42,616)	(20,632)	(329)	(15,662)	-	(79,239)
Profit/(Loss) for the year from continuing operations	268,163	205,436	25,831	102,009	-	601,439
31 December 2021						
	Construction contracts	Rental	Trade	Energy		Consolidated
Segment assets	6,176,779	2,107,074	233,285	585,196		9,102,334
Total assets	6,176,779	2,107,074	233,285	585,196		9,102,334
Segment liabilities	1,602,667	411,275	102,739	244,069		2,360,750
Total liabilities	1,602,667	411,275	102,739	244,069		2,360,750
1 January - 31 December 2021						
	Construction contracts	Rental	Trade	Energy		Consolidated
Capital expenditures						
Property, plant and equipment & investment property	106,274	38,105	1,030	6,195		151,604
Intangible assets	1,608	15	15	3		1,641
Total capital expenditures	107,882	38,120	1,045	6,198		153,245
Depreciation expenses	50,759	1,118	1,876	23,674		77,427
Amortization expenses	5,080	38	45	38		5,201

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5. SEGMENTAL INFORMATION (cont’d)

a) Business segments (cont’d)

1 January - 31 December 2020						
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	1,230,118	289,381	138,784	478	-	1,658,761
Inter-segment revenues	33,219	-	15,202	-	(48,421)	-
Cost of revenues (-)	(986,670)	(87,956)	(112,016)	(58,224)	-	(1,244,866)
Inter-segment cost of revenues (-)	(33,219)	-	(15,202)	-	48,421	-
Gross profit	243,448	201,425	26,768	(57,746)	-	413,895
Administrative expenses (-)	(59,949)	(11,797)	(6,111)	(4,491)	-	(82,348)
Marketing, selling and distribution expenses (-)	(11,041)	(4,586)	(5,916)	(697)	-	(22,240)
Other operating income	35,834	1,054	2,016	3,395	-	42,299
Other operating expenses (-)	(48,587)	(1,345)	(4,075)	(747)	-	(54,754)
Profit from operations	159,705	184,751	12,682	(60,286)	-	296,852
Investment income	518,465	19,783	-	(139)	-	538,109
Investment expenses (-)	(63,217)	(30,095)	-	(4,078)	-	(97,390)
Profit from operations Before financial income/(expenses)	614,953	174,439	12,682	(64,503)	-	737,571
Financial income	27,192	1,588	3,949	13,433	(449)	45,713
Financial expenses (-)	(18,509)	(4,612)	(2,929)	(923)	449	(26,524)
Profit before tax	623,636	171,415	13,702	(51,993)	-	756,760
Current tax expense (-)	(75,824)	(25,942)	(5,238)	(649)	-	(107,653)
Deferred tax expense (-)	(6,685)	(5,600)	693	7,620	-	(3,972)
Profit/(Loss) for the year from continuing operations	541,127	139,873	9,157	(45,022)	-	645,135
31 December 2020						
	Construction contracts	Rental	Trade	Energy		Consolidated
Segment assets	5,395,748	1,950,602	225,938	881,335		8,453,623
Total assets	5,395,748	1,950,602	225,938	881,335		8,453,623
Segment liabilities	1,026,206	377,706	96,223	183,359		1,683,494
Total liabilities	1,026,206	377,706	96,223	183,359		1,683,494
1 January - 31 December 2020						
	Construction contracts	Rental	Trade	Energy		Consolidated
Capital expenditures						
Property, plant and equipment & investment property	57,142	43,151	1,557	1,475		103,325
Intangible assets	5,981	126	107	937		7,151
Total capital expenditures	63,123	43,277	1,664	2,412		110,476
Depreciation expenses	36,833	2,199	2,804	43,285		85,121
Amortization expenses	4,167	155	44	71		4,437

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5. SEGMENTAL INFORMATION (cont’d)**b) Geographical segments**

1 January - 31 December 2021						
	Turkey	Russian Federation, Kazakhstan, Georgia	Iraq	Other	Eliminations	Consolidated
Net sales	1,410,724	730,217	72,600	645,870	-	2,859,411
Inter-segment sales	63,017	-	-	-	(63,017)	-
Capital expenditures	38,546	53,015	1,157	60,527	-	153,245
31 December 2021						
	Turkey	Russian Federation, Kazakhstan, Georgia	Iraq	Other	Eliminations	Consolidated
Segmental assets	5,433,338	3,017,837	59,082	592,077	-	9,102,334
1 January - 31 December 2020						
	Turkey	Russian Federation, Kazakhstan, Georgia	Iraq	Other	Eliminations	Consolidated
Net sales	484,881	653,194	267,285	253,401	-	1,658,761
Inter-segment sales	48,421	-	-	-	(48,421)	-
Capital expenditures	38,519	60,873	948	10,136	-	110,476
31 December 2020						
	Turkey	Russian Federation, Kazakhstan, Georgia	Iraq	Other	Eliminations	Consolidated
Segmental assets	5,207,382	2,712,799	148,064	385,378	-	8,453,623

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6. CASH AND CASH EQUIVALENTS

	31 December 2021	31 December 2020
Cash on hand	2,450	3,236
Cash in bank		
Demand deposits	1,789,281	1,041,663
Time deposits	269,899	305,142
Other	77	668
	<u>2,061,707</u>	<u>1,350,709</u>
Less: Time deposits with maturity over three months and less than one year	(1,000)	(1,000)
Cash and cash equivalents at consolidated statement of cash flows	<u>2,060,707</u>	<u>1,349,709</u>

Informations about the nature and level of risks related to cash and cash equivalents are provided in Note 33.

7. FINANCIAL INVESTMENTS**Current financial investments**

Short-term financial investments of the Group classified as financial assets at fair value through profit or loss as of 31 December 2021 and 2020 are detailed below:

Financial assets at fair value through profit or loss	31 December 2021	31 December 2020
Private sector bonds		
- International markets	107,612	15,524
Foreign Government bonds		
- International markets	101,529	101,637
Equity securities		
- International markets	1,723,280	1,228,250
Mutual funds		
- International markets	275,572	130,595
	<u>2,207,993</u>	<u>1,476,006</u>

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7. FINANCIAL INVESTMENTS (cont’d)

Non-current financial investments

Long-term financial investments of the Group classified as financial assets at fair value through profit or loss as of 31 December 2021 and 2020 are detailed below:

	31 December 2021	31 December 2020
Financial assets at fair value through profit or loss		
Private sector bonds		
- International markets	769,407	1,427,617
Foreign Government bonds		
- International markets	11,954	115,892
Turkish Government bonds		
- International markets	214,370	35,667
Equity securities		-
	<u>995,731</u>	<u>1,579,176</u>

Maximum maturity dates of financial assets in the nature of borrowings are as follows:

	31 December 2021	31 December 2020
Private Sector Bonds - International markets	28 March 2073	28 March 2073
Foreign Government Bonds - International markets	17 October 2044	17 October 2044
Turkish Government Bonds - International markets	14 January 2041	14 January 2041

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8. FINANCIAL LIABILITIES

a) Borrowings

Short-term borrowings:	31 December 2021			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Short-term bank borrowings	3.08%	EUR	25,018	28,318
	3.41%	USD	19,866	19,866
Total short-term bank borrowings				<u>48,184</u>
Lease obligations				<u>127</u>
Total short-term borrowings				<u>48,311</u>
Long-term borrowings:				
Other long-term bank borrowings (*)	5.14%	USD	3,400	3,400
	2.68%	JPY	1,717,219	9,011
Lease obligations				104,258
				<u>116,669</u>
Less: Current portion of long-term borrowings				(12,041)
Total long-term borrowings				<u>104,628</u>

(*) Loan denominated in Japanese Yen were obtained to finance the operations of Enka Pazarlama, one of the consolidated subsidiaries of the Company.

Short-term borrowings:	31 December 2020			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Short-term bank borrowings	1.07%	EUR	31,794	39,018
	3.11%	USD	15,153	15,153
	10.25%	TL	5,209	710
Total short-term bank borrowings				<u>54,881</u>
Lease obligations				<u>130</u>
Total short-term borrowings				<u>55,011</u>
Long-term borrowings:				
Other long-term bank borrowings (*)	5.14%	USD	10,203	10,203
	2.68%	JPY	2,742,923	26,374
Lease obligations				97,213
				<u>133,790</u>
Less: Current portion of long-term borrowings				(19,488)
Total long-term borrowings				<u>114,302</u>

(*) Loan denominated in Japanese Yen were obtained to finance the operations of Enka Pazarlama, one of the consolidated subsidiaries of the Company.

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8. FINANCIAL LIABILITIES (cont’d)

a) Borrowings (cont’d)

Repayment schedule of bank borrowings are as follows:

	31 December 2021	31 December 2020
Less than 1 year	57,322	71,096
1 - 2 years	3,400	17,130
2 - 3 years	-	3,232
	<u>60,722</u>	<u>91,458</u>

The reconciliation of the cash flows arising from the financing activities of the year ended 31 December 2021 and the movements in liabilities is as follows:

	31 December 2020	Cash flows	Non-cash		31 December 2021
			Exchange rate change	Other non-cash movements	
Short term bank loans	55,011	(12,042)	(1,583)	6,798	48,184
Long term bank loans	36,577	-	-	(24,166)	12,411
Lease obligations (ST)	3,273	(2,903)	-	2,660	3,030
Lease obligations (LT)	93,940	(12,490)	(5,158)	24,936	101,228
Total liabilities arising from financing activities	<u>188,801</u>	<u>(27,435)</u>	<u>(6,741)</u>	<u>10,228</u>	<u>164,853</u>

The reconciliation of the cash flows arising from the financing activities of the year ended 31 December 2020 and the movements in liabilities is as follows:

	31 December 2019	Cash flows	Non-cash		31 December 2020
			Exchange rate change	Other non-cash movements	
Short term bank loans	33,208	2,079	2,548	17,176	55,011
Long term bank loans	65,423	-	-	(28,846)	36,577
Lease obligations (ST)	3,515	(3,143)	-	2,901	3,273
Lease obligations (LT)	106,377	(14,481)	18,198	(16,154)	93,940
Total liabilities arising from financing activities	<u>208,523</u>	<u>(15,545)</u>	<u>20,746</u>	<u>(24,923)</u>	<u>188,801</u>

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8. FINANCIAL LIABILITIES (cont’d)

b) Lease obligations

	31 December 2021			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Current portion of long-term lease obligations	5.10%	USD	127	127
	3.00%	RUB	215,640	2,903
				<u>3,030</u>
Long-term	5.10%	USD	9,915	9,915
	3.00%	RUB	6,783,914	91,313
				<u>101,228</u>
				<u>104,258</u>

	31 December 2020			
	Weighted Average Interest Rate	Currency Type	Original Currency	USD Equivalent
Current portion of long-term lease obligations	5.10%	USD	130	130
	3.00%	RUB	232,205	3,143
				<u>3,273</u>
Long-term	5.10%	USD	10,043	10,043
	3.00%	RUB	6,197,919	83,897
				<u>93,940</u>
				<u>97,213</u>

c) Lease commitments

As of 31 December 2021 and 2020, repayment schedule of lease obligations are as follows:

	31 December 2021	31 December 2020
Less than 1 year	3,030	3,273
1 - 5 years	19,802	18,214
More than 5 years	81,426	75,726
Total lease obligations	<u>104,258</u>	<u>97,213</u>

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9. TRADE RECEIVABLES AND PAYABLES**a) Trade receivables**

	31 December 2021	31 December 2020
<u>Short-term trade receivables</u>		
Trade receivables, net	170,089	229,751
Contract receivables	116,763	119,601
Notes and cheques receivables, net	1,183	1,689
Retention receivables (*)	2,080	2,132
	<u>290,115</u>	<u>353,173</u>
Less: Expected credit loss	(14,320)	(20,061)
	<u>275,795</u>	<u>333,112</u>

(*) Retention receivables are described as withheld by the jobowners until the contracts are completed or, in certain instances for even longer periods and undue trade receivables in the construction contracts.

Collection periods of receivables from construction works depends on the agreement conditions are between 30 and 90 days.

For the years ended 31 December 2021 and 2020, movement of expected credit loss receivables is as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Balance at beginning of the year	20,061	18,872
Additional provision (Note 25)	440	625
Foreign currency translation effect	(836)	1,000
Amounts recovered during the year (Note 25)	(128)	(26)
Write-offs (*)	<u>(5,217)</u>	<u>(410)</u>
Closing balance	<u>14,320</u>	<u>20,061</u>

(*) Allowances of the previous periods which were decided as uncollectibles were written-off as of 31 December 2021 and 2020.

	31 December 2021	31 December 2020
<u>Long-term trade receivables</u>		
Trade receivables, net	8,759	17,175
	<u>8,759</u>	<u>17,175</u>

Explanations about the nature and level of risks related to trade receivables are provided in Note 33.

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9. TRADE RECEIVABLES AND PAYABLES (cont’d)**b) Trade payables**

	31 December 2021	31 December 2020
<u>Short-term trade payables</u>		
Trade payables	345,069	165,206
Notes payable	-	14
Other trade payables	3,240	2,519
	<u>348,309</u>	<u>167,739</u>

Explanations about the nature and level of risks related to trade payables are provided in Note 33.

10. OTHER RECEIVABLES AND PAYABLES**a) Other receivables**

	31 December 2021	31 December 2020
<u>Short-term other receivables</u>		
Deposits and guarantees given	13,512	2,837
Other receivables from related parties (Note 32)	2	-
	<u>13,514</u>	<u>2,837</u>

b) Other payables

	31 December 2021	31 December 2020
<u>Short-term other payables</u>		
Deposits and guarantees taken	14,934	19,969
Other payables to related parties (Note 32)	8	18
	<u>14,942</u>	<u>19,987</u>

	31 December 2021	31 December 2020
<u>Long-term other payables</u>		
Deposits and guarantees taken	24,520	19,151
	<u>24,520</u>	<u>19,151</u>

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11. INVENTORIES

	31 December 2021	31 December 2020
Raw materials and spare parts	152,013	168,823
Work in progress	39,461	46,080
Trade goods (machinery and others)	18,057	34,072
Finished goods	24,565	7,755
Goods in transit	6,474	2,018
Construction materials	18,012	14,180
Allowance for impairment on inventory (*)	(2,843)	(5,200)
	<u>255,739</u>	<u>267,728</u>

(*) As of 31 December 2021 and 2020, allowance for impairment on finished goods and trade goods is recognized as an expense in cost of sales.

As of 31 December 2021, there is not any pledge on inventories (31 December 2020 - None).

12. CONSTRUCTION CONTRACTS

	31 December 2021	31 December 2020
Costs incurred on uncompleted contracts	2,425,669	1,916,870
Recognized profit less recognized losses to date, net	454,351	344,809
	<u>2,880,020</u>	<u>2,261,679</u>
Less: Progress billing	(3,405,045)	(2,559,611)
	<u>(525,025)</u>	<u>(297,932)</u>

The net balance is included in the consolidated balance sheet under the following captions:

	31 December 2021	31 December 2020
Costs and estimated earnings in excess of billings on uncompleted contracts (net)	22,371	15,621
Billings in excess of costs and estimated earnings on uncompleted contracts (net)	(547,396)	(313,553)
	<u>(525,025)</u>	<u>(297,932)</u>

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13. INVESTMENT PROPERTIES

As of 31 December 2021 and 2020, movement of investment properties is as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Opening balance	1,912,105	2,079,016
Currency translation difference	(9,558)	(197,323)
Change in fair value, net (Note 26)	83,043	(10,168)
Additions	37,404	42,047
Change in present value of lease obligations	7,441	(190)
Disposals	(231)	(1,277)
Closing balance	<u>2,030,204</u>	<u>1,912,105</u>

Investment properties include mainly real estate properties in Russia and Turkey which are leased to tenants. As of 31 December 2021 and 2020 investment properties consist of real estates in Russia from which rent income is obtained and lands and buildings held as investment in Turkey amounting to USD 7,955 (31 December 2020 - USD 7,955).

“Business Valuation Bureau LLC” which is licenced by Russian Federation as an independent valuation firm, has revalued the fair values of the investment properties of the Group in Russia.

Investment properties of the consolidated subsidiaries Mosenka, MKH, Enkamos Region BV and Enka TC have been revalued at fair value. Fair values of such investment properties are reviewed every year through the report of independent valuers. As of 31 December 2021, the fair values of investments properties of the consolidated subsidiaries Enkamos Region BV, MKH, Mosenka and Enka TC have been set respectively as follows: MKH; 9.84 million RUB equivalent to USD 132,386 (31 December 2020 - 9.43 million RUB equivalent to USD 127,591), Mosenka; 4.90 million RUB equivalent to USD 65,926 (31 December 2020 – 4.30 million RUB equivalent to USD 58,257), Enkamos Region BV; 5.16 million RUB equivalent to USD 69,404 (31 December 2020 – 2.66 million RUB equivalent to USD 35,990) and Enka TC; 58.64 million RUB equivalent to USD 789,271 (31 December 2020 – 58.31 million RUB equivalent to USD 789,253).

The fair values of the investment properties of the Group in Russia, determined at 31 December 2021 as USD 871,046 (31 December 2020 - USD 806,019). The investment properties of the Group located in Moscow includes land leased from Moscow City Authorities under a 49 year operating lease agreement, which are renewable at the option of the Group.

The investment properties owned by the Group are carried at fair value determined by independent professionally qualified valuers on the basis of market value supported by market evidence and other information obtained in the course of market research. Fair values of such investment properties are periodically reviewed by the Group through the report of independent valuers.

As of 31 December 2021 and 2020 the reports of independent valuers are prepared based on valuation models such as income capitalization, discounted cash flow model and market value model. The fair value of the properties have not been determined based on income capitalization method in case of lack of transactions observable in the market because of the nature of the property and the lack of comparable data. The fair value of the investment properties of the Group are estimated by using income capitalization method, with capitalization and discount rates ranging between 9.25% to 10.00% and 14.85% to 15.99% (31 December 2020 – 9.25% to 10.00% and 13.07% to 14.02%) respectively.

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13. INVESTMENT PROPERTIES (cont’d)

For the years ended 31 December 2021 and 2020 fair value hierarchy table of investment properties is as follows:

	31 December 2021	Fair value as at 31 December 2021		
		Level 1	Level 2	Level 3
		USD	USD	USD
Investment properties in Russia	2,022,249	-	-	2,022,249
Investment properties in Turkey	7,955	-	7,955	-
Total	2,030,204	-	7,955	2,022,249

	31 December 2020	Fair value as at 31 December 2020		
		Level 1	Level 2	Level 3
		USD	USD	USD
Investment properties in Russia	1,904,150	-	-	1,904,150
Investment properties in Turkey	7,955	-	7,955	-
Total	1,912,105	-	7,955	1,904,150

There is no transition between second and third levels during the year.

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14. PROPERTY, PLANT AND EQUIPMENT

Cost	Land and land improvements	Buildings and barracks	Machinery and equipment (****)	Motor vehicles	Furniture and fixtures	Scaffolding and formworks	Aircraft (*)	Others	Construction in progress	Total
Opening balance as of 1 January 2021	196,628	133,621	1,897,857	40,163	64,643	22,981	35,169	17,825	30,345	2,439,232
Currency translation differences	(27,302)	(4,772)	(659,973)	117	(4,152)	(150)	-	583	(3,254)	(698,903)
Revaluation (**)	(294)	5,214	-	-	-	-	-	-	-	4,920
Additions	2,629	16,611	59,889	17,256	4,408	472	-	2,160	10,775	114,200
Disposals	(85)	(909)	(43,822)	(3,345)	(6,102)	(17,602)	(14,544)	(1,206)	(21,501)	(109,116)
Transfers	120	6,245	(3,755)	10,027	(147)	(5)	-	160	(14,069)	(1,424)
Closing balance as of 31 December 2021	171,696	156,010	1,250,196	64,218	58,650	5,696	20,625	19,522	2,296	1,748,909
Accumulated depreciation										
Opening balance as of 1 January 2021	(25,383)	(34,592)	(1,022,162)	(24,359)	(51,752)	(20,150)	(15,722)	(12,082)	-	(1,206,202)
Currency translation differences	11,124	1,103	336,973	1,211	3,707	101	-	(471)	-	353,748
Charge of the year	(689)	(7,558)	(55,298)	(6,554)	(3,392)	(695)	(1,337)	(1,904)	-	(77,427)
Other reclassifications(****)	(2)	(211)	8,386	(8,321)	197	2	-	(51)	-	-
Disposals	3	884	29,924	3,327	3,012	16,845	13,629	766	-	68,390
Closing balance as of 31 December 2021	(14,947)	(40,374)	(702,177)	(34,696)	(48,228)	(3,897)	(3,430)	(13,742)	-	(861,491)
Net book value as of 1 January 2021	171,245	99,029	875,695	15,804	12,891	2,831	19,447	5,743	30,345	1,233,030
Net book value as of 31 December 2021	156,749	115,636	548,019	29,522	10,422	1,799	17,195	5,780	2,296	887,418

(*) The amount consists of the aircraft used by subsidiary of the Company, Air Enka.
(**) As of 31 December 2021, Group's investments in hotel building of OMKH is revalued by independent qualified valuer "Business Valuation Bureau LLC". Revaluation difference arising from difference between book value and fair value is netted off with the related deferred tax and classified as revaluation surplus and included under equity. Revaluations are made by discounted cash flow methods.
(***) Other reclassifications are classifications between sub-groups of fixed assets and have no effect on net book value of fixed assets.
(****) The Group recognises its Power Plants at cost after deducting accumulated depreciation and accumulated impairment losses. The Group evaluates whether there is an indication of impairment in the property, plant and equipment in each period. The Group management is assessed the recoverable amount of the Power Plants with the indication of impairment is estimated the replacement cost according to IAS 36.

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14. PROPERTY, PLANT AND EQUIPMENT (cont’d)

	Land and land improvements	Buildings and barracks	Machinery and equipment (****)	Motor vehicles	Furniture and fixtures	Scaffolding and formworks	Aircraft (*)	Others	Construction in progress	Total
Cost										
Opening balance as of 1 January 2020	205,339	148,818	2,233,683	39,727	63,448	22,973	35,169	14,582	7,746	2,771,485
Currency translation differences	(6,002)	(3,280)	(329,060)	997	(1,465)	148	-	(332)	(185)	(339,179)
Revaluation (**)	(441)	(9,636)	-	-	-	-	-	-	-	(10,077)
Additions	1,462	4,763	34,384	1,546	3,636	397	-	3,229	11,861	61,278
Disposals	(41)	(971)	(40,691)	(2,583)	(1,176)	(514)	-	(272)	(828)	(47,076)
Transfers	(3,689)	(6,073)	(459)	476	200	(23)	-	618	11,751	2,801
Closing balance as of 31 December 2020	196,628	133,621	1,897,857	40,163	64,643	22,981	35,169	17,825	30,345	2,439,232
Accumulated depreciation										
Opening balance as of 1 January 2020	(30,839)	(32,953)	(1,151,137)	(22,580)	(50,670)	(19,616)	(13,390)	(10,204)	-	(1,331,389)
Currency translation differences	5,705	41	160,214	(192)	1,086	(142)	-	362	-	167,074
Charge of the year	(265)	(3,275)	(69,148)	(4,284)	(3,062)	(667)	(2,332)	(2,088)	-	(85,121)
Other reclassifications(***)	1	868	(1,170)	374	123	31	-	(227)	-	-
Disposals	15	727	39,079	2,323	771	244	-	75	-	43,234
Closing balance as of 31 December 2020	(25,383)	(34,592)	(1,022,162)	(24,359)	(51,752)	(20,150)	(15,722)	(12,082)	-	(1,206,202)
Net book value as of 1 January 2020	174,500	115,865	1,082,546	17,147	12,778	3,357	21,779	4,378	7,746	1,440,096
Net book value as of 31 December 2020	171,245	99,029	875,695	15,804	12,891	2,831	19,447	5,743	30,345	1,233,030

(*) The amount consists of the aircraft used by subsidiary of the Company, Air Enka.

(**) As of 31 December 2020, Group’s investments in Turkey are revalued by “Artı Gayrimenkul A.Ş.” which is a CMB licensed independent valuation firm and hotel building of OMKH is revalued by independent qualified valuer “Business Valuation Bureau LLC”. Revaluation difference arising from difference between book value and fair value is netted off with the related deferred tax and classified as revaluation surplus and included under equity. Revaluations are made by discounted cash flow methods.

(***) Other reclassifications are classifications between sub-groups of fixed assets and have no effect on net book value of fixed assets.

(****) The Group recognises its Power Plants at cost after deducting accumulated depreciation and accumulated impairment losses. The Group evaluates whether there is an indication of impairment in the property, plant and equipment in each period. The Group management is assessed the recoverable amount of the Power Plants with the indication of impairment is estimated the replacement cost according to IAS 36.

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14. PROPERTY, PLANT AND EQUIPMENT (cont’d)

As of 31 December 2021, there is no security on the property, plant and equipment of the Group (31 December 2020 - None).

If the buildings were measured using the cost model, the carrying amounts would be as follows:

	31 December 2021	31 December 2020
Cost	302,080	288,976
Accumulated depreciation	(125,968)	(119,714)
Net book value	176,112	169,262

The distribution of depreciation expenses as of 31 December 2021 and 2020 is presented in Note 24.

As of 31 December 2021 and 2020 fair value hierarchy table of fixed asset is as follows:

	31 December 2021	Fair value as at 31 December 2021		
		Level 1	Level 2	Level 3
		USD	USD	USD
Lands	156,749	-	156,749	-
Buildings	115,636	-	-	115,636
Total	272,385	-	156,749	115,636

	31 December 2020	Fair value as at 31 December 2020		
		Level 1	Level 2	Level 3
		USD	USD	USD
Lands	171,245	-	171,245	-
Buildings	99,029	-	-	99,029
Total	270,274	-	171,245	99,029

There is no transition between second and third levels during the year.

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15. OTHER INTANGIBLE ASSETS

	1 January - 31 December 2021	1 January - 31 December 2020
<u>Cost</u>		
Opening balance	90,381	88,292
Currency translation difference	(2,713)	(1,946)
Additions	1,641	7,151
Transfers	1,424	(2,801)
Disposals	(13)	(315)
Closing balance	90,720	90,381
<u>Accumulated amortization</u>		
Opening balance	(27,981)	(23,976)
Currency translation difference	1,137	370
Charge of the year	(5,201)	(4,437)
Disposals	7	62
Closing balance	(32,038)	(27,981)
Carrying value	58,682	62,400

As of 31 December 2021, there is no pledge on intangible assets (31 December 2020 - None).

The distribution of amortization expenses as of 31 December 2021 and 2020 is presented in Note 24.

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16. PREPAID EXPENSES AND DEFERRED INCOME

	31 December 2021	31 December 2020
<u>Short-term Prepaid Expenses</u>		
Advances given	179,810	106,168
Prepaid expenses	6,044	5,675
	185,854	111,843
<u>Long-term Prepaid Expenses</u>		
Advances given	-	9,131
Prepaid expenses	1,533	2,300
	1,533	11,431
<u>Short-term Deferred Income</u>		
Advances taken	560,706	290,358
Deferred income	41,965	67,973
	602,671	358,331
<u>Long-term Deferred Income</u>		
Advances taken	2,755	1,008
Deferred rent revenue	373	373
	3,128	1,381

As of 31 December 2021, the amount of advances received of subsidiaries and companies shares in joint operations is USD 558,883 (31 December 2020: USD 288,742).

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17. PROVISIONS, CONTINGENT ASSETS AND LIABILITIES

	31 December 2021	31 December 2020
Short-term accrued expenses		
Accrual for construction costs	40,007	35,933
Provision for legal claims	10,481	10,650
Accrued expenses	2,734	2,079
Other accrued expenses	617	908
	<u>53,839</u>	<u>49,570</u>

18. COMMITMENTS

Operating lease commitments – Group as lessor

The minimum future rental income of the Group under non-cancelable operating leases at 31 December 2021 and 2020 are as follows:

	31 December 2021	31 December 2020
Within one year	286,235	259,661
After one year but not more than five years	564,960	536,412
More than 5 years	112,337	163,750
	<u>963,532</u>	<u>959,823</u>

Litigations

As of 31 December 2021, there is not any litigation regarding the Group’s receivables (31 December 2020 – None).

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18. COMMITMENTS (cont’d)

The breakdown of letters of guarantee, guarantee notes given, mortgage and pledges (together referred to as Guarantees) by the Group as of 31 December 2021 and 2020 is as follows:

Letters of guarantee, guarantee notes given, mortgage and pledges	31 December 2021		31 December 2020	
	Original Currency	USD Equivalent	Original Currency	USD Equivalent
A. Total amount of guarantees provided by the Company on behalf of itself	-	1,155,426	-	785,613
-USD	273,080	273,080	148,337	148,337
-EUR	359,029	406,374	421,964	517,813
-TL	1,862,954	139,767	192,991	26,291
-Others (*)	-	336,205	-	93,172
B. Total amount for guarantees provided on behalf of subsidiaries accounted under full consolidation method	-	81,370	-	71,480
-USD	85	85	105	105
-EUR	-	-	-	-
-TL	822	62	822	112
-Others (*)	-	81,224	-	71,263
C. Provided on behalf of third parties in order to maintain operating activities (to secure third party payables)	-	-	-	-
D. Other guarantees given	-	-	-	-
i. Total amount of guarantees given on behalf of the parent company	-	-	-	-
ii. Total amount of guarantees provided on behalf of the associates which are not in the scope of B and C	-	-	-	-
iii. Total amount of guarantees provided on behalf of third parties which are not in the scope of C	-	-	-	-
		<u>1,236,796</u>		<u>857,093</u>

(*) U.S Dollar equivalents of letters of guarantee, guarantee notes given, mortgage and pledges other than USD, TL and EUR.

As of 31 December 2021 the portion of other guarantess given to shareholders’ equity is 0% (31 December 2020 - 0%).

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19. PROVISIONS FOR EMPLOYEE BENEFITS**a) Short-term employee benefits****Liabilities with the scope of employee benefits**

	31 December 2021	31 December 2020
Payroll payable and related taxes	21,143	24,051
	<u>21,143</u>	<u>24,051</u>

Short-term provisions related to employee benefits

	31 December 2021	31 December 2020
Bonus accrual	4,680	3,552
Vacation pay liability	4,487	5,583
	<u>9,167</u>	<u>9,135</u>

b) Long-term employee benefits

In accordance with existing social legislation, the Company and its subsidiaries incorporated in Turkey are required to make lump-sum payments to employees whose employment is terminated due to retirement or for reasons other than resignation or misconduct. Such payments are calculated on the basis of 30 days’ pay limited to a maximum of full TL 8,284 equivalent to full USD 622 (31 December 2020 - full TL 7,117 equivalent to full USD 970) per year of employment at the rate of pay applicable at the date of retirement or termination.

The liability is not funded as there is no funding requirement.

The provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of employees. IAS 19 requires actuarial valuation methods to be developed to estimate the enterprise’s obligation under defined benefit plans. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

The principal assumption is that the maximum liability for each year of service will increase parallel with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the anticipated effects of future inflation. Consequently, in the accompanying financial statements as at 31 December 2021, the provision has been calculated by estimating the present value of the future probable obligation of the Company arising from the retirement of the employees. The provisions at the respective balance sheet dates have been calculated with 3.41% real discount rate, assuming an annual inflation rate of 17% and a discount rate of 21% (31 December 2020 – 3.20%).

Estimated amount of retirement pay not paid due to voluntary leaves is also taken into consideration. Retirement ceiling pay revised each six month period basis and ceiling amount of full TL 10,849 which is in effect since 1 January 2022 is used in the calculation of Groups’ provision for retirement pay liability (1 January 2021 – full TL 7,639).

Movements of the provision for employee termination benefits for the years ended 31 December 2021 and 2020 are as follows:

	1 January - 31 December 2021	1 January - 31 December 2020
Opening balance	13,356	13,477
Service cost	2,420	1,737
Actuarial loss	480	979
Retirement benefits paid	(3,017)	(983)
Currency translation difference	(4,067)	(1,854)
Closing balance	<u>9,172</u>	<u>13,356</u>

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20. OTHER ASSETS AND LIABILITIES

	31 December 2021	31 December 2020
Other current assets		
Deferred VAT	18,938	10,166
VAT receivable	21,029	24,765
Prepaid taxes and funds	18,089	8,252
Other	5,361	5,206
	<u>63,417</u>	<u>48,389</u>
	31 December 2021	31 December 2020
Other non-current assets		
Other	78	249
	<u>78</u>	<u>249</u>

	31 December 2021	31 December 2020
Other current liabilities		
VAT payable	56,097	24,537
Taxes and funds payable	11,882	10,810
Other	2,625	3,343
	<u>70,604</u>	<u>38,690</u>

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21. SHARE CAPITAL AND RESERVES

a) Share capital

The shareholders of the Group and their percentage of ownership as of 31 December 2021 and 2020 is as follows:

	31 December 2021		31 December 2020	
	Percentage of ownership	Amount	Percentage of ownership	Amount
Tara Holding A.Ş.	49.80%	1,358,385	49.80%	1,358,385
Vildan Gülçelik	7.99%	217,991	7.99%	217,942
Sevda Gülçelik	6.43%	175,390	6.43%	175,390
Enka Spor Eğitim ve Sosyal Yardım Vakfı	5.87%	160,115	5.87%	160,115
Other	29.91%	815,801	29.91%	815,850
	100%	2,727,682	100%	2,727,682
Purchase of treasury shares (*)		(129,468)		(129,468)
		2,598,214		2,598,214

(*) Group’s buyback transactions have reached 138,113,665 shares (2020 – 138,113,665) in 2021.

As of 31 December 2021, 8.78% of the shares of Enka İnşaat is traded publicly in İstanbul Stock Exchange (ISE).

Within the above mentioned shares, founders of Enka İnşaat and former Enka Holding have one thousand founders share each. The founder shares of Enka İnşaat and the founder shares of former Enka Holding are entitled to receive, 5% and 2.5%, respectively, of the net income after the deduction of legal reserve and the first dividends.

The emitted Share Capital of the Company is divided into total 5,600,000,000 Shares, each having a nominal value of TL 1. Any Shareholders or their proxies or attorneys or representatives taking part in any General Assembly meetings have (1) vote for each Share Certificate they hold.

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21. SHARE CAPITAL AND RESERVES (cont’d)

b) Revaluation surplus

Revaluation fund

Revaluation difference arising from difference between book value and fair value of the buildings is netted off with the related deferred tax and classified as revaluation surplus and included under equity.

The movement of revaluationf fund for the years 2021 and 2020 is as follows:

	1 January- 31 December 2021	1 January- 31 December 2020
Opening balance	111,729	116,276
Currency translation difference	(5,224)	(3,762)
Revaluation of fixed assets	5,214	(534)
Disposals from revalued fixed assets	(294)	(441)
Deferred tax effect of revaluation of fixed assets	(1,023)	141
Transfer of depreciation difference (net of deferred tax) of revaluation effect	43	49
Closing balance	110,445	111,729

Financial Risk Hedge Fund

The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item, consistent with the relevant accounting policy.

c) Legal reserves and accumulated profit

The legal reserves consist of first and second reserves, appropriated in accordance with the Turkish Commercial Code (“TCC”). The TCC stipulates that the first legal reserve is appropriated out of statutory profits at the rate of 5% per annum, until the total reserve reaches 20% of the company’s paid-in share capital. The second legal reserve is appropriated at the rate of 10% per annum of all cash distributions in excess of 5% of the paid-in share capital. Under the TCC, the legal reserves can be used only to offset losses and are not available for any other usage unless they exceed 50% of paid-in share capital. Dividend distributions are made in TL in accordance with its Articles of Association, after deducting taxes and setting aside the legal reserves as discussed above.

Listed companies in Turkey make profit distributions in accordance with the regulations of CMB.

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21. SHARE CAPITAL AND RESERVES (cont’d)**c) Legal reserves and accumulated profit (cont’d)**

Equity inflation adjustment and carrying value of extraordinary reserves can be used in free capital increase, cash profit distribution and loss deduction. However, equity inflation adjustment is subject to corporate tax if it is used in cash profit distribution.

As of 31 December 2021, legal reserves of Enka İnşaat are amounting to TL 1,560,528 equivalent to USD 117,078 (31 December 2020 – TL 1,265,460 equivalent to USD 172,394).

The movement of the share capital (in numbers and in historical TL) of the Group during 31 December 2021 and 2020 is as follows:

	31 December 2021		31 December 2020	
	Number	TL	Number	TL
At 1 January,	5,461,886,335	5,461,886	4,924,600,000	4,924,600
Bonus shares issued out of general reserve	-	-	588,000,000	588,000
Treasury shares	-	-	(50,713,665)	(50,714)
	<u>5,461,886,335</u>	<u>5,461,886</u>	<u>5,461,886,335</u>	<u>5,461,886</u>

d) Remeasurement of defined benefit plans

As a result of adoption of IAS 19, actuarial gains and losses are recognized as other comprehensive income.

22. REVENUE AND COST OF REVENUE

	1 January - 31 December 2021	1 January - 31 December 2020
Revenue		
Domestic sales	1,410,724	484,881
Export sales	<u>1,448,687</u>	<u>1,173,880</u>
	<u>2,859,411</u>	<u>1,658,761</u>
Cost of Revenue		
Cost of domestic sales	1,137,078	421,652
Cost of export sales	<u>952,024</u>	<u>823,214</u>
	<u>2,089,102</u>	<u>1,244,866</u>

Segmental information of the Group is disclosed in Note 5.

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23. MARKETING, SALES, DISTRIBUTION AND ADMINISTRATIVE EXPENSES

	1 January - 31 December 2021	1 January - 31 December 2020
Administrative expenses	83,242	82,348
Marketing, sales and distribution expenses	<u>28,149</u>	<u>22,240</u>
	<u>111,391</u>	<u>104,588</u>

a) Marketing, sales and distribution expenses

	1 January - 31 December 2021	1 January - 31 December 2020
Employee benefit expenses	21,681	17,286
Advertisement & Commission Expenses	2,234	1,211
Transportation expenses	1,009	856
Office expenses	693	573
Business development expenses	49	194
Depreciation and amortization expenses (Note 24)	113	170
Other	<u>2,370</u>	<u>1,950</u>
	<u>28,149</u>	<u>22,240</u>

b) General administrative expenses

	1 January - 31 December 2021	1 January - 31 December 2020
Employee benefit expenses	52,237	46,471
Consulting and legal expenses	4,600	10,709
Depreciation and amortization expenses (Note 24)	3,863	4,243
Insurance expense	7,533	4,082
Transportation expenses	5,156	1,658
Office Expenses	3,077	3,729
Rent expenses	648	609
Other	<u>6,128</u>	<u>10,847</u>
	<u>83,242</u>	<u>82,348</u>

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24. EXPENSES BY NATURE

Depreciation and amortization expenses are detailed below:

	1 January - 31 December 2021	1 January - 31 December 2020
<u>Depreciation expenses</u>		
Cost of revenues	73,524	80,927
Selling and administrative expenses	3,903	4,194
	<u>77,427</u>	<u>85,121</u>
<u>Amortization expenses</u>		
Cost of revenues	5,128	4,218
Selling and administrative expenses	73	219
	<u>5,201</u>	<u>4,437</u>
	<u>82,628</u>	<u>89,558</u>

Employee benefit expenses are detailed below:

	1 January - 31 December 2021	1 January - 31 December 2020
Wages and salaries	275,430	257,947
Social security costs	42,169	38,295
Provision for employee termination benefits (Note 19)	2,420	1,737
Other benefits	4,737	5,091
	<u>324,756</u>	<u>303,070</u>

25. OTHER OPERATING INCOME / EXPENSES

	1 January - 31 December 2021	1 January - 31 December 2020
<u>Other operating income</u>		
Foreign exchange gains from trade receivables	42,236	24,374
Machinery and other rent income	1,423	495
Repaired spare parts gained as an inventory	1,591	2,119
Compensation income	1,798	3,832
Insurance compensation income	-	6,020
Service income	550	535
Collection of doubtful receivables (Note 9)	128	26
Other	2,588	4,898
	<u>50,314</u>	<u>42,299</u>

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25. OTHER OPERATING INCOME / EXPENSES (cont’d)

	1 January - 31 December 2021	1 January - 31 December 2020
<u>Other operating expense</u>		
Foreign exchange losses from trade receivables	36,947	37,200
Donations	3,145	6,542
Litigation provisions	7,559	4,758
Tax penalties	2,672	2,067
Capital increase expense	261	447
Provision for doubtful receivables (Note 9)	440	625
Disposal from fixed assets*	46,196	-
Other	8,766	3,115
	<u>105,986</u>	<u>54,754</u>

(*)The Group's 90% owned subsidiary, ENKA Renewables LLC, terminated the Build, Own Operate Agreement signed with the Government of Georgia, Georgian Energy Development Fund JSC, Namakhvani JSC, Electricity System Commercial Operator JSC and Georgian State Electro System JSC dated 25 April 2019 within the scope of the development, construction, ownership and operation of the Namakhvani Cascade HEPP Project in Georgia. Termination was due to Government of Georgia's events of default and force majeure. Since the capitalized property, plant and equipment of the Project cannot be utilized, the property, plant and equipment with a net book value of USD 40,389 were written off as of 31 December 2021.

26. INVESTMENT INCOME / EXPENSES

	1 January - 31 December 2021	1 January - 31 December 2020
<u>Income from investing activities</u>		
Interest income from financial investments	81,410	107,153
Increase in value of financial investments	9,716	256,646
Increase in the fair value of investment properties	83,043	19,777
Foreign exchange income from investing activities	23,874	33,640
Income from sale of securities	96,980	87,302
Dividend income	22,375	25,051
Gains from sales of property, plant and equipment	10,116	8,540
	<u>327,514</u>	<u>538,109</u>

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26. INVESTMENT INCOME / EXPENSES (cont’d)

	1 January - 31 December 2021	1 January - 31 December 2020
Expenses from investing activities		
Decrease in the fair value of investment properties	-	(20,625)
Decrease in the fair value of property, plant and equipment	-	(9,320)
Losses from valuation of investment securities	(82,486)	(11,750)
Foreign exchange losses from investing activities	(78,407)	(25,728)
Losses from sale of securities	(26,052)	(26,157)
Loss from sales of property, plant and equipment	(393)	(3,810)
	<u>(187,338)</u>	<u>(97,390)</u>

27. FINANCIAL INCOME

	1 January - 31 December 2021	1 January - 31 December 2020
Foreign exchange gains	77,845	42,379
Interest income	10,403	3,334
Forward transactions income	6,144	-
	<u>94,392</u>	<u>45,713</u>

28. FINANCIAL EXPENSES

	1 January - 31 December 2021	1 January - 31 December 2020
Bank commission expenses	6,609	11,335
Foreign exchange losses	13,167	8,129
Forward transactions losses	5,561	1,322
Interest expenses	2,395	4,245
Commission expenses of letters of guarantee	7,497	1,472
Other	118	21
	<u>35,347</u>	<u>26,524</u>

29. ASSETS HELD FOR SALE

Lands and buildings held for sale

As of 31 December 2021, assets held for sale comprise of lands and buildings obtained by Enka Pazarlama and Enka Kazakhstan Branch in consideration of their doubtful receivables and are amounting to USD 20,300 (31 December 2020 – USD 23,309).

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30. TAXATION ON INCOME

Corporate Tax

The Company and its subsidiary in Turkey, are subject to the tax legislation and practices in force in Turkey. The corporation tax is declared until the evening of the twenty-fifth day of the fourth month following the end of the accounting period and is paid in one installment until the end of the relevant month.

In Turkey, the corporation tax rate was applied as 20% as of 1 January 2021 determined by adding non-deductible expenses and subtracting exempt income in accordance with the tax code. However, in accordance with Article 11 of the "Law on Amendments to Certain Tax Laws and Other Laws" numbered 7316 and published in the Official Gazette dated 22 April 2021 and numbered 31462 and the provisional article 13 added to the Tax Law No 5520, corporate tax rate has been revised as 25% and 23% applicable to the fiscal years 2021 and 2022 respectively. This revision has been in effect with the issuance of tax filings dated from 1 July 2021 and is applicable for determining the tax expense from periods starting 1 January 2021. As the change in tax rate is applicable from 22 April 2021, current tax expense has been measured using the 25% tax rate in the consolidated financial statements.

Pursuant to this revision, deferred tax assets and liabilities have been measured using the %23 and %20 tax rates for temporary differences that will be settled in years 2022 and beyond, respectively.

Tax legislation in Turkey does not allow to fill consolidated tax returns of the Company and its subsidiary. Therefore, the tax liability reflected in the financial statements is calculated separately for each company.

According to the Corporate Tax Law, financial losses shown on the declaration can be deducted from the corporate tax base of the period not exceeding 5 years. Declarations and related accounting records can be examined within five years of the tax year by tax authorities, and tax accounts can be revised.

Dividend payments made to natural persons, who are subject not exempt from income taxes, resident and non-resident in Turkey and dividend payments made to legal persons non-resident in Turkey made by corporations resident in Turkey are subject to 15% income tax

Dividend payments by resident corporations to resident corporations in Turkey again in Turkey are not subject to income tax. In addition, if the profit is not distributed or added to the capital, the income tax is not calculated.

Dividend income (excluding profits from investment funds 'participation certificates and investment trusts' shares) obtained from participating in the capital of another corporation which is fully taxpayed is exempt from corporation tax. In addition, 75% of the profits arising from the sale of founders' shares, redeemable shares and preferential rights of real estates (immovables) owned by the same duration as the participation shares included in the assets of the institutions for at least two full years are exempt from corporate taxation as of December 31, 2017. However, with the amendment made by Law No. 7061, this ratio has been reduced from 75% to 50% in terms of immovables and this ratio will be used as 50% in tax declarations to be prepared from 2018.

In order to benefit exclusively, the earning must be kept in a passive fund account and not withdrawn for 5 years. The sales price must be collected until the end of the second calendar year following the year in which the sale is made.

Income Withholding Tax

In addition to corporate taxes, companies should also calculate income withholding taxes and funds surcharge on any dividends distributed, except for companies receiving dividends who are resident companies in Turkey and Turkish branches of foreign companies. Income tax withholding 24 April 2003 - 22 July 2006 is 10% among all companies. This rate since 22 July 2006, by the Council of Ministers No. 2006/10731 of 15% is applied. Undistributed dividends incorporated in share capital are not subject to income tax withholding.

Transfer pricing regulation

In Turkey, the transfer pricing provisions have been stated under the Article 13 of Corporate Tax Law withthe heading of “disguised profit distribution via transfer pricing”. The General Communiqué on disguisedprofit distribution via Transfer Pricing, dated 18 November 2007 sets details about implementation.

If a taxpayer enters into transactions regarding sale or purchase of goods and services with related parties,where the prices are not set in accordance with arm's length principle, then related profits are considered to be distributed in a disguised manner through transfer pricing. Such disguised profit distributions through transfer pricing are not accepted as tax deductible for corporate income tax purposes.

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30. TAXATION ON INCOME (cont’d)Deferred Tax:

The Group recognizes deferred tax assets and liabilities based upon temporary differences arising between its consolidated financial statements as reported for IFRS purposes and its statutory tax financial statements. These differences usually result in the recognition of revenue and expenses in different reporting periods for IFRS and tax purposes and they are given below.

Deferred tax assets and liabilities are calculated by using valid tax rates in related countries.

Tax legislations in other countries

As of 31 December 2021 and 2020 effective corporation tax rate in other countries are as follows:

	31 December 2021	31 December 2020
Russia	20%	20%
Netherlands	25%	25%
Kazakhstan	28% - 32%	28% - 32%
Iraq	15% - 35%	15% - 35%
Romania	16%	16%
Oman	12%	12%
Kosovo	10%	10%

	1 January - 31 December 2021	1 January - 31 December 2020
Consolidated statement of profit or loss		
Current corporate tax	(121,789)	(107,653)
Deferred tax expense	(79,239)	(3,972)
	<u>(201,028)</u>	<u>(111,625)</u>

The movement of the current income tax liability is given as follows:

	2021	2020
1 January	19,478	30,306
Current year tax expense	121,789	107,653
Taxes paid	<u>(113,899)</u>	<u>(118,481)</u>
31 December	<u>27,368</u>	<u>19,478</u>

A reconciliation of the nominal (on the basis of the income tax rate of the Company and the Turkish subsidiaries) to the effective tax rate for the years ended 31 December 2021 and 2020 is provided below:

	1 January - 31 December 2021		1 January - 31 December 2020	
Profit before tax	802,467		756,760	
Tax per statutory tax rate	200,617	25%	166,487	22%
Jobsites exempt from income tax	(20,210)	(2.5%)	1,830	0,2%
Effect of different functional currencies and others	20,621	2,6%	(56,692)	(7,5%)
Taxation charge	<u>201,028</u>	<u>25.1%</u>	<u>111,625</u>	<u>14.7%</u>

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30. TAXATION ON INCOME (cont’d)

As of 31 December 2021 and 2020, the breakdown of temporary differences which give rise to deferred taxes is as follows:

	31 December 2021	31 December 2020
Remeasurement and revaluation of property, plant and equipment, intangible assets and investment property	(339,053)	(389,994)
GE Inventory in the context of "PSA" (*)	(21,155)	(38,393)
Adjustments on financial instruments and derivatives	(87,930)	(44,156)
Others	<u>(3,462)</u>	<u>-</u>
Gross deferred income tax liabilities	<u>(451,600)</u>	<u>(472,543)</u>
Allowance for retirement pay liability	1,213	1,678
Allowance for doubtful receivables	115	1,087
Others	<u>-</u>	<u>18,010</u>
Gross deferred income tax assets	<u>1,328</u>	<u>20,775</u>
Net deferred tax liability	<u>(450,272)</u>	<u>(451,768)</u>

(*) Implies deferred tax liabilities estimated from temporary differences related to “Parts and Services Agreement” (PSA) made with the Group’s spare part supplier General Electric (GE).

Deferred tax is reflected in the statement of financial position as:

	31 December 2021	31 December 2020
Deferred tax assets	13,239	8,503
Deferred tax liabilities	<u>(463,511)</u>	<u>(460,271)</u>
Net deferred liabilities	<u>(450,272)</u>	<u>(451,768)</u>

Total amount of temporary differences and deferred tax liabilities which have not been recognized as of 31 December 2021 related with Group’s shares in its subsidiaries, branches and associates is USD 2,366,502 (31 December 2020 - USD 2,335,074).

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30. TAXATION ON INCOME (cont’d)

As of 31 December 2021 and 2020, movement of net deferred tax asset (liability) can be presented as follows:

	2021	2020
Balance at 1 January	451,768	507,442
Deferred income tax expense recognized in consolidated statement of profit or loss	79,239	3,972
Deferred income tax expense recognized in equity	927	(337)
Currency translation difference	(81,662)	(59,309)
31 December	<u>450,272</u>	<u>451,768</u>

As of 31 December 2021 and 2020, the breakdown of deferred taxes which are recognised in other comprehensive income is as follows:

	31 December 2021			31 December 2020		
	Before Taxation	Deferred tax (expense) /	Netted-off deferred tax	Before Taxation	Deferred tax (expense) /	Netted-off deferred tax
Change in revaluation of buildings	5,214	(1,023)	4,191	(534)	141	(393)
Revaluation loss of defined benefit plans	(480)	96	(384)	(979)	196	(783)
Changes in fair value of derivative assets	309	-	309	95	-	95
Changes in currency translation differences	(389,669)	-	(389,669)	(323,758)	-	(323,758)
	<u>(384,626)</u>	<u>(927)</u>	<u>(385,553)</u>	<u>(325,176)</u>	<u>337</u>	<u>(324,839)</u>

Unrecognized deferred tax assets and liabilities

As of 31 December 2021, the Group has unused financial losses amounting to USD 73,494 (31 December 2020: none) that can be offset against future profits. Since the future profitability cannot be estimated, deferred tax assets amounting to USD 14,699 (31 December 2020: none) calculated using the 20% tax rate, have not been recorded. The maturity of financial losses not recorded in the deferred tax asset calculation will expire as follows:

	31 December 2021	31 December 2020
2026	<u>14,699</u>	<u>--</u>
	<u>14,699</u>	<u>--</u>

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31. EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

In Turkey, companies can increase their share capital by making a pro-rata distribution of shares (“Bonus Shares”) to existing shareholders without consideration for amounts resolved to be transferred to share capital from retained earnings and revaluation surplus. For the purpose of the EPS calculation such bonus share issues are regarded as stock dividends. Dividend payments, which are immediately reinvested in the shares of the Company, are regarded similarly. Accordingly the weighted average number of shares used in EPS calculation is derived by giving retroactive effect to the issue of such shares without consideration through 31 December 2021.

	31 December 2021	31 December 2020
Earning per share		
- ordinary share certificate (full USD)	0.11	0.12
- founder shares (*)	-	-
Weighted average number of share certificates (nominal value of 1 TL each)	<u>5,461,886,335</u>	<u>5,461,886,335</u>
- ordinary share certificate	5,461,886,335	5,512,600,000
-treasury shares	-	(50,713,665)
- founder shares		

(*) Since 2021 profit distribution was not determined as of the date of the preparation date of the consolidated financial statements, total of the earnings per share is reflected on ordinary share certificates.

32. RELATED PARTY BALANCES AND TRANSACTIONS**Related parties**

The Group is controlled by Tara Holding (49.80%) (31 December 2020 – 49.80%) and Tara and Gülçelik families (28.40%) (31 December 2020 – 28.40%). For the purposes of the consolidated financial statements, balances with the shareholder companies, individual shareholders, unconsolidated subsidiaries, associated companies, equity participations and their affiliates are referred to as “related parties”. Related parties also include management and members of the Group’s Board of Directors.

In the course of conducting business, the Group conducted various business transactions with related parties on commercial terms. The breakdown of balances with related parties and details of significant related party transactions are as follows:

	31 December 2021		31 December 2020	
	Receivables	Payables	Receivables	Payables
Shareholders	-	8	-	18
Enka Spor Kulübü	<u>2</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>2</u>	<u>8</u>	<u>-</u>	<u>18</u>

As of 31 December 2021, the Group gained USD 5.32 rent income from related parties (31 December 2020 - USD 7.71). As of 31 December 2021 the Group does not have any sales to related parties (2020 - None).

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32. RELATED PARTY BALANCES AND TRANSACTIONS (cont’d)

Top management’s remuneration

The total wages paid for the members of Board of Directors of the Group is amounting to USD 4,411 (31 December 2020 - USD 3,148), the social security payments and retirement pay provisions are USD 304 (31 December 2020 – USD 273) and USD 161 (31 December 2020– USD 183) respectively. Total wages paid for the general manager, general coordinators and vice general managers of the Group (except BOD members), is amounting to USD 11,960 (31 December 2020 – USD 11,878), the social security payment and retirement pay provisions are USD 905 (31 December 2020 – USD 903) and USD 1,051 (31 December 2020 – USD 1,254) respectively.

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group’s principal financial instruments comprise bank loans, investment securities, lease obligations, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group’s operations. The Group has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations.

The main risks arising from the Group’s financial instruments are interest rate risk, liquidity risk, foreign currency risk and credit risk. The management reviews and agrees policies for managing each of these risks. The Group monitors the market price risk arising from all financial instruments periodically.

Capital risk management

The primary objective of the Group’s capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value. Capital structure of the Group comprises from liabilities, cash and cash equivalents, paid-in capital and legal reserves explained in Note 21.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or the shareholders may make a direct cash contribution of the needed working capital to the Group. No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 2020.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including ‘current and non-current borrowings’ as shown in the consolidated statement of financial position) less cash and cash equivalents. Total capital is calculated as ‘equity’ as shown in the consolidated statement of financial position plus net debt.

Total Assets / Total Equity

	31 December 2021	31 December 2020
Cash, cash equivalents and financial assets	5,265,431	4,405,891
Less: Total Financial Liabilities	164,980	188,801
Net Assets	5,100,451	4,217,090
Equity	6,741,584	6,770,129
Equity - Net Assets	1,641,133	2,553,039
Total Net Assets to Equity Ratio	75.66%	62.29%

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)

Financial risk factors

Interest risk

The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s debt obligations with floating interest rates. The Group is managing interest risk that arises from assets and liabilities sensitive to interest risk by using balancing assets and liabilities.

Foreign currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Euro, Russian Ruble and also U.S Dollar which arises from the liabilities belonging to the companies in the consolidation scope, whose the functional currency is not U.S Dollar.

The Group is engaged in construction, trading, energy and real estate operations business in several countries and, as a result, is exposed to movements in foreign currency exchange rates. In addition to transactional exposures, the Group is also exposed to foreign exchange movements on its net investments in foreign subsidiaries. The Group manages foreign currency risk by using natural hedges that arise from offsetting foreign currency denominated assets and liabilities.

The foreign currency risk of the Group arises from the credits used in U.S. Dollars, Euro and JPY. In order to mitigate the risk, the Group continuously monitors its cash inflows/outflows and also uses financial instruments to hedge the risk when it is necessary.

The following table details the Group’s foreign currency position as at 31 December 2021 and 2020:

	31 December 2021	31 December 2020
A. Assets denominated in foreign currency	1,224,233	840,349
B. Liabilities denominated in foreign currency	(581,703)	(444,547)
Net foreign currency position (A+B)	642,530	395,802

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)

Financial risk factors (cont’d)

Foreign currency risk (cont’d)

The Group’s foreign currency position at 31 December 2021 and 2020 is as follows (non monetary items are not included in the table as they don’t have foreign currency risk):

	31 December 2021						
	TL	USD Equivalent	Euro	USD Equivalent	Other USD (*)	USD (**)	Total USD Equivalent
Cash and cash equivalents	65,947	4,948	209,871	237,553	104,003	68,942	415,446
Financial investments	1,511,128	113,371	129,854	146,982	236,301	-	496,654
Trade and other receivables	35,367	2,653	39,763	45,008	42,507	3,942	94,110
Other current assets	166,353	12,481	77,050	87,213	35,971	46,682	182,347
Current assets	1,778,795	133,453	456,538	516,756	418,782	119,566	1,188,557
Financial investments	-	-	11,229	12,710	11,954	-	24,664
Trade and other receivables	-	-	8,441	9,555	-	-	9,555
Other non-current assets	15,971	1,198	198	224	32	3	1,457
Non-current assets	15,971	1,198	19,868	22,489	11,986	3	35,676
Total assets	1,794,766	134,651	476,406	539,245	430,768	119,569	1,224,233
Short-term borrowings	-	-	25,018	28,318	9,138	-	37,456
Trade and other payables	98,270	7,373	158,028	178,872	203,850	19,034	409,129
Other current liabilities and accrued expenses	331,129	24,843	5,857	6,629	66,076	17,166	114,714
Current liabilities	429,399	32,216	188,903	213,819	279,064	36,200	561,299
Trade and other payables	-	-	-	-	-	-	-
Long-term borrowings	-	-	-	-	17,320	-	17,320
Other non-current liabilities	-	-	9	10	-	3,074	3,084
Non-current liabilities	-	-	9	10	17,320	3,074	20,404
Total liabilities	429,399	32,216	188,912	213,829	296,384	39,274	581,703
Net foreign currency position	1,365,367	102,435	287,494	325,416	134,384	80,295	642,530
Net notional amount of derivatives	909	68	135,942	153,873	-	-	153,941

(*) U.S.Dollar equivalents of the foreign currency balances other than TL and Euro.
(**) U.S.Dollar balances of consolidated subsidiaries and joint ventures whose functional currency is other than U.S.Dollar.

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)

Financial risk factors (cont’d)

Foreign currency risk (cont’d)

	31 December 2020						
	TL	USD Equivalent	Euro	USD Equivalent	Other USD (*)	USD (**)	Total USD Equivalent
Cash and cash equivalents	19,977	2,721	71,411	87,636	78,703	39,238	208,298
Financial investments	430,404	58,634	109,715	134,643	77,929	-	271,206
Trade and other receivables	83,238	11,340	87,649	107,563	31,899	14,027	164,829
Other current assets	85,777	11,685	47,488	58,277	38,051	48,072	156,085
Current assets	619,396	84,380	316,263	388,119	226,582	101,337	800,418
Financial investments	-	-	11,661	14,310	12,615	-	26,925
Trade and other receivables	-	-	8,705	10,683	-	-	10,683
Other non-current assets	12,779	1,741	112	138	441	3	2,323
Non-current assets	12,779	1,741	20,478	25,131	13,056	3	39,931
Total assets	632,175	86,121	336,741	413,250	239,638	101,340	840,349
Short-term borrowings	5,209	710	31,794	39,018	16,922	-	56,650
Trade and other payables	83,658	11,397	108,526	133,183	108,213	8,141	260,934
Other current liabilities and accrued expenses	234,084	31,889	22,379	27,463	17,250	20,038	96,640
Current liabilities	322,951	43,996	162,699	199,664	142,385	28,179	414,224
Trade and other payables	-	-	-	-	-	-	-
Long-term borrowings	-	-	-	-	27,578	-	27,578
Other non-current liabilities	-	-	48	59	-	2,686	2,745
Non-current liabilities	-	-	48	59	27,578	2,686	30,323
Total liabilities	322,951	43,996	162,747	199,723	169,963	30,865	444,547
Net foreign currency position	309,224	42,125	173,994	213,527	69,675	70,475	395,802
Net notional amount of derivatives	-	-	87,000	106,766	-	-	106,766

(*) U.S.Dollar equivalents of the foreign currency balances other than TL and Euro.
(**) U.S.Dollar balances of consolidated subsidiaries and joint ventures whose functional currency is other than U.S.Dollar.

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)

Financial risk factors (cont’d)

Credit risk (cont’d)

31 December 2020	Receivables					Financial assets at fair value through profit or loss (**)
	Trade receivables		Other receivables		Derivative instruments	
	Related party	3rd party	Related party	3rd party		
The maximum amount of exposure to credit risk at the end of the reporting period (A+B+C+D+E)						
- Total receivable that have been secured with collaterals, other credit enhancements etc.	-	350,288	-	2,837	1,347,473	1,826,932
A. Financial assets that are either past due or impaired						
B. The amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated	-	74,027	-	-	-	-
C. The amount of financial assets that are past due as at the end of the reporting period but not impaired.	-	287,011	-	2,837	1,347,473	1,826,932
- The amount that have been secured with collaterals, other credit enhancements etc.	-	-	-	-	-	-
D. The amount of financial assets that are impaired	-	63,277	-	-	-	-
- Past due (Gross book value)	-	63,277	-	-	-	-
- The amount of impairment (-)	-	20,061	-	-	-	-
- The amount that have been secured with collaterals, other credit enhancements etc.	-	(20,061)	-	-	-	-
- Not past due (Gross book value)	-	-	-	-	-	-
- The amount of impairment (-)	-	-	-	-	-	-
E. Off balance sheet credit risk amount	-	-	-	-	-	-
31 December 2020						
Overdue between 1 to 30 days	33,747	-	-	-	-	-
Overdue between 1 to 3 months	17,798	-	-	-	-	-
Overdue between 3 to 12 months	11,722	-	-	-	-	-
Overdue between 1 to 5 years	10	-	-	-	-	-
Overdue over 5 years	-	-	-	-	-	-
	63,277	-	-	-	-	-

(**) Equity securities are excluded since they do not expose any credit risk.

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)

Financial risk factors (cont’d)

Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The risk is mitigated by matching the cash in and out flow volume supported by committed lending limits from qualified credit institutions.

The maturity analysis of the non-derivative financial liabilities is presented based on the period between balance sheet date and maturity date of these non-derivatives financial liabilities.

The table below summarizes the maturity profile of the Group’s financial liabilities based on contractual undiscounted payments.

Current liabilities

31 December 2021

		<u>Total cash outflow according to</u>		<u>1 to 3</u>	<u>3 to 12</u>
<u>Contractual maturity analysis</u>	<u>Carrying value</u>	<u>contract (I+II+III)</u>	<u>Up to 1 month (I)</u>	<u>months (II)</u>	<u>months (III)</u>
Non-derivative financial liabilities					
Financial liabilities and lease obligations	60,352	61,947	234	9,897	51,816
Trade payables	348,309	348,309	209,694	46,724	91,891
Other payables to related parties	8	8	8	-	-

Non-current liabilities

31 December 2021

		<u>Total cash outflow according to</u>		<u>3 to 5</u>	
<u>Contractual maturity analysis</u>	<u>Carrying value</u>	<u>contract (I+II+III)</u>	<u>1 -3 years (I)</u>	<u>years (II)</u>	<u>5+ years (III)</u>
Non-derivative financial liabilities					
Financial liabilities and lease obligations	104,628	104,719	29,475	6,218	69,026

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont’d)**Financial risk factors (cont’d)****Liquidity risk (cont’d)****Current liabilities****31 December 2020**

	<u>Carrying</u>	<u>Total cash</u>		<u>1 to 3</u>	<u>3 to 12</u>
<u>Contractual maturity analysis</u>	<u>value</u>	<u>outflow</u>	<u>Up to 1</u>	<u>months</u>	<u>months</u>
		<u>according to</u>	<u>month (I)</u>	<u>(II)</u>	<u>(III)</u>
		<u>contract</u>			
		<u>(I+II+III)</u>			
Non-derivative financial liabilities					
Financial liabilities and lease obligations	74,499	75,871	808	9,672	65,391
Trade payables	167,739	167,739	70,029	35,357	62,353
Other payables to related parties	18	18	18	-	-

Non-current liabilities**31 December 2020**

	<u>Carrying</u>	<u>Total cash</u>		<u>3 to 5</u>	<u>5+ years</u>
<u>Contractual maturity analysis</u>	<u>value</u>	<u>outflow</u>	<u>1 -3</u>	<u>years</u>	<u>(III)</u>
		<u>according to</u>	<u>years (I)</u>	<u>(II)</u>	
		<u>contract</u>			
		<u>(I+II+III)</u>			
Non-derivative financial liabilities					
Financial liabilities and lease obligations	114,302	114,967	42,084	8,675	64,208

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34. FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR HEDGING FINANCIAL RISK***Fair value of financial assets and liabilities***

Fair value is the amount for which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced sale or liquidation, and is best evidenced by a quoted market price, if one exists.

Foreign currency denominated receivables and payables are revalued with the exchange rates valid as of the date of the financial statements.

The following methods and assumptions were used to estimate the fair value of the financial instruments that are not carried at fair value on the balance sheet:

Financial assets

The fair values of cash, amounts due from banks and other monetary assets are considered to approximate their respective carrying values due to their short-term nature. The carrying values of trade receivables are estimated to be their fair values due to their short-term nature. It is considered that the fair values of the long term receivables are approximate to their respective carrying values as they are accounted for in foreign currencies.

Financial liabilities

The fair values of trade payables and other monetary liabilities are considered to approximate their respective carrying values due to their short-term nature. The fair values of the trade payables after discount are considered to be approximate to their corresponding carrying values. It is considered that the fair values of the long term payables and long term financial borrowings are approximate to their respective carrying values as they are accounted for in foreign currencies.

Derivative instruments / forward contracts purchase – sales agreements

In the ordinary course of business, the Group enters into various types of transactions that involve derivative financial instruments. A derivative financial instrument is a financial contract between two parties where payments are dependent upon movements in price in one or more underlying financial instruments, reference rates or indices.

The table below shows derivative financial instruments analyzed by the term to maturity. The notional amount is the amount of a derivative’s underlying asset, reference rate or index and is the basis upon which changes in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at year-end and are neither indicative of the market risk nor credit risk.

As of 31 December 2021 and 2020, the fair value of financial instrument is calculated by using forward exchange rates at the balance sheet date.

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34. FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR
HEDGING FINANCIAL RISK (cont’d)

Derivative instruments / forward contracts purchase – sales agreements (cont’d)

	31 December 2021			
	Unrealized	1 to 12	1 to 2	2 to 5
	Gain/(Loss)	months	years	years
Derivative instruments	(1,878)	-	-	-
Forward contracts sales agreements	-	154,324	-	-
Forward contracts purchase agreements	-	152,447	-	-

	31 December 2020			
	Unrealized	1 to 12	1 to 2	2 to 5
	Gain/(Loss)	months	years	years
Derivative instruments	(2,114)	-	-	-
Forward contracts sales agreements	-	118,984	-	-
Forward contracts purchase agreements	-	116,871	-	-

Fair value hierarchy

The Group classifies the fair value measurement of each class of financial instruments that are measured at fair value on the balance sheet, according to the source, using three-level hierarchy, as follows:

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

Level 2: Other valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Valuation techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

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34. FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR
HEDGING FINANCIAL RISK (cont’d)

Fair value hierarchy (cont’d)

31 December 2021:

	Level 1	Level 2	Level 3
Private sector bonds	877,019	-	-
Equity securities	1,711,811	3,749	7,720
Foreign government bonds	113,483	-	-
Turkish government bonds	214,370	-	-
Mutual funds	222,845	28,404	24,323
Financial assets at fair value through profit or loss	3,139,528	32,153	32,043
Derivative instruments	-	(1,878)	-

Financial liabilities at fair value through profit or loss

31 December 2020:

	Level 1	Level 2	Level 3
Private sector bonds	1,443,141	-	-
Equity securities	1,217,183	3,900	7,167
Foreign government bonds	217,529	-	-
Turkish government bonds	35,667	-	-
Mutual funds	94,552	25,084	10,959
Financial assets at fair value through profit or loss	3,008,072	28,984	18,126
Derivative instruments	-	(2,114)	-
Financial liabilities at fair value through profit or loss	-	(2,114)	-

35. EVENTS AFTER THE REPORTING PERIOD

Law No. 7352 Amending the Tax Procedure Law and the Corporate Tax Law ("Law No. 7352"), was published in the Official Gazette dated January 29, 2022. With Article 2 of the Law numbered 7352, Temporary Article 14 has been added to the Corporate Tax Law. As per the relevant article, it was regulated that corporate taxpayers who have converted their foreign currency and/or gold account balances in their balance sheet dated 31 December 2021 into Turkish lira with a maturity of at least three months, for portion of the exchange gains arising from the period-end valuation of the said foreign currencies corresponding to the period between 1 October 2021 and 31 December 2021 will enjoy corporate and income tax exemption for the foreign exchange gains arising from the conversion and the interest, profit share and other income to be obtained from the timely Turkish lira deposit and participation accounts opened in this context.

With the start of the Russia-Ukraine war on February 24, 2022, uncertainties regarding the Group's operations in Russia and the region have emerged. While preparing the consolidated financial statements as of 31 December 2021, the effects of the Russia-Ukraine war and the sanctions on the Russian State , which were announced as of the publication date of the consolidated financial statements, on the consolidated financial statements are being evaluated by the Group management. These uncertainties are not expected to have a material impact on the consolidated financial statements, since the companies that the Group works with in its ongoing operations in the region are not included in the current sanctions of any country as of the date of publication of the consolidated financial statements.