

**ENKA İNŞAAT VE SANAYİ  
ANONİM ŞİRKETİ  
AND ITS SUBSIDIARIES**

Condensed Consolidated Interim Financial  
Statements as at and for the Nine-Months  
Period Ended  
30 September 2024

<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION.....</b>	<b>1-2</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS.....</b>	<b>3</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME.....</b>	<b>4</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY.....</b>	<b>5</b>
<b>CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS.....</b>	<b>6</b>
<b>NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS.....</b>	<b>7-29</b>
NOTE 1 ORGANIZATIONS AND OPERATIONS OF THE GROUP.....	7
NOTE 2 BASIS OF PRESENTATION OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS .....	8-14
NOTE 3 CHANGES IN OPERATIONAL SEASON.....	15
NOTE 4 SEGMENTAL INFORMATION .....	15-19
NOTE 5 CONSTRUCTION CONTRACTS.....	20
NOTE 6 INVESTMENT PROPERTY.....	20
NOTE 7 PROPERTY, PLANT AND EQUIPMENT.....	20
NOTE 8 COMMITMENTS.....	21
NOTE 9 RELATED PARTY BALANCES AND TRANSACTIONS.....	22
NOTE 10 SHARE CAPITAL AND RESERVES.....	22
NOTE 11 INVESTMENT INCOME / EXPENSES.....	23
NOTE 12 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES.....	24-27
NOTE 13 FINANCIAL INSTRUMENTS - FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR HEDGING FINANCIAL RISK.....	28-29
NOTE 14 SUBSEQUENT EVENTS .....	29

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

ASSETS	Note	30 September 2024	31 December 2023
<b>Current Assets</b>		<b>4,430,074</b>	<b>4,047,643</b>
Cash and cash equivalents		1,126,208	1,230,086
Financial investments	13	2,064,276	1,804,916
Trade receivables		400,109	363,282
Other receivables			
Other receivables from related parties		157	22
Other receivables from third parties		5,428	13,413
Inventories		441,997	285,882
Prepaid expenses		236,699	234,636
Costs and estimated earnings in excess of billings on uncompleted contracts	5	76,842	62,525
Other current assets		64,511	38,706
		<u>4,416,227</u>	<u>4,033,468</u>
Assets held for sale		13,847	14,175
<b>Non-Current Assets</b>		<b>5,542,935</b>	<b>5,359,885</b>
Financial investments	13	2,134,102	2,159,653
Investment properties	6	1,801,897	1,821,962
Property, plant and equipment		1,529,870	1,289,641
Right of use assets		58,100	59,763
Intangible assets			
Other intangible assets		14,988	15,011
Deferred tax assets		3,018	3,226
Prepaid expenses		289	10,507
Other non-current assets		671	122
<b>TOTAL ASSETS</b>		<b><u>9,973,009</u></b>	<b><u>9,407,528</u></b>

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

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024

(Amounts are expressed in thousands of U.S. Dollars (“USD”) unless otherwise stated.)

<b>LIABILITIES</b>	<b>Note</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
<b>Current Liabilities</b>		<b>1,546,514</b>	<b>1,420,060</b>
Short-term borrowings		880	119
Current portion of long-term borrowings		4,217	4,359
Trade payables		344,435	290,822
Payables to employees		37,209	24,679
Other payables			
Payables to related parties		5	1
Payables to third parties		15,312	17,444
Billings in excess of costs and estimated earnings on uncompleted contracts	5	536,694	547,339
Deferred income		495,850	387,356
Taxation on income		21,013	34,950
Provisions			
Provisions for employee benefits		10,330	13,273
Other provisions		34,218	43,612
Other current liabilities		46,351	56,106
<b>Non-Current Liabilities</b>		<b>648,679</b>	<b>563,993</b>
Long-term borrowings		113,091	117,362
Other payables		25,265	22,682
Deferred income		-	1,078
Provisions for employee benefits		18,462	19,033
Deferred tax liabilities		491,861	403,838
<b>EQUITY</b>		<b>7,777,816</b>	<b>7,423,475</b>
<b>Equity Attributable to Equity Holders of the Parent</b>		<b>7,682,239</b>	<b>7,325,457</b>
Share capital	10	2,751,959	2,751,959
Treasury Shares	10	(126,701)	(126,701)
Revaluation surplus		195,810	190,622
Currency translation difference		(1,465,641)	(1,487,368)
Other reserves		(10,301)	(10,496)
Legal reserves and accumulated profit		6,337,113	6,007,441
<b>Non-Controlling Interests</b>		<b>95,577</b>	<b>98,018</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>9,973,009</b>	<b>9,407,528</b>

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

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

	Note	1 January- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2024	1 July- 30 September 2023
<b>CONTINUING OPERATIONS</b>					
Revenue	4	2,136,075	2,509,229	810,116	878,896
Cost of revenues (-)	4	(1,621,664)	(1,962,399)	(628,755)	(694,284)
<b>GROSS PROFIT</b>		<b>514,411</b>	<b>546,830</b>	<b>181,361</b>	<b>184,612</b>
Administrative expenses (-)	4	(120,486)	(115,881)	(32,493)	(24,715)
Marketing, selling and distribution expenses (-)	4	(27,628)	(20,667)	(11,703)	(7,586)
Other operating income	4	36,907	78,898	5,622	22,712
Other operating expenses (-)	4	(25,645)	(51,774)	(7,360)	(11,112)
<b>PROFIT FROM OPERATIONS</b>		<b>377,559</b>	<b>437,406</b>	<b>135,427</b>	<b>163,911</b>
Income from investing activities	4,11	388,808	324,132	158,504	30,680
Expenses from investing activities (-)	4,11	(40,863)	(131,844)	(5,325)	(2,774)
<b>OPERATING PROFIT</b>		<b>725,504</b>	<b>629,694</b>	<b>288,606</b>	<b>191,817</b>
<b>BEFORE FINANCE EXPENSES</b>					
Financial income	4	42,645	59,173	15,053	21,704
Financial expenses (-)	4	(32,721)	(61,460)	(8,256)	(25,519)
Net monetary loss (-)	4	(30,973)	-	(19,158)	-
<b>PROFIT BEFORE TAX</b>		<b>704,455</b>	<b>627,407</b>	<b>276,245</b>	<b>188,002</b>
<b>FROM CONTINUING OPERATIONS</b>					
Current tax expense (-)		(70,395)	(142,119)	(23,166)	(49,225)
Deferred tax income / (expense)		(72,003)	(15,790)	(51,945)	4,727
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>		<b>562,057</b>	<b>469,498</b>	<b>201,134</b>	<b>143,504</b>
<b>Attributable to:</b>					
Non-controlling interest		23,405	17,628	12,247	7,429
Equity holders of the parent		538,652	451,870	188,887	136,075
		<b>562,057</b>	<b>469,498</b>	<b>201,134</b>	<b>143,504</b>
<b>Earning / (Loss) per share from continuing operations</b>					
- ordinary share certificate (full USD)		0.09	0.08	0.03	0.02
<b>Weighted average number of shares</b>					
(1 dollar weighted average shares)		5,864,704,564	5,864,704,564	5,864,704,564	5,864,704,564

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

**ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES****CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 SEPTEMBER 2024**

(Amounts are expressed in thousands of U.S. Dollars (“USD”) unless otherwise stated.)

	1 January- 30 September 2024	1 January- 30 September 2023	1 July- 30 September 2024	1 July- 30 September 2023
<b>NET PROFIT FOR THE PERIOD</b>	<b>562,057</b>	<b>469,498</b>	<b>201,134</b>	<b>143,504</b>
<b>Other Comprehensive Income / (Expense):</b>				
Items that will not be reclassified subsequently to profit or loss	(5,026)	(12,782)	(1,529)	(2,115)
Changes in currency translation difference in revaluation fund of property	(5,026)	(12,782)	(1,529)	(2,115)
Items that may be reclassified subsequently to profit or loss	155,523	(381,888)	51,271	(110,853)
Changes in currency translation difference	155,523	(381,860)	51,271	(110,853)
Gains (Losses) on financial assets measured at fair value through other comprehensive income	-	(28)	-	-
<b>OTHER COMPREHENSIVE INCOME / (LOSS)</b>	<b>150,497</b>	<b>(394,670)</b>	<b>49,742</b>	<b>(112,968)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>712,554</b>	<b>74,828</b>	<b>250,876</b>	<b>30,536</b>
<b>Attributable to:</b>				
Non-controlling interest	24,985	16,266	16,212	5,170
Equity holders of the parent	687,569	58,562	234,664	25,366
	<b>712,554</b>	<b>74,828</b>	<b>250,876</b>	<b>30,536</b>

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

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed in thousands of U.S. Dollars (“USD”) unless otherwise stated.)

	Share capital	Treasury Shares	Revaluation surplus	Currency translation difference	Other reserves	Legal reserves and accumulated profit	Total	Non- controlling interests	Total equity
<b>Balance at 1 January 2023</b>	<b>2,751,959</b>	<b>(127,194)</b>	<b>195,343</b>	<b>(1,381,980)</b>	<b>(5,933)</b>	<b>5,038,858</b>	<b>6,471,053</b>	<b>75,385</b>	<b>6,546,438</b>
Total other comprehensive income	-	-	(14,235)	(270,382)	(2,095)	(106,596)	(393,308)	(1,362)	(394,670)
Profit for the period	-	-	-	-	-	451,870	451,870	17,628	469,498
Total comprehensive income	-	-	(14,235)	(270,382)	(2,095)	345,274	58,562	16,266	74,828
Increase (Decrease) through Treasury Share Transactions	-	493	-	-	-	-	493	-	493
Transfer of depreciation difference (net of deferred tax) of revaluation effect	-	-	(139)	-	-	139	-	-	-
Dividends paid	10	-	-	-	-	(112,442)	(112,442)	(9,125)	(121,567)
<b>Balance at 30 September 2023</b>	<b>2,751,959</b>	<b>(126,701)</b>	<b>180,969</b>	<b>(1,652,362)</b>	<b>(8,028)</b>	<b>5,271,829</b>	<b>6,417,666</b>	<b>82,526</b>	<b>6,500,192</b>
<b>Balance at 1 January 2024</b>	<b>2,751,959</b>	<b>(126,701)</b>	<b>190,622</b>	<b>(1,487,368)</b>	<b>(10,496)</b>	<b>6,007,441</b>	<b>7,325,457</b>	<b>98,018</b>	<b>7,423,475</b>
Total other comprehensive income	-	-	5,394	21,727	195	121,601	148,917	1,580	150,497
Profit for the period	-	-	-	-	-	538,652	538,652	23,405	562,057
Total comprehensive income	-	-	5,394	21,727	195	660,253	687,569	24,985	712,554
Transfer of depreciation difference (net of deferred tax) of revaluation effect	-	-	(206)	-	-	206	-	-	-
Dividends paid	10	-	-	-	-	(330,787)	(330,787)	(27,426)	(358,213)
<b>Balance at 30 September 2024</b>	<b>2,751,959</b>	<b>(126,701)</b>	<b>195,810</b>	<b>(1,465,641)</b>	<b>(10,301)</b>	<b>6,337,113</b>	<b>7,682,239</b>	<b>95,577</b>	<b>7,777,816</b>

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

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed in thousands of U.S. Dollars ("USD") unless otherwise stated.)

	1 January- 30 September 2024	1 January- 30 September 2023
<b>Cash flows from operating activities</b>		
Profit for the period	562,057	469,498
Adjustments to reconcile net income to net cash used in operating activities:		
- Adjustments related to depreciation and amortisation	87,221	51,959
- Adjustments related to provision for employment	4,018	806
- Adjustments related to allowance for doubtful receivables	101	117
- Adjustments related to provision for litigations	387	1,695
- (Income) / loss from fair value of forward transactions	(2,821)	(3,510)
- Adjustments to related to interest expense	1,314	2,868
- Adjustments to related to interest income	(57,737)	(66,483)
- Adjustments to related to dividend income	11 (8,136)	(14,013)
- Adjustments to related to provision for inventory impairment, net	841	(579)
- Adjustments to related to gain on sale or disposal of property, plant and equipment, net	11 (3,770)	(6,532)
- Adjustments to related to fair value increase in investment properties	(444)	-
- Adjustments to related to valuation of investment securities	(309,043)	(147,360)
- Interest accrual	53	86
- Tax expense	142,398	157,909
	416,439	446,461
Movements in working capital		
Change in trade and other receivables	(36,987)	12,619
Change cost and estimated earnings in excess of billings on uncompleted contracts	(14,316)	(398)
Change in inventory	(156,955)	80,551
Change in other current assets and other non current assets	(9,889)	32,028
Change in trade and other payables	53,613	(112,948)
Change in billings in excess of cost and estimated earnings on uncompleted contracts	(10,646)	42,041
Change provision for liabilities and other liabilities	100,939	(38,702)
	(74,241)	15,191
Income taxes paid	(84,332)	(154,754)
Employee termination benefits paid	(2,255)	(3,988)
<b>Net cash generated from operating activities</b>	<b>255,611</b>	<b>302,910</b>
<b>Cash flows from investing activities</b>		
Purchases of financial investments	(438,288)	(874,554)
Sale of financial investments	513,514	871,279
Proceeds on disposal or sale of property, plant and equipment	7 10,859	12,709
Purchases of property, plant and equipment, intangible assets and investment properties	(171,430)	(65,411)
Interest received	11 29,271	39,078
Dividend received	11 8,136	14,013
<b>Net cash used in investing activities</b>	<b>(47,938)</b>	<b>(2,886)</b>
<b>Cash flows from financing activities</b>		
Addition to borrowings	-	51,527
Repayments of borrowings	(88)	(90,197)
Sale of treasury shares	-	493
Interest received	28,413	27,319
Interest paid	(1,452)	(2,506)
Dividend paid to non-controlling interests	(27,426)	(9,125)
Dividend paid	(330,787)	(112,442)
<b>Net cash used in financing activities</b>	<b>(331,340)</b>	<b>(134,931)</b>
Inflation Effect	(87,680)	-
Translation reserve	107,469	(66,349)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(103,878)</b>	<b>98,744</b>
Cash and cash equivalents at beginning of the period	1,230,086	1,026,291
<b>Cash and cash equivalents at end of the period</b>	<b>1,126,208</b>	<b>1,125,035</b>

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

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 1. ORGANIZATIONS AND OPERATIONS OF THE GROUP

Enka İnşaat ve Sanayi Anonim Şirketi (“the Group”) was established on 4 December 1967 and registered in İstanbul, Turkey, under the Turkish Commercial Code. The address of the headquarters 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 30 September 2024, 8.42% of the shares of Enka İnşaat is traded publicly in İstanbul Stock Exchange (“ISE”).

As of 30 September 2024, the average numbers of white and blue-collar personnel are respectively 5,252 and 19,687 (31 December 2023 – 5,036 and 17,269).

For the purpose of the condensed consolidated interim 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. The Group provides services in a wide array of construction activities in Türkiye, and these construction activities include thermal power plants and industrial construction projects that produce natural gas-fired electrical energy, which it constructs and operates. Additionally, the Group is operating in trading activities..
- ii. *Georgia, Turkmenistan and Kazakhstan*: engaged in construction activities. Additionally, in investment and development of real estate properties and construction and operation of shopping malls in Moscow, Russia.
- iii. Engaged in construction activities in Kenya and Libya in Africa; Saudi Arabia, Sri Lanka, India, Iraq and Mongolia in Asia; Mexico in North America and Brasil in South America, Bahamas and Puerto Rico in Caribbean.
- iv. *Europe*: engaged in construction, energy and trading activities in Romania, the Netherlands, Switzerland, Greece, Germany, Serbia, Kosovo, United Kingdom, Italy, North Macedonia and Bulgaria.

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

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

### 2.1 Basis of accounting

The accompanying consolidated financial statements are prepared in accordance with the requirements of Capital Markets Board (“CMB”) Communiqué Serial II, No: 14.1 “Basis of Financial Reporting in Capital Markets”, which was published in the Official Gazette No:28676 on 13 June 2013. The accompanying financial statements are prepared based on the Turkish Financial Reporting Standards and interpretations (“TFRS”) that have been put into effect by the Public Oversight Accounting and Auditing Standards Authority (“POA”) under Article 5 of the Communiqué.

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 TFRS.

The condensed consolidated interim financial statements have been prepared in accordance with Turkish Financial Reporting Standards (“TFRS”) including requirements of TAS 34 “Interim Financial Reporting”. TAS consists of Turkish Accounting Standards, Turkish Financial Reporting Standards (“TFRS”) and related appendices and interpretations.

The condensed consolidated interim 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 condensed consolidated interim financial statements are approved by the Company’s Board of Directors on 8 November 2024. The General Assembly of the Company has the right to amend and relevant regulatory bodies have the right to request the amendment of these consolidated financial statements.

#### 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 TAS 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 1 January 2020.

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.

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands 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 (cont'd)

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 the year. 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.

As of 30 September 2024, 31 December 2023 and 30 September 2023, the buying rates and average rates for one U.S. Dollar can be summarized as below:

	30 September 2024	31 December 2023	30 September 2023
U.S. Dollars/TL – as of balance sheet date	34.1210	29.4382	27.3767
U.S. Dollars/TL – yearly average	32.2299	23.7776	22.1887
U.S. Dollars/EUR – as of balance sheet date	0.8939	0.9037	0.9430
U.S. Dollars/EUR – yearly average	0.9196	0.9246	0.9225
U.S. Dollars/RBL – as of balance sheet date	92.7126	89.6883	97.4147
U.S. Dollars/RBL – yearly average	90.1876	85.2466	82.6934

#### Restatement of Financial Statements During Periods of High Inflation

In accordance with the CMB's decision dated 28 December 2023 and numbered 81/1820, issuers and capital market institutions subject to financial reporting regulations applying Turkish Accounting/Financial Reporting Standards are required to apply inflation accounting by applying the provisions of TAS 29 to their annual financial statements for the accounting periods ending on 31 December 2023.

POA made a announcement on 23 November 2023 regarding the scope and application of TAS 29. It stated that the financial statements of the entities applying Turkish Financial Reporting Standards for the annual reporting period ending on or after 31 December 2023 should be presented in accordance with the related accounting principles in TAS 29, adjusted for the effects of inflation.

In this framework, while preparing the consolidated financial statements dated 30 September 2024 and 31 December 2023, inflation adjustment has been made in accordance with TAS 29.

The financial statements and related figures for previous periods have been restated for changes in the general purchasing power of the functional currency and, consequently, the financial statements and related figures for previous periods are expressed in terms of the measuring unit current at the end of the reporting period in accordance with TAS 29 Financial Reporting in Hyperinflationary Economies.

TAS 29 applies to the financial statements, including the consolidated financial statements, of each entity whose functional currency is the currency of a hyperinflationary economy. If an economy is subject to hyperinflation, TAS 29 requires an entity whose functional currency is the currency of a hyperinflationary economy to present its financial statements in terms of the measuring unit current at the end of the reporting period.

As at the reporting date, entities operating in Turkey are required to apply TAS 29 "Financial Reporting in Hyperinflationary Economies" for the reporting periods ending on or after 31 December 2023, as the cumulative change in the general purchasing power of the last three years based on the Consumer Price Index ("CPI") is more than 100%.

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

## 2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

### 2.1 Basis of presentation (cont'd)

#### Restatement of Financial Statements During Periods of High Inflation (cont'd)

The table below shows the inflation rates for the relevant years calculated by taking into account the Consumer Price Indices published by the Turkish Statistical Institute (TURKSTAT):

Date	Index	Adjustment Coefficient	Cumulative inflation rates
30 September 2024	2,526.16	1.0000	343%
31 December 2023	1,859.38	1.3586	268%
30 September 2023	1,691.04	1.4938	254%

The main lines of TAS 29 indexation transactions are as follows:

- As of the balance sheet date, all items other than those stated in terms of current purchasing power are restated by using the relevant price index coefficients. Prior year amounts are also restated in the same way.
- Monetary assets and liabilities are expressed in terms of the purchasing power at the balance sheet date and are therefore not subject to restatement. Monetary items are cash and items to be received or paid in cash.
- Fixed assets, subsidiaries and similar assets are indexed to their acquisition values, which do not exceed their market values. Depreciation has been adjusted in a similar manner. Amounts included in shareholders' equity have been restated by applying general price indices for the periods in which they were contributed to or arose within the Company.
- All items in the income statement, except for the effects of non-monetary items in the balance sheet on the income statement, have been restated by applying the multiples calculated over the periods when the income and expense accounts were initially recognised in the financial statements.
- The gain or loss arising on the net monetary position as a result of general inflation is the difference between the adjustments to non-monetary assets, equity items and income statement accounts. This gain or loss on the net monetary position is included in net profit.

The impact of the application of TAS 29 Inflation Accounting is summarised below:

#### Restatement of the Statement of Financial Position

Amounts in the statement of financial position that are not expressed in terms of the measuring unit current at the end of the reporting period are restated. Accordingly, monetary items are not restated because they are expressed in the currency of the reporting period. Non-monetary items are required to be restated unless they are expressed in terms of the currency in effect at the end of the reporting period.

The gain or loss on the net monetary position arising on restatement of non-monetary items is recognised in profit or loss and presented separately in the statement of comprehensive income.

#### Restatement of the Statement of Profit or Loss

All items in the statement of profit or loss are expressed in terms of the measuring unit current at the end of the reporting period. Therefore, all amounts have been restated by applying changes in the monthly general price index.

Cost of inventories sold has been restated using the restated inventory balance.

Depreciation and amortisation expenses have been restated using the restated balances of property, plant and equipment, intangible assets, investment property and right-of-use assets.

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars (“USD”) unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

## 2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont’d)

### 2.1 Basis of presentation (cont’d)

#### Restatement of Financial Statements During Periods of High Inflation (cont’d)

#### Restatement of Statement of Cash Flows

All items in the statement of cash flows are expressed in terms of the measuring unit current at the end of the reporting period.

#### Consolidated Financial Statements

The financial statements of a subsidiary whose functional currency is the currency of a hyperinflationary economy are restated by applying the general price index before they are included in the consolidated financial statements prepared by the parent company. If the subsidiary is a foreign subsidiary, its restated financial statements are translated at the closing rate.

When consolidating financial statements with different reporting period ends, all monetary and nonmonetary items are restated in accordance with the measuring unit current at the date of the consolidated financial statements.

#### Comparative figures

Relevant figures for the previous reporting period are restated by applying the general price index so that the comparative financial statements are presented in the measuring unit applicable at the end of the reporting period. Information disclosed for prior periods is also expressed in terms of the measuring unit current at the end of the reporting period. Since the functional currency of the Group is USD, consolidated financial statements of prior periods are not restated.

#### Comparative Information and Reclassification of Prior Year Consolidated Financial Statements

The Group prepares comparative condensed consolidated interim financial statements, to enable readers to determine financial position and performance trends. For the purposes of effective comparison, comparative condensed consolidated interim 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 condensed consolidated interim financial statements comprise the financial statements of the parent company, its joint operations and its subsidiaries as at 30 September 2024. The condensed consolidated interim 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

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

#### 2.1 Basis of presentation (cont'd)

##### Basis of Consolidation (cont'd)

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.

#### 2.2 Changes in the accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the last annual financial statements.

#### 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 period 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 period.

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 New and Amended Turkish Financial Reporting Standards

##### a) Amendments that are mandatorily effective from 2024

Amendments to TAS 1	Classification of Liabilities as Current or Non-Current
Amendments to TFRS 16	Lease Liability in a Sale and Leaseback
Amendments to TAS 1	Non-current Liabilities with Covenants
Amendments to TAS 7 and TFRS 7	Supplier Finance Arrangements
TSRS 1	General Requirements for Disclosure of Sustainability-related Financial Information
TSRS 2	Climate-related Disclosures

##### **Amendments to TAS 1 Classification of Liabilities as Current or Non-Current**

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Amendments to TAS 1 are effective for annual reporting periods beginning on or after 1 January 2024 and earlier application is permitted.

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

## 2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

### 2.4 New and Amended Turkish Financial Reporting Standards (cont'd)

#### a) Amendments that are mandatorily effective from 2024 (cont'd)

##### **Amendments to TFRS 16 Lease Liability in a Sale and Leaseback**

Amendments to TFRS 16 clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in TFRS 15 to be accounted for as a sale.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

##### **Amendments to TAS 1 Non-current Liabilities with Covenants**

Amendments to TAS 1 clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.

Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

##### **Amendments to TAS 7 and TFRS 7 Supplier Finance Arrangements**

The amendments add disclosure requirements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements. Amendments are effective from annual reporting periods beginning on or after 1 January 2024.

##### **TSRS 1 General Requirements for Disclosure of Sustainability-related Financial Information**

TSRS 1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

##### **TSRS 2 Climate-related Disclosures**

TSRS 2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity. The application of this standard is mandatory for annual reporting periods beginning on or after 1 January 2024 for the entities that meet the criteria specified in POA's announcement dated 5 January 2024 and numbered 2024-5 and for banks regardless of the criteria. Other entities may voluntarily report in accordance with TSRS.

The standard does not have any impact on the Group's consolidated financial position and performance.

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

## 2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

### 2.4 New and Amended Turkish Financial Reporting Standards (cont'd)

#### b) New and revised TFRSs in issue but not yet effective

The Group has not yet adopted the following standards and amendments and interpretations to the existing standards:

TFRS 17	<i>Insurance Contracts</i>
Amendments to TFRS 17	<i>Initial Application of TFRS 17 and TFRS 9 — Comparative Information (Amendment to TFRS 17)</i>
Amendments to TAS 21	<i>Lack of Exchangeability</i>

#### **TFRS 17 Insurance Contracts**

TFRS 17 requires insurance liabilities to be measured at a current fulfillment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. TFRS 17 has been deferred for insurance, reinsurance and pension companies for a further year and will replace TFRS 4 Insurance Contracts on 1 January 2025

#### **Amendments to TFRS 17 Insurance Contracts and Initial Application of TFRS 17 and TFRS 9 — Comparative Information**

Amendments have been made in TFRS 17 in order to reduce the implementation costs, to explain the results and to facilitate the initial application.

The amendment permits entities that first apply TFRS 17 and TFRS 9 at the same time to present comparative information about a financial asset as if the classification and measurement requirements of TFRS 9 had been applied to that financial asset before. Amendments are effective with the first application of TFRS 17.

#### **Amendments to TAS 21 Lack of Exchangeability**

The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. Amendments are effective from annual reporting periods beginning on or after 1 January 2025.

The Group evaluates the effects of these standards, amendments and improvements on the consolidated financial statements.

#### **Annual Improvements to IFRS Accounting Standards — Volume 11**

The pronouncement comprises the following amendments:

- IFRS 1: Hedge accounting by a first-time adopter
- IFRS 7: Gain or loss on derecognition
- IFRS 7: Disclosure of deferred difference between fair value and transaction price
- IFRS 7: Introduction and credit risk disclosures
- IFRS 9: Lessee derecognition of lease liabilities
- IFRS 9: Transaction price
- IFRS 10: Determination of a 'de facto agent'
- IAS 7: Cost method

Annual reporting periods beginning on or after 1 January 2026.

## 2.5 Use of judgements and estimates

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. When a significant accounting error is identified, it is corrected retrospectively and the prior year consolidated financial statements are restated.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 3. CHANGES IN OPERATIONAL SEASON

The Group's operations related to construction slow down during the winter season and differ significantly from other operational areas.

### 4. 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.

#### a) Business segments

1 January - 30 September 2024						
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	1,509,682	247,208	199,516	179,669	-	2,136,075
Inter-segment revenues	78,468	5,060	5,430	-	(88,958)	-
Cost of revenues (-)	(1,183,571)	(86,999)	(133,641)	(217,453)	-	(1,621,664)
Inter-segment cost of revenues (-)	(78,468)	(5,060)	(5,430)	-	88,958	-
<b>Gross profit</b>	<b>326,111</b>	<b>160,209</b>	<b>65,875</b>	<b>(37,784)</b>	<b>-</b>	<b>514,411</b>
Administrative expenses (-)	(97,926)	(5,400)	(4,979)	(12,181)	-	(120,486)
Marketing expenses (-)	(12,975)	(4,493)	(10,160)	-	-	(27,628)
Other operating income	23,964	1,564	2,116	9,263	-	36,907
Other operating expenses (-)	(13,996)	(873)	(1,165)	(9,611)	-	(25,645)
<b>Profit from operations</b>	<b>225,178</b>	<b>151,007</b>	<b>51,687</b>	<b>(50,313)</b>	<b>-</b>	<b>377,559</b>
Investment income	387,789	825	-	194	-	388,808
Investment expenses (-)	(40,660)	-	-	(203)	-	(40,863)
<b>Profit from operations before financial income / (expenses)</b>	<b>572,307</b>	<b>151,832</b>	<b>51,687</b>	<b>(50,322)</b>	<b>-</b>	<b>725,504</b>
Financial income	29,134	1,335	2,415	9,774	(13)	42,645
Financial expenses (-)	(13,647)	(9,342)	(9,383)	(362)	13	(32,721)
Net monetary gain (loss)	-	-	(434)	(30,539)	-	(30,973)
<b>Profit / (loss) before tax</b>	<b>587,794</b>	<b>143,825</b>	<b>44,285</b>	<b>(71,449)</b>	<b>-</b>	<b>704,455</b>
Current tax expense (-)	(32,518)	(26,639)	(11,238)	-	-	(70,395)
Deferred taxation income/ (expenses)	(2,300)	(67,997)	(303)	(1,403)	-	(72,003)
<b>Profit / (loss) for the period from continuing operations</b>	<b>552,976</b>	<b>49,189</b>	<b>32,744</b>	<b>(72,852)</b>	<b>-</b>	<b>562,057</b>
30 September 2024						
	Construction contracts	Rental	Trade	Energy		Consolidated
Segment assets	6,487,700	1,887,687	266,813	1,330,809		9,973,009
<b>Total assets</b>	<b>6,487,700</b>	<b>1,887,687</b>	<b>266,813</b>	<b>1,330,809</b>		<b>9,973,009</b>
Segment liabilities	1,400,318	464,294	128,403	202,178		2,195,193
<b>Total liabilities</b>	<b>1,400,318</b>	<b>464,294</b>	<b>128,403</b>	<b>202,178</b>		<b>2,195,193</b>
1 January - 30 September 2024						
Other segment information						
	Construction contracts	Rental	Trade	Energy		Consolidated
<u>Capital expenditures</u>						
Investment Property						
Property, plant and equipment & investment property	57,834	3,843	2,120	107,011		170,808
Intangible assets	242	29	342	9		622
<b>Total capital expenditures</b>	<b>58,076</b>	<b>3,872</b>	<b>2,462</b>	<b>107,020</b>		<b>171,430</b>
Depreciation expense	39,032	1,262	1,909	42,893		85,096
Amortisation expense	1,899	28	165	33		2,125

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 4. SEGMENTAL INFORMATION (cont'd)

#### a) Business segments(cont'd)

	1 July - 30 September 2024					
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	503,600	88,218	89,786	128,512	-	810,116
Inter-segment revenues	25,990	1,675	(14,645)	-	(13,020)	-
Cost of revenues (-)	(398,578)	(33,387)	(68,020)	(128,770)	-	(628,755)
Inter-segment cost of revenues (-)	(25,990)	(1,675)	14,645	-	13,020	-
<b>Gross profit</b>	<b>105,022</b>	<b>54,831</b>	<b>21,766</b>	<b>(258)</b>	<b>-</b>	<b>181,361</b>
Administrative expenses (-)	(21,687)	(2,085)	(1,873)	(6,848)	-	(32,493)
Marketing expenses (-)	(6,279)	(1,628)	(3,796)	-	-	(11,703)
Other operating income	8,809	356	(4,276)	733	-	5,622
Other operating expenses (-)	(6,027)	(366)	(463)	(504)	-	(7,360)
<b>Profit from operations</b>	<b>79,838</b>	<b>51,108</b>	<b>11,358</b>	<b>(6,877)</b>	<b>-</b>	<b>135,427</b>
Investment income	157,901	426	-	177	-	158,504
Investment expenses (-)	(5,292)	7	-	(40)	-	(5,325)
<b>Profit from operations before financial income / (expenses)</b>	<b>232,447</b>	<b>51,541</b>	<b>11,358</b>	<b>(6,740)</b>	<b>-</b>	<b>288,606</b>
Financial income	11,406	(694)	998	3,356	(13)	15,053
Financial expenses (-)	(3,143)	(6,278)	1,243	(91)	13	(8,256)
Net monetary gain (loss)	-	-	(700)	(18,458)	-	(19,158)
<b>Profit before tax</b>	<b>240,710</b>	<b>44,569</b>	<b>12,899</b>	<b>(21,933)</b>	<b>-</b>	<b>276,245</b>
Current tax expense (-)	(8,964)	(10,001)	(4,201)	-	-	(23,166)
Deferred taxation income/ (expenses)	14,956	(65,656)	26	(1,271)	-	(51,945)
<b>Profit for the period from continuing operations</b>	<b>246,702</b>	<b>(31,088)</b>	<b>8,724</b>	<b>(23,204)</b>	<b>-</b>	<b>201,134</b>

	1 July - 30 September 2024				
	Construction contracts	Rental	Trade	Energy	Consolidated
<b>Other segment information</b>					
<u>Capital expenditures</u>					
Investment Property					
Property, plant and equipment & investment property	20,596	2,957	1,401	5,879	30,833
Intangible assets	42	10	58	1	111
<b>Total capital expenditures</b>	<b>20,638</b>	<b>2,967</b>	<b>1,459</b>	<b>5,880</b>	<b>30,944</b>
Depreciation expense	12,406	375	687	21,493	34,961
Amortisation	615	13	64	13	705

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 4. SEGMENTAL INFORMATION (cont'd)

#### a) Business segments(cont'd)

1 January - 30 September 2023						
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	1,427,043	235,762	183,026	663,398	-	2,509,229
Inter-segment revenues	62,700	2,155	14,147	-	(79,002)	-
Cost of revenues (-)	(1,116,833)	(77,883)	(123,761)	(643,922)	-	(1,962,399)
Inter-segment cost of revenues (-)	(62,700)	(2,155)	(14,147)	-	79,002	-
<b>Gross profit</b>	<b>310,210</b>	<b>157,879</b>	<b>59,265</b>	<b>19,476</b>	<b>-</b>	<b>546,830</b>
Administrative expenses (-)	(91,905)	(9,399)	(6,478)	(8,099)	-	(115,881)
Marketing expenses (-)	(10,284)	(3,465)	(6,918)	-	-	(20,667)
Other operating income	40,431	22,196	9,888	6,383	-	78,898
Other operating expenses (-)	(40,098)	(3,220)	(1,898)	(6,558)	-	(51,774)
<b>Profit from operations</b>	<b>208,354</b>	<b>163,991</b>	<b>53,859</b>	<b>11,202</b>	<b>-</b>	<b>437,406</b>
Investment income	318,413	14	1,331	4,374	-	324,132
Investment expenses (-)	(130,959)	(874)	-	(11)	-	(131,844)
<b>Profit from operations before financial income / (expenses)</b>	<b>395,808</b>	<b>163,131</b>	<b>55,190</b>	<b>15,565</b>	<b>-</b>	<b>629,694</b>
Financial income	17,292	3,483	12,127	26,358	(87)	59,173
Financial expenses (-)	(20,574)	(9,720)	(30,550)	(703)	87	(61,460)
<b>Profit before tax</b>	<b>392,526</b>	<b>156,894</b>	<b>36,767</b>	<b>41,220</b>	<b>-</b>	<b>627,407</b>
Current tax expense (-)	(93,574)	(28,738)	(10,016)	(9,791)	-	(142,119)
Deferred taxation income/ (expenses)	(9,487)	(4,765)	138	(1,676)	-	(15,790)
<b>Profit for the period from continuing operations</b>	<b>289,465</b>	<b>123,391</b>	<b>26,889</b>	<b>29,753</b>	<b>-</b>	<b>469,498</b>
31 December 2023						
	Construction contracts	Rental	Trade	Energy		Consolidated
Segment assets	6,227,922	1,891,297	253,819	1,034,490		9,407,528
<b>Total assets</b>	<b>6,227,922</b>	<b>1,891,297</b>	<b>253,819</b>	<b>1,034,490</b>		<b>9,407,528</b>
Segment liabilities	1,308,522	413,330	106,708	155,493		1,984,053
<b>Total liabilities</b>	<b>1,308,522</b>	<b>413,330</b>	<b>106,708</b>	<b>155,493</b>		<b>1,984,053</b>
1 January - 30 September 2023						
Other segment information	Construction contracts	Rental	Trade	Energy		Consolidated
<u>Capital expenditures</u>						
Property, plant and equipment & investment property	32,157	1,207	392	31,106		64,862
Intangible assets	72	52	410	15		549
<b>Total capital expenditures</b>	<b>32,229</b>	<b>1,259</b>	<b>802</b>	<b>31,121</b>		<b>65,411</b>
Depreciation expense	36,616	1,391	1,565	9,725		49,297
Amortisation expense	2,529	16	102	15		2,662

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 4. SEGMENTAL INFORMATION (cont'd)

#### a) Business segments(cont'd)

	1 July - 30 September 2023					
	Construction contracts	Rental	Trade	Energy	Eliminations	Consolidated
Revenues	455,268	77,275	67,781	278,572	-	878,896
Inter-segment revenues	15,429	1,149	7,986	-	(24,564)	-
Cost of revenues (-)	(363,740)	(24,600)	(42,398)	(263,546)	-	(694,284)
Inter-segment cost of revenues (-)	(15,429)	(1,149)	(7,986)	-	24,564	-
<b>Gross profit</b>	<b>91,528</b>	<b>52,675</b>	<b>25,383</b>	<b>15,026</b>	<b>-</b>	<b>184,612</b>
Administrative expenses (-)	(18,976)	(2,160)	(1,441)	(2,138)	-	(24,715)
Marketing expenses (-)	(4,221)	(1,023)	(2,342)	-	-	(7,586)
Other operating income	7,061	14,916	732	3	-	22,712
Other operating expenses (-)	(7,794)	(1,058)	(135)	(2,125)	-	(11,112)
<b>Profit from operations</b>	<b>67,598</b>	<b>63,350</b>	<b>22,197</b>	<b>10,766</b>	<b>-</b>	<b>163,911</b>
Investment income	30,330	2	295	53	-	30,680
Investment expenses (-)	(2,552)	(244)	-	22	-	(2,774)
<b>Profit from operations before financial income / (expenses)</b>	<b>95,376</b>	<b>63,108</b>	<b>22,492</b>	<b>10,841</b>	<b>-</b>	<b>191,817</b>
Financial income	8,904	1,932	9,660	1,232	(24)	21,704
Financial expenses (-)	(7,925)	(126)	(17,123)	(369)	24	(25,519)
<b>Profit before tax</b>	<b>96,355</b>	<b>64,914</b>	<b>15,029</b>	<b>11,704</b>	<b>-</b>	<b>188,002</b>
Current tax expense (-)	(32,552)	(12,089)	(2,886)	(1,698)	-	(49,225)
Deferred taxation income/ (expenses)	7,483	(1,746)	174	(1,184)	-	4,727
<b>Profit for the period from continuing operations</b>	<b>71,286</b>	<b>51,079</b>	<b>12,317</b>	<b>8,822</b>	<b>-</b>	<b>143,504</b>

  

	1 July - 30 September 2023					
	Construction contracts	Rental	Trade	Energy	Consolidated	
<b>Other segment information</b>						
<u>Capital expenditures</u>						
Property, plant and equipment & investment property	11,057	417	98	11,198		22,770
Intangible assets	21	21	21	-		63
<b>Total capital expenditures</b>	<b>11,078</b>	<b>438</b>	<b>119</b>	<b>11,198</b>		<b>22,833</b>
Depreciation expense	11,240	365	506	3,072		15,183
Amortisation expense	831	6	41	1		879

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 4. SEGMENTAL INFORMATION (cont'd)

#### b) Geographical segments

1 January - 30 September 2024						
	Turkey	Russian Federation, Kazakhstan	Europe	Other	Eliminations	Consolidated
Net sales	771,976	698,727	505,003	160,369	-	2,136,075
Inter-segment sales	83,898	5,060	-	-	(88,958)	-
Capital expenditures	104,244	6,738	59,224	1,224	-	171,430
30 September 2024						
	Turkey	Russian Federation, Kazakhstan	Europe	Other	Eliminations	Consolidated
Segmental assets	6,298,822	2,693,364	593,772	387,051	-	9,973,009
1 July - 30 September 2024						
	Turkey	Russian Federation, Kazakhstan	Europe	Other	Eliminations	Consolidated
Net sales	354,191	200,853	200,671	54,401	-	810,116
Inter-segment sales	11,345	1,675	-	-	(13,020)	-
Capital expenditures	4,353	2,372	24,064	155	-	30,944
1 January - 30 September 2023						
	Turkey	Russian Federation, Kazakhstan	Europe	Other	Eliminations	Consolidated
Net sales	1,350,390	743,186	235,360	180,293	-	2,509,229
Inter-segment sales	76,847	2,155	-	-	(79,002)	-
Capital expenditures	49,794	8,809	4,956	1,852	-	65,411
31 December 2023						
	Turkey	Russian Federation, Kazakhstan	Europe	Other	Eliminations	Consolidated
Segmental assets	5,755,795	2,594,817	701,161	355,755	-	9,407,528
1 July - 30 September 2023						
	Turkey	Russian Federation, Kazakhstan	Europe	Other	Eliminations	Consolidated
Net sales	506,846	203,258	108,211	60,581	-	878,896
Inter-segment sales	23,415	1,149	-	-	(24,564)	-
Capital expenditures	16,413	2,154	3,836	430	-	22,833

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 5. CONSTRUCTION CONTRACTS

The Group's construction contract details as of 30 September 2024 and 31 December 2023 is as follows:

	30 September 2024	31 December 2023
Costs incurred on uncompleted contracts	3,961,061	3,217,847
Recognized profit less recognized losses to date, net	1,284,337	995,253
	<u>5,245,398</u>	<u>4,213,100</u>
Less: Progress billing	(5,705,250)	(4,697,914)
	<u>(459,852)</u>	<u>(484,814)</u>
	30 September 2024	31 December 2023
Costs and estimated earnings in excess of billings on uncompleted contracts	76,842	62,525
Billings in excess of costs and estimated earnings on uncompleted contracts	(536,694)	(547,339)
	<u>(459,852)</u>	<u>(484,814)</u>

As of 30 September 2024, the amount of advances received of subsidiaries and companies shares in joint operations is USD 436,351 (31 December 2023: USD 336,415).

#### 6. INVESTMENT PROPERTIES

As of 30 September 2024 and 30 September 2023, movement of investment properties is as follows:

	1 January - 30 September 2024	1 January - 30 September 2023
Opening balance	1,821,962	2,028,224
Currency translation difference	(28,103)	(287,518)
Transfers from fixed assets	4,572	
Additions	3,022	272
Change in present value of lease obligations	444	-
Closing balance	<u>1,801,897</u>	<u>1,740,978</u>

#### 7. PROPERTY, PLANT AND EQUIPMENT

During the period ended 30 September 2024 the Group purchased property plant and equipment amounting to USD 167,786 (30 September 2023: USD 64,590). In addition, during the period ended 30 September 2024 net book value of USD 7,089 (30 September 2023: USD 6,177) property plant and equipment sold for USD 10,859 (30 September 2023: USD 12,709).

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 8. COMMITMENTS

##### Litigations

During the period ended 30 September 2024, the Group does not have any legal claims or progress to existing legal claims that need additional explanation other than disclosed as of 31 December 2023 the consolidated financial statements. The Group properly records the provision related to these carried forward legal claims. Provision rates and probable outflows are considered while estimating the provisions. The Group does not record provision for the legal claims that would not result in a probable cash outflow.

##### Commitments and contingencies

The breakdown of letters of guarantee, guarantee notes given, mortgage and pledges (together referred to as Guarantees) by the Group as of 30 September 2024 and 31 December 2023 is as follows:

Letters of guarantee, guarantee notes given, mortgage and pledges	30 September 2024		31 December 2023	
	Original Currency	USD Equivalent	Original Currency	USD Equivalent
A. Total amount of guarantees provided by the Company on behalf of itself		1,151,158		814,389
-USD	217,458	217,458	132,827	132,827
-EUR	329,738	368,880	309,175	342,108
-TL	1,325,998	38,862	1,290,288	43,830
-Others (*)		525,958		295,624
B. Total amount for guarantees provided on behalf of subsidiaries accounted under full consolidation method		109		113
-USD	85	85	85	85
-EUR	-	-	-	-
-TL	822	24	822	28
-Others (*)		-		-
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>1,151,267</u>		<u>814,502</u>

(\*) U.S Dollar equivalents of letters of guarantee, guarantee notes given, mortgage and pledges other than USD, TL and EUR. As of 30 September 2024 the portion of other guarantess given to shareholders' equity is 0% (31 December 2023 - 0%).

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 9. RELATED PARTY BALANCES AND TRANSACTIONS

No extraordinary or significant transaction is realized with related parties throughout the interim period.

#### 10. SHARE CAPITAL AND RESERVES

The shareholders of the Group and their percentage of ownership as of 30 September 2024 and 31 December 2023 is as follows:

	30 September 2024		31 December 2023	
	Percentage of ownership	Amount	Percentage of ownership	Amount
Tara Holding A.Ş.	49.80%	1,370,476	49.80%	1,370,476
Vildan Gülçelik	7.99%	219,931	7.99%	219,931
Sevda Gülçelik	6.43%	176,951	6.43%	176,951
Enka Spor Eğitim ve Sosyal Yardım Vakfı	5.87%	161,540	5.87%	161,540
Other	29.91%	823,061	29.91%	823,061
	100%	2,751,959	100%	2,751,959
Purchase of treasury shares		(126,701)		(126,701)
		2,625,258		2,625,258

Based on the power vested in the Board of Directors of Enka İnşaat by the General Assembly in its ordinary Meeting held on 28 March 2023; regarding to the distribution of the period between 1 January – 30 September 2023 profit, it is resolved to distribute dividend advance total TL 3,000,000 to the shareholders representing the share capital amounting to TL 6,000,000. The Dividend Advance decided to be distributed was distributed on 3 January 2024.

Based on the Group's Ordinary General Assembly held on 29 March 2024; In addition to dividend advance distributed on 3 January 2024, regarding to the distribution of the year 2023 profit, it has been resolved to distribute dividend to its shareholders for each TL 1 (full TL) nominal valued share in total TL 7,500,000 (2023 - TL 2,180,000); further it has been resolved to distribute TL 129,057 (2023 - TL 35,615) as cash dividend to founder shares. The Dividend decided to be distributed was distributed on 14 May 2024.

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 11. INVESTMENT INCOME / EXPENSES

	1 January- 30 September 2024	1 January- 30 September 2023
<b>Income from investing activities</b>		
Interest income from financial investments	29,271	39,078
Increase in value of financial investments*	224,731	147,360
Foreign exchange income from investing activities	16,890	15,667
Income from sale of securities	105,979	101,353
Dividend income	8,136	14,013
Gains from sales of property, plant and equipment	3,801	6,661
	<u>388,808</u>	<u>324,132</u>
<b>Expenses from investing activities</b>		
Foreign exchange losses from investing activities	(19,165)	(5,140)
Losses from sale of securities	(21,667)	(126,575)
Loss from sales of property, plant and equipment	(31)	(129)
	<u>(40,863)</u>	<u>(131,844)</u>

\*"Increase in value of financial investments" classified under Income from Investing Activities is the valuation profit resulting from valuation of Financial Investments amounting to USD 4,198,378 in the Group's balance sheet within the scope of IFRS 9. The breakdown of this valuation profit by financial assets is as follows.

	30 September 2024	30 September 2023
<b>Financial assets at fair value through profit or loss</b>		
Private sector bonds	7,242	9,010
Foreign Government bonds	34,131	75,617
Equity securities	158,191	56,510
Turkish Government bonds	5,862	3,166
Mutual funds	19,305	3,057
	<u>224,731</u>	<u>147,360</u>

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

##### Foreign currency risk

The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Euro, Russian Ruble, TL 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 and Euro. 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 30 September 2024 and 31 December 2023:

	<u>30 September 2024</u>	<u>31 December 2023</u>
A. Assets denominated in foreign currency	1,197,466	1,152,087
B. Liabilities denominated in foreign currency	<u>(659,822)</u>	<u>(447,200)</u>
Net foreign currency position (A+B)	<u><u>537,644</u></u>	<u><u>704,887</u></u>

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

##### Foreign currency risk (cont'd)

The Group's foreign currency position at 30 September 2024 and 31 December 2023 is as follows (non-monetary items are not included in the table as they don't have foreign currency risk) :

30 September 2024							
	TL	USD Equivalent	Euro	USD Equivalent	Other USD (*)	USD (**)	Total USD Equivalent
Cash and cash equivalents	707,936	20,748	158,761	177,606	180,077	18,211	396,642
Financial investments	3,330,061	97,596	121,699	136,145	168,390	-	402,131
Trade and other receivables	705,440	20,675	65,810	73,622	60,541	3,350	158,188
Other current assets	377,247	11,056	71,403	79,878	49,103	76,515	216,552
<b>Current assets</b>	<b>5,120,684</b>	<b>150,075</b>	<b>417,673</b>	<b>467,251</b>	<b>458,111</b>	<b>98,076</b>	<b>1,173,513</b>
Financial investments	-	-	-	-	12,303	-	12,303
Trade and other receivables	-	-	8,541	9,555	-	-	9,555
Other non-current assets	50,137	1,469	40	44	579	3	2,095
<b>Non-current assets</b>	<b>50,137</b>	<b>1,469</b>	<b>8,581</b>	<b>9,599</b>	<b>12,882</b>	<b>3</b>	<b>23,953</b>
<b>Total assets</b>	<b>5,170,821</b>	<b>151,544</b>	<b>426,254</b>	<b>476,850</b>	<b>470,993</b>	<b>98,079</b>	<b>1,197,466</b>
Short-term borrowings	-	-	-	-	-	-	-
Trade and other payables	882,017	25,850	108,187	121,028	307,323	59,648	513,849
Other current liabilities and accrued expenses	971,538	28,473	329	368	88,433	13,603	130,877
<b>Current liabilities</b>	<b>1,853,555</b>	<b>54,323</b>	<b>108,516</b>	<b>121,396</b>	<b>395,756</b>	<b>73,251</b>	<b>644,726</b>
Trade and other payables	-	-	-	-	-	-	-
Long-term borrowings	-	-	-	-	11,816	-	11,816
Other non-current liabilities	-	-	-	-	-	3,280	3,280
<b>Non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,816</b>	<b>3,280</b>	<b>15,096</b>
<b>Total liabilities</b>	<b>1,853,555</b>	<b>54,323</b>	<b>108,516</b>	<b>121,396</b>	<b>407,572</b>	<b>76,531</b>	<b>659,822</b>
<b>Net foreign currency position</b>	<b>3,317,266</b>	<b>97,221</b>	<b>317,738</b>	<b>355,454</b>	<b>63,421</b>	<b>21,548</b>	<b>537,644</b>
<b>Net notional amount of derivatives</b>	<b>-</b>	<b>-</b>	<b>65,000</b>	<b>72,716</b>	<b>-</b>	<b>-</b>	<b>72,716</b>

(\*) 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.

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

##### Foreign currency risk (cont'd)

31 December 2023							
	TL	USD Equivalent	Euro	USD Equivalent	Other USD (*)	USD (**)	Total USD Equivalent
Cash and cash equivalents	118,745	4,034	163,795	181,239	157,406	24,377	367,056
Financial investments	2,401,026	81,562	116,351	128,742	181,766	-	392,070
Trade and other receivables	189,916	6,451	96,985	107,314	48,659	3,932	166,356
Other current assets	166,172	5,645	96,889	107,208	30,033	53,719	196,605
<b>Current assets</b>	<b>2,875,859</b>	<b>97,692</b>	<b>474,020</b>	<b>524,503</b>	<b>417,864</b>	<b>82,028</b>	<b>1,122,087</b>
Financial investments	-	-	-	-	12,067	-	12,067
Trade and other receivables	-	-	8,635	9,555	-	-	9,555
Other non-current assets	38,294	1,301	1	2	7,072	3	8,378
<b>Non-current assets</b>	<b>38,294</b>	<b>1,301</b>	<b>8,636</b>	<b>9,557</b>	<b>19,139</b>	<b>3</b>	<b>30,000</b>
<b>Total assets</b>	<b>2,914,153</b>	<b>98,993</b>	<b>482,656</b>	<b>534,060</b>	<b>437,003</b>	<b>82,031</b>	<b>1,152,087</b>
Short-term borrowings	-	-	-	-	27	-	27
Trade and other payables	631,952	21,467	64,013	70,831	186,082	22,389	300,769
Other current liabilities and accrued expenses	1,049,817	35,662	5,730	6,341	76,328	12,934	131,265
<b>Current liabilities</b>	<b>1,681,769</b>	<b>57,129</b>	<b>69,743</b>	<b>77,172</b>	<b>262,437</b>	<b>35,323</b>	<b>432,061</b>
Trade and other payables	"	-	-	-	-	-	-
Long-term borrowings	-	-	172	190	11,816	20	12,026
Other non-current liabilities	-	-	-	-	-	3,113	3,113
<b>Non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>172</b>	<b>190</b>	<b>11,816</b>	<b>3,133</b>	<b>15,139</b>
<b>Total liabilities</b>	<b>1,681,769</b>	<b>57,129</b>	<b>69,915</b>	<b>77,362</b>	<b>274,253</b>	<b>38,456</b>	<b>447,200</b>
<b>Net foreign currency position</b>	<b>1,232,384</b>	<b>41,864</b>	<b>412,741</b>	<b>456,698</b>	<b>162,750</b>	<b>43,575</b>	<b>704,887</b>
<b>Net notional amount of derivatives</b>	<b>-</b>	<b>-</b>	<b>35,000</b>	<b>38,728</b>	<b>-</b>	<b>-</b>	<b>38,728</b>

(\*) 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.

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 12. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

#### Foreign currency risk (cont'd)

	30 September 2024		31 December 2023	
	Profit / (loss)		Profit / (loss)	
	Valuation of foreign currency	Devaluation of foreign currency	Valuation of foreign currency	Devaluation of foreign currency
<i>In the case of TL gaining 10% value against US Dollar</i>				
1- TL net asset / (liability)	9,722	(9,722)	4,186	(4,186)
2- Portion hedged against TL risk (-)	-	-	-	-
<b>3- TL net effect (1+2)</b>	<b>9,722</b>	<b>(9,722)</b>	<b>4,186</b>	<b>(4,186)</b>
<i>In the case of Euro gaining 10% value against US Dollar</i>				
4- Euro net asset / (liability)	35,545	(35,545)	45,670	(45,670)
5- Portion hedged against Euro risk (-)	7,272	(7,272)	3,873	(3,873)
<b>6- Euro net effect (4+5)</b>	<b>42,817</b>	<b>(42,817)</b>	<b>49,543</b>	<b>(49,543)</b>
<i>In the case of other foreign currencies gaining 10% value against US Dollar</i>				
7- Other foreign currency net asset / (liability)	6,342	(6,342)	16,275	(16,275)
8- Portion hedged against other foreign currency risk (-)	-	-	-	-
<b>9- Other foreign currency net effect (7+8)</b>	<b>6,342</b>	<b>(6,342)</b>	<b>16,275</b>	<b>(16,275)</b>
<b>Total (3+6+9)</b>	<b>58,881</b>	<b>(58,881)</b>	<b>70,004</b>	<b>(70,004)</b>

## ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

#### 13. 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 bank borrowings are considered to approximate their respective carrying values, since initial rates applied to bank borrowings are updated periodically by the lender to reflect active market price quotations. The fair values of the trade receivables 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.

##### **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.

# ENKA İNŞAAT VE SANAYİ A.Ş. AND ITS SUBSIDIARIES

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2024

(Amounts are expressed as thousands of U.S. Dollars ("USD") unless otherwise stated. Currencies other than USD are expressed in thousands unless otherwise indicated.)

### 13. FINANCIAL INSTRUMENTS – FAIR VALUE EXPLANATIONS AND ACCOUNTING POLICY FOR HEDGING FINANCIAL RISK (cont'd)

#### Fair value hierarchy (cont'd)

##### 30 September 2024

	Level 1	Level 2	Level 3
Private sector bonds	355,928	-	-
Equity securities	1,082,208	18,517	8,627
Foreign government bonds	2,313,725	-	-
Turkish government bonds	168,584	-	-
Mutual funds	189,630	36,425	24,734
<b>Financial assets at fair value through profit or loss</b>	<b>4,110,075</b>	<b>54,942</b>	<b>33,361</b>
Derivative instruments	-	-	-
<b>Financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### 31 December 2023

	Level 1	Level 2	Level 3
Private sector bonds	312,290	-	-
Equity securities	946,336	17,169	8,363
Foreign government bonds	2,181,708	-	-
Turkish government bonds	296,842	-	-
Mutual funds	141,891	34,547	25,423
<b>Financial assets at fair value through profit or loss</b>	<b>3,879,067</b>	<b>51,716</b>	<b>33,786</b>
Derivative instruments	-	-	-
<b>Financial liabilities at fair value through profit or loss</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 14. SUBSEQUENT EVENTS

None.